

# CREATD INC.

Amendment to Quarterly Report for 06/30/2025 originally published through the OTC Disclosure & News Service on [08/08/2025](#)

## Explanatory Note:

Updated to OTCQB Quarterly Report Disclosure Guidelines

\*\*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.

## **Alternative Reporting Standard:** **OTCQX® U.S. and OTCQB® Disclosure Guidelines**

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 144 of the Securities Act of 1933 (“Securities Act”), and state Blue Sky laws, require issuers to provide adequate current public information. With a view to encouraging compliance with these laws, OTC Markets Group has created these OTCQX U.S. and OTCQB® Disclosure Guidelines (“Guidelines”). These Guidelines set forth the disclosure obligations that make up the “Alternative Reporting Standard” for OTCQX U.S. and OTCQB traded companies.<sup>1</sup> These Guidelines have been designed to encompass the “Catch All” information required in Rule 15c2-11,<sup>2</sup> however they have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator.

These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice.

### **General Considerations**

An issuer preparing a disclosure document under the Alternative Reporting Standard should consider the purpose of adequate disclosure. Current and potential investors in the issuer’s securities should be provided with all “material” information —the information available to the issuer necessary for the investor to make a sound investment decision. The disclosure should enable an investor of ordinary intelligence and investment skills to understand the issuer’s business and prospects.

The disclosure must therefore present the issuer’s business plan and include a full and clear picture of the issuer’s assets, facilities, properties, investments, management and other resources, as well as a complete description of how they will be used to make profits. The issuer’s business plan should clearly describe the competition, regulatory environment and other risks to the issuer’s business, as well as the issuer’s plans for confronting these challenges.

It is also important for an investor to understand how the issuer raises capital and treats investors. At a minimum, the issuer must describe the ways it has raised capital by issuing shares in the past – to whom and the amount of consideration involved. The investor should also be provided with market information, including the past price history of any transactions in the issuer’s shares.

Finally, the disclosure should use plain English.<sup>3</sup> This means using short sentences, avoiding legal and technical jargon and providing clear descriptions.

<sup>1</sup> This is not legal advice, and OTC Markets Group cannot assure anyone that compliance with our disclosure requirements will satisfy any legal requirements.

<sup>2</sup> Publication of information pursuant to these Guidelines also does not guarantee or ensure that the Company will be designated as having “current information” or eligible for public quotations pursuant to Rule 15c2-11 or any other applicable regulation.

<sup>3</sup> For tips, you may wish to consult the SEC’s Plain English Handbook, available for free on the SEC’s website, at <http://www.sec.gov>.

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## **Section One: Issuers' Initial Disclosure Obligations**

*Instructions relating to the preparation of initial disclosure:*

1. Prepare a cover page using the format set forth on the following page.
2. Prepare a disclosure document that responds to each item and sub-item of the Guidelines with information current as of the issuer's most recent fiscal quarter or year end. If a particular item is not applicable or unavailable, include the reason it is not applicable or unavailable.
3. Save the disclosure document(s) in PDF format and upload it via [www.OTCIQ.com](http://www.OTCIQ.com) using the report name "Annual Report" or "Quarterly Report", as applicable. If the disclosure information and financial statements are posted separately, please denote the report content using the subtitle field when uploading.

*Instructions relating to the preparation of initial disclosure for certain non-U.S. companies:*

Companies listed on a Qualified Foreign Exchange that are exempt from SEC registration under a rule other than Exchange Act Rule 12g3-2(b), may follow the Alternative Reporting Standard and provide the following information.

1. Publish the company's English-language Annual and Interim Reports for the most recently completed fiscal year and any subsequent periods. Upload these documents via [www.OTCIQ.com](http://www.OTCIQ.com) using the report names "Annual Report," "Interim Report", or "Quarterly Report" as applicable.
2. Publish a Supplemental Report via [www.OTCIQ.com](http://www.OTCIQ.com) that contains all of the information required under the "Catch All provision" of SEC Rule 15c2-11. See [www.otcmarkets.com/files/Catchall.pdf](http://www.otcmarkets.com/files/Catchall.pdf).

# **Creatd, Inc.**

Nevada

1111B S Governors Ave  
STE 20721, Dover,  
Delaware, 19904.

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646-859-5747  
<https://creatd.com>  
[ir@creatd.com](mailto:ir@creatd.com)

SIC Code: 7374

## **Annual/Quarterly Report**

**For the period ending June 30, 2025 (the “Reporting Period”)**

The number of shares outstanding of our Common Stock is 11,892,820 as of June 30, 2025.

The number of shares outstanding of our Common Stock was 10,320,500 as of March 31, 2025.

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

Yes:  No:

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

Yes:  No:

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred over this reporting period:

Yes:  No:

<sup>4</sup> “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

## **Part A General Company Information**

### **Item 1 The exact name of the issuer and its predecessor (if any).**

Creatd, Inc.

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, and Jerrick Ventures, Inc., a privately-held Nevada corporation headquartered in New Jersey ("Jerrick"), entered into an Agreement and Plan of Merger pursuant to which GPH 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.

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 September 9, 2020, the Company filed a certificate of amendment with the Secretary of State of the State of Nevada to change its name from Jerrick Media Holdings, Inc. to Creatd, Inc., which became effective on September 10, 2020.

### **Item 2 The address of the issuer's principal executive offices and address(es) of the issuer's principal place of business:**

In answering this item, please also provide (i) the telephone of the issuer's principal executive offices, (ii) if applicable, the URL of each website maintained by or on behalf of the issuer, and (iii) if applicable, the name, phone number, email address, and mailing address of the person responsible for the issuer's investor relations.

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.

Primary Telephone: (646) 859-5747  
ir@creatd.com

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

**Item 3 The jurisdiction(s) and date of the issuer's incorporation or organization.**

In answering this item, please provide the state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years. Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive).

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

**Part B Share Structure**

**Item 4 The exact title and class of securities outstanding.**

In answering this item, provide the exact title and class of each class of outstanding securities. In addition, please provide the CUSIP and trading symbol.

In answering this item, provide the exact title and class of each class of outstanding securities. In addition, please provide the CUSIP and trading symbol.

Trading symbol: CRTD  
Exact title and class of securities outstanding: Common  
CUSIP: 225265305

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

Exact title and class of the security: Preferred Series E

Exact title and class of the security: Preferred Series F

Exact title and class of the security: Preferred Series G

Exact title and class of the security: Preferred Series H

Exact title and class of the security: Preferred Series I

**Item 5 Par or stated value and description of the security.**

A. *Par or Stated Value.* Provide the par or stated value for each class of outstanding securities.

Exact title and class of securities outstanding: Creatd Common  
Par or stated value: \$0.001

Exact title and class of securities outstanding: Creatd Warrant (CRTDW)  
Par or stated value: \$0.001

Exact title and class of the security: Preferred Series E  
Par or stated value: Par: \$0.001 Stated: \$1.000

Exact title and class of the security: Preferred Series F  
Par or stated value: Par: \$0.001 Stated: \$1.000

Exact title and class of the security: Preferred Series G  
Par or stated value: Par: \$0.001 Stated: \$750

Exact title and class of the security: Preferred Series H  
Par or stated value: Par: \$0.001 Stated: \$100

Exact title and class of the security: Preferred Series I  
Par or stated value: Par: \$0.001 Stated: \$100

**B. Common or Preferred Stock.**

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.

### **Series I Preferred Stock**

The shares of Series I Preferred Stock have a stated value of \$100 per share and are convertible into Common Stock at the election of the holder, at any time beginning 18 months following the Original Issue Date, at a price of

\$1.00 per share, subject to adjustment. Each holder of Series I Preferred Stock shall be entitled to receive, with respect to each share of Series I 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% 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.

1. Describe any other material rights of common or preferred stockholders.  
N/A
2. Describe any provision in the issuer's charter or by-laws that would delay, defer or prevent a Change in Control of the issuer.  
N/A

**Item 6      The number of shares or total amount of the securities outstanding for each class of securities authorized.**

In answering this item, provide the information below for each class of securities authorized. Please provide this information (i) as of the end of the issuer's most recent fiscal quarter and (ii) as of the end of the issuer's last two fiscal years.

- (i)      Period end date;
- (ii)     Number of shares authorized;
- (iii)    Number of shares outstanding;
- (iv)     Freely tradable shares (public float);
- (v)      Number of beneficial shareholders owning at least 100 shares<sup>5</sup>; and
- (vi)     Total number of shareholders of record.

Period End Date:

June 30, 2025

#### Common Shares

Total shares authorized: 3,000,000  
Total shares outstanding: 11,913,695  
Freely tradable shares (public float): 0  
Number of beneficial shareholders owning at least 100 shares: 76  
Total number of shareholders of record: 481

#### Cretd Warrant

Total shares authorized: 2,885,621  
Total shares outstanding: 2,542,500  
Freely tradable shares (public float): 2,542,500  
Number of beneficial shareholders owning at least 100 shares: 9  
Total number of shareholders of record: 9

#### Series E

Total shares authorized:  
  
8,000  
Total shares outstanding: 450  
Freely tradable shares (public float): 0  
Number of beneficial shareholders owning at least 100 shares: 4  
Total number of shareholders of record: 5

#### Series F

Series F Par or stated value:  
  
\$0.001  
Total shares authorized: 5,500,000  
Total shares outstanding: 2,283  
Freely tradable shares (public float): 0  
Number of beneficial shareholders owning at least 100 shares: 2  
Total number of shareholders of record: 2

#### Series G

Series G Par or stated value: \$0.001  
Total shares authorized: 500,000  
Total shares outstanding: 14,124  
Freely tradable shares (public float): 0  
Number of beneficial shareholders owning at least 100 shares: 31  
Total number of shareholders of record: 32

#### Series H

Preferred Series H Par or stated value: \$0.001  
Total shares authorized: 50,000

Total shares outstanding: 3,798  
Freely tradable shares (public float); 0  
Number of beneficial shareholders owning at least 100 shares: 8  
Total number of shareholders of record: 8

Series I

Preferred Series I Par or stated value: \$0.001  
Total shares authorized: 100,000  
Total shares outstanding: 37,812  
Freely tradable shares (public float); 0  
Number of beneficial shareholders owning at least 100 shares: 8

**Item 7 The name and address of the transfer agent\*.**

In answering this item, please also provide the telephone number of the transfer agent, indicate whether or not the transfer agent is registered under the Exchange Act, and state the appropriate regulatory authority of the transfer agent.

\*To be included in OTCQX or OTCQB, the issuers whose securities are incorporated in the U.S. or Canada *must* have a transfer agent registered under the Exchange Act.

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

**Part C Business Information**

**Item 8 The nature of the issuer's business.**

In describing the issuer's business, please provide the following information:

A. **Business Development.** Describe the development of the issuer and material events during the last three years so that a potential investor can clearly understand the history and development of the business. If the issuer has not been in business for three years, provide this information for any predecessor company. This business development description must also include:

<sup>5</sup> Securities quoted on OTCQX U.S. must have at least 50 beneficial shareholders each owning at least 100 shares. Securities quoted on OTCQX U.S. Premier must have at least 100 beneficial shareholders each owning at least 100 shares.

1. **the form of organization of the issuer (e.g., corporation, partnership, limited liability company, etc.);** Corporation
2. **the year that the issuer (or any predecessor) was organized;**

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. (“GTPH”) 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.

**3. the issuer's fiscal year end date;**  
December 31

**4. whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding;**

None

**5. any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets;**

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"). WHE is a talent management and public relations agency based in New York. WHE has been consolidated due to the Company's ownership of 55% voting control.

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 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.

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 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, "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 a 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, an employee of the Company. 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 48.72% 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, the OG Collection, Inc. amended its Articles of Incorporation, increasing its authorized shares from 2,000,000, all of which was Common Stock, to 1,050,000,000, of which 1,000,000,000 shares became Common Stock and 50,000,000 shares became Preferred Stock.

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 8.26% 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, THEPOWERHOUSE, 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.

On November 27, 2024, the Company rescinded 1.5% of its membership interests in OG Collection, Inc. and 1.70% of its membership interests in Vocal, Inc. previously issued to a board member after their resignation.

On February 27, 2025, the Company completed the acquisition of Flewber Global, Inc. ("Flewber"), a private on-demand aviation company, in an all-equity transaction. Upon closing, Flewber was renamed Fly Flyte, Inc. and became a wholly owned subsidiary of the Company. Flewber Global, Inc. had three subsidiaries included in the acquisition: (i) Flewber, Inc.; (ii) Ponderosa Air LLC, which holds the Company's FAA Part 135 Operating Certificate; and (iii) Vision FGAR 1 LLC, which was dissolved after the acquisition but prior to June 30, 2025. The total purchase price, measured as the fair value of the consideration transferred, was approximately \$14.4

million and consisted of shares of the Company's common stock, Series G Preferred Stock, warrants, and forgiveness of an intercompany note. The acquisition was accounted for as a business combination under ASC 805, Business Combinations, and the results of Flyte, Inc.'s operations have been included in the Company's consolidated financial statements from the date of acquisition. Additional information about the transaction, including the purchase price allocation, is provided in Note 10 – Acquisitions.

On May 6, 2025, the Company acquired 1% of equity in MineralRite Corporation in the form of 17,000,000 shares of its common stock. As consideration for this acquisition, MineralRite Corporation received 90,000 shares of the Company's common stock.

On June 23, 2025, an investor entered into a Securities Purchase Agreement whereby it purchased from the Company 10% ownership interest in the entity Fly Flyte, Inc. for a purchase price of \$100,000. Proceeds were allocated to operating and marketing expenses of Fly Flyte, Inc., which the Company plans to make the operating entity for the Hops side of Flyte's operations. The agreement includes customary investor protections such as down-round anti-dilution rights, a right of first refusal on future financings for 12 months, reinvestment rights, and participation in a potential spin-off of Flyte Luxe. Additionally, the investor received flight credits as non-cash consideration.

**6. any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments;**

*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 June 30, 2025, the Loan was in default, and the lender may require immediate payment of all amounts owed under the Loan or file suit and obtain judgment.

Subsequent to June 30, 2025, the balance of this note was forgiven by the Small Business Administration. *See Subsequent Events.*

*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 was 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.

On June 13, 2025, the Company entered into a Settlement Agreement with the Second September 2022 Lender, whereby the Company agreed to make a payment of \$2,500 by June 13, 2025, and two subsequent payments of \$25,000 to close out the remaining note.

During the six months ended June 30, 2025, the Company paid \$2,500 towards the principal of this note.

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

Subsequent to June 30, 2025, the Company fulfilled its obligation under the Settlement Agreement, and the note is closed out. *See Subsequent Events.*

#### *The April 5th, 2024 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 promissory note of \$56,250 (the “April 5 Note”). The original maturity date of the April 5 Note is February 15, 2025. This note has a flat interest fee of 15%.

The Company recorded a \$11,250 debt discount relating to an original issue discount and debt issuance costs of \$5,000. The debt discount is being accreted over the life of the note. The debt discount was fully amortized as of June 30, 2025.

On December 4, 2024, the Lender agreed to extend the note’s maturity date to March 31, 2025. As of June 30, 2025, this note was in default.

Subsequent to June 30, 2025, the Company paid the note off in full and the note is no longer outstanding.

#### *The May 3rd, 2024 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 \$60,000 (the “May 3rd Note”). This note does not accrue interest. The May 3 Note has a maturity date of May 3, 2025.

The Company recorded a \$24,600 debt discount relating to an original issue discount and debt issuance costs of \$2,400. The debt discount is being accreted over the life of the note. As of June 30, 2025,

the discount had been fully amortized.

During the six months ending June 30, 2025, the Company paid \$9,500 in principal towards this note.

*The May 31, 2024 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 for an original issue discount. The principal of the note shall be due and payable in full on the Maturity Date. This note has a flat interest fee of 15%. The Company recorded debt issuance costs of \$1,800. The debt discount is being accreted over the life of the note. The debt discount has been fully amortized as of June 30, 2025.

During the six months ended June 30, 2025, the Company repaid \$1,500 towards the balance of this note.

*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 note has a maturity date of March 31, 2025 and was in default as of June 30, 2025.

The Company accrues interest at the rate of 20% per annum on the outstanding balance of the note. During the six months ended June 30, 2025, this note recorded interest of \$10,202.

Subsequent to June 30, 2025, Mr. Frommer extended the note and it is in good standing as of the date of this Filing.

**7. any change of control;**

none

**8. any increase of 10% or more of the same class of outstanding equity securities;**

During 2025, the Company issued multiple tranches of Preferred and Common stock in exchange for compensation, conversions, services, settlements and strategic transactions that in aggregate exceeded 10% of shares outstanding for any one class. These issuances are detailed below.

*Shares issued for settlement of liabilities*

On January 2, 2025, the Company issued 800 shares with a fair value of \$264 to a vendor to settle \$800 in outstanding liabilities, resulting in a gain on settlement of debt of \$536.

On January 17, 2025, the Company issued 10,000 shares at a fair value of \$5,800 to settle \$5,800 in outstanding liabilities.

On March 4, 2025, the Company issued 4,125 shares at a fair value of \$3,094 to settle \$1,250 in outstanding liabilities, resulting in a loss on settlement of debt of \$1,844.

On June 25, 2025, the Company issued 372,000 to 2 employees of Flewber Global, Inc. at a fair value of \$127,968 to settle \$372,000 in outstanding liabilities, resulting in a gain on settlement of debt of \$244,032.

*Common stock issued for financing fees*

On February 7, 2025, the Company issued 1,768 shares of common stock with a fair value of \$2,122 to an investor for fees and penalties associated with a convertible note.

*Shares issued for acquisition of consolidated subsidiary*

On February 27, 2025, the Company issued 1,056,140 shares of common stock with a fair value of \$950,526 to the shareholders of Flewber Global, Inc. in exchange for their equity in Flewber Global, Inc. as part of the acquisition of that entity. See *Acquisition of Flewber Global, Inc.* in Note 10 for further details on the acquisition structure.

*Cash received for common stock*

During the six months ended June 30, 2025, 13 investors purchased 276,140 shares of Common stock for proceeds to the Company of \$276,140. These purchases were made in conjunction with the Company's acquisition of Flewber Global, Inc. See *Acquisition of Flewber Global, Inc.* in Note 10 for further details on the acquisition structure.

*Stock based compensation in Creatd, Inc.*

On January 6, 2025, the Company issued 48,645 shares with a fair value of \$22,377 to a vendor for services rendered.

On February 6, 2025, the Company issued 125,000 shares with a fair value of \$131,250 to a vendor for services rendered for a service contract of 6 months. \$109,250 of this was recognized in the current period, and \$21,875 was recognized as prepaid expenses.

On February 27, 2025, the Company issued 500,000 shares with a fair value of \$450,000 to Marc Sellouk, CEO of Flewber Global, Inc., as part of a retention package associated with the Company's acquisition of that entity. Under this agreement, these 500,000 shares were to be issued at acquisition in exchange for his equity in Flewber Global, Inc. and another 468,832 shares, as well as 14,812 shares of Preferred Series I stock, were to be issued on June 30, 2025, if Mr. Sellouk's employment at the Company continued through that date. Mr. Sellouk continues his employment with the Company, and on June 30, 2025, the Company issued the additional 468,832 shares of

Common stock with a fair value of \$187,583 and the 14,812 shares of Preferred Series I stock with a fair value of \$592,465 under this agreement.

*Shares issued for acquisition of marketable securities*

On May 6, 2025, the Company acquired 17,000,000 shares in MineralRite Corporation, in exchange for 90,000 shares of the Company's common stock.

*Exercise of warrants to stock*

Between February 12, 2025, and February 26, 2025, the Company issued 4,496,400 shares of common stock pursuant to the cashless exercise of warrants.

On June 23, 2025, the Company issued 2,000 shares of common stock pursuant to the exercise of warrants for gross proceeds of \$2,000.

On June 30, 2025, the Company issued 200,000 shares of common stock pursuant to the cashless exercise of warrants.

- 9. any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;**  
On January 24, 2024, the Company effectuated a 1-for-500 reverse stock split. 3,554 shares with a fair value of \$12,084 were issued pursuant to rounding from this reverse stock split.

For mergers and acquisitions, see No. 5 above.

- 10. any delisting of the issuer's securities by any securities exchange; and**

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.

**11. any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.**

There are no such legal proceedings or claims that will have, individually or in aggregate, a material adverse effect on our business, financial condition or operating results.

**B. Business of Issuer.** Describe the issuer's business so a potential investor can clearly understand it. To the extent material to an understanding of the issuer, please also include the following:

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.

1. the issuer's primary and secondary SIC Codes; 7374, 4522
  
2. if the issuer has never conducted operations, is in the development stage, or is currently conducting operations; Currently conducting operations
  
3. whether the issuer has at any time been a "shell company";<sup>6</sup>  
No

<sup>6</sup> For the purpose of this section a "shell company" means an issuer, other than a business combination related shell company, as defined by Securities Act Rule 405, or an asset-backed issuer, as defined by Item 1101(b) of Regulation AB, that has:

- (1) No or nominal operations; and
- (2) Either:
  - (A) No or nominal assets;
  - (B) Assets consisting solely of cash and cash equivalents; or
  - (C) Assets consisting of any amount of cash and cash equivalents and nominal other assets.

*Instruction to paragraph B.3 of Item 8:*

*The issuer must attest that it is not currently a shell company. If the issuer discloses that it was formerly a shell company, it must also include the following disclosure on the front page of its disclosure statement in boldface, 12 point type:*

***"We previously were a shell company, therefore the exemption offered pursuant to Rule 144 is not available. Anyone who purchased securities directly or indirectly from us or any of our affiliates in a transaction or chain of transactions not involving a public offering cannot sell such securities in an open market transaction."***

4. *the names and contact information of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement;*

Parent: Creatd, Inc.

Contact: Jeremy Frommer, (646) 859-5747

Description: Creatd, Inc. is a Nevada corporation and the parent company of all consolidated operations. The company functions as a publicly traded holding company focused on acquiring, recapitalizing, and managing a portfolio of businesses across media, technology, publishing, and e-commerce. Included in the consolidated financial statements.

Subsidiary: Vocal, Inc.

Contact: Justin Maury, (646) 859-5747

Description: Vocal, Inc. is a Delaware corporation that operates the Vocal platform, a digital publishing and creator-enablement platform for long-form content and brand collaborations. Wholly owned and included in the consolidated financial statements.

Subsidiary: OG Collection, Inc.

Contact: Jeremy Frommer (646) 859-5747

Description: OG Collection, Inc. is a Delaware corporation that manages the OG Collection, a curated archive of photography, art, and cultural intellectual property licensed for commercial and publishing use. Wholly owned and included in the consolidated financial statements.

Subsidiary: Fly Flyte, Inc.

Contact: Marc Sellouk, (646) 859-5747

Description: Flyte, Inc. is a corporation operating a private aviation and technology platform acquired by Creatd, Inc. in 2025. Flyte provides charter services, fractional ownership, and financing solutions through its AI-enabled infrastructure for fleet management and customer engagement. The company has transitioned from cash burn to positive EBITDA and continues to expand its fleet and service network. Included in the consolidated financial statements.

Subsidiary: Ponderosa Air LLC

Contact: Jeremy Frommer, (646) 859-5747

Description: Ponderosa Air LLC is a U.S.-based limited liability company serving as the licensed air carrier under Federal Aviation Administration (FAA) Part 135 certification. The entity is responsible for all flight operations, safety compliance, and aircraft conformity approvals required by the FAA.

While Flyte manages customer relationships, scheduling, and revenue generation, Ponderosa Air maintains operational control of the aircraft in accordance with federal aviation regulations. Included in the consolidated financial statements.

Subsidiary: Studio 96 Publishing (S96 NYC LLC)

Contact: Aya Abitbul (646) 859-5747

Description: Studio 96 Publishing is a New York limited liability company acquired by Creatd on July 26, 2024. It is a luxury publishing imprint specializing in collectible and interactive art and fashion books. Wholly owned and included in the consolidated financial statements.

Subsidiary: Jerrick Ventures LLC

Contact: Jeremy Frommer (646) 859-5747

Description: Jerrick Ventures LLC is a Delaware limited liability company that serves as a legacy intellectual-property and administrative entity maintaining contracts and content rights developed under Jerrick Media. Wholly owned and included in the consolidated financial statements.

Subsidiary: Abacus Tech Pty Ltd

Contact: Jeremy Frommer (646) 859-5747

Description: Abacus Tech Pty Ltd is an Australian subsidiary of Creatd, Inc. formed for the purpose of partnering with the Company's Sydney-based development team for research and development of the Vocal platform.

Affiliate: Geopulse Explorations, Inc.

Contact: (646) 859-5747

Description: Geopulse Explorations, Inc. is a small-cap public company in which Creatd holds a minority equity position of less than 5%. Not included in the consolidated financial statements.

Affiliate: The Powerhouse LLC

Contact: (646) 859-5747

Description: The Powerhouse LLC is a digital-media company in which Creatd holds a 5% equity interest as a strategic investment. Not included in the consolidated financial statements.

Affiliate: Hollywall Entertainment, Inc. (HWAL)

Contact: (646) 859-5747

Description: Hollywall Entertainment, Inc. is a publicly traded media and communications company in which Creatd, Inc. holds a minority equity position obtained through a strategic securities swap executed on July 17, 2024. The investment represents less than 5% ownership. Not included in the consolidated financial statements.

Affiliate: PCG Advisory, Inc.

Contact: Jeff Ramson, (646) 859-5747

Description: PCG Advisory, Inc. is a New York-based strategic communications and advisory firm specializing in investor relations, public relations, and digital engagement for emerging growth and publicly traded companies. Creatd, Inc. holds a minority equity position obtained through a strategic partnership established in 2025. Not included in the consolidated financial statements.

Affiliate: Prism Media Wire, Inc.  
Contact: Jeff Ramson, (646) 859-5747

Description: Prism Media Wire, Inc. is a Delaware corporation providing press release distribution and media syndication services across financial and digital media outlets. The company operates as part of the PCG Advisory ecosystem and enhances visibility and communications for issuers in the public markets. Not included in the consolidated financial statements.

Affiliate: Prism Media Holdings, LLC  
Contact: Jeff Ramson, (646) 859-5747

Description: Prism Media Holdings, LLC is a Delaware limited liability company serving as the holding entity for Prism Media Wire and related media assets. It manages the strategic operations, partnerships, and technology development of PCG's media and communications network. Not included in the consolidated financial statements.

Affiliate: AIIRHub, Inc.  
Contact: Jeff Ramson, (646) 859-5747

Description: AIIRHub, Inc. is a Delaware corporation focused on developing artificial intelligence-powered tools for investor communications, sentiment analysis, and digital marketing automation. The platform supports PCG Advisory's expansion into AI-driven capital markets communications. Not included in the consolidated financial statements.

5. *the effect of existing or probable governmental regulations on the business;*  
As of December 31, 2024, existing governmental regulations do not have a material adverse effect on the business of Creatd, Inc. or its subsidiaries. As a publicly traded issuer, Creatd is subject to the reporting, disclosure, and compliance requirements of the Securities Exchange Act of 1934, the Securities Act of 1933, and the rules and regulations promulgated by the U.S. Securities and Exchange Commission (SEC) and OTC Markets Group. These include requirements relating to financial reporting, insider trading, beneficial ownership, and corporate governance.

The company and its subsidiaries operate in digital publishing, media production, aviation, and e-commerce—industries that are generally subject to federal, state, and local laws governing advertising, data privacy, intellectual property, transportation, and consumer protection. Subsidiaries such as Vocal, Inc. must comply with Federal Trade Commission (FTC) guidelines on sponsored content, advertising disclosures, and influencer partnerships.

Fly Flyte, Inc., Creatd's aviation subsidiary, is subject to regulation by the Federal Aviation Administration (FAA) and other applicable federal and state aviation authorities. The company's operations adhere to FAA standards governing charter operations, aircraft maintenance, flight safety, and operator certification requirements.

Management does not anticipate any current or proposed governmental regulations that would materially affect the company's consolidated financial

position or business operations. Creatd maintains internal controls and compliance procedures designed to meet SEC reporting standards, OTC Markets disclosure obligations, and applicable data, advertising, aviation, and employment laws.

6. *an estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities were borne directly by customers;*

2024: \$204,043

2023: \$362,013

The cost of such activities was not borne directly by customers.

7. *costs and effects of compliance with environmental laws (federal, state and local); and*

None.

8. *the number of total employees and number of full-time employees.*

5 employees. 5 full time employees.

For issuers engaged in mining, oil and gas production and real estate activities, substantial additional disclosure of the issuer's business is required. Contact OTC Markets Group for more information.

#### **Item 9        The nature of products or services offered.**

In responding to this item, please describe the following so that a potential investor can clearly understand the products and services of the issuer:

- A.        principal products or services, and their markets;

#### **Creatd**

As of June 30, 2025, Creatd, Inc. operates as a publicly traded holding company focused on acquiring, recapitalizing, and managing a portfolio of businesses across media, publishing, technology, and e-commerce. The company's principal products and services are provided through its consolidated subsidiaries, which together form a diversified ecosystem serving both consumers and businesses in the digital creator economy.

#### **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.

Vocal offers a range of monetization features on the platform, 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.

### **Vocal for Brands**

Vocal for Brands is Vocal's in-house content studio that specializes in creating best-in-class organic marketing campaigns. Its 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.

Vocal for Brands works 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.

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.

### **OG Collection, Inc.**

The OG Collection manages a curated archive of fine-art photography and cultural IP, offering licensing, exhibitions, and publishing opportunities to media outlets, galleries, and brand collaborators. The collection appeals to audiences in art, media, and fashion sectors. This division manages a curated archive of fine-art photography and cultural works, and produces collectible coffee table books and art publications derived from that archive. Its titles are distributed to global art collectors, luxury brands, and specialty retailers.

### **Fly Flyte, Inc.**

Fly Flyte, Inc. (DBA Flyte Inc., formerly known as Flewber, Inc.) operates as Creatd's aviation and technology affiliate, focused on private air charter, aircraft management, and aviation lifestyle services. Acquired by Creatd in 2025, Flyte has built a vertically integrated infrastructure that combines advanced AI technology with real-world aviation operations, enabling a seamless experience for both charter clients and operators.

The company's operations are organized under two primary verticals: Flyte Hops and Flyte Luxe. Flyte Hops is an operator that manages short-haul charter routes and on-demand flights through a network of partner aircraft, offering efficient, cost-effective regional travel solutions. Flyte Luxe is a charter division, providing end-to-end service for private jet clients seeking bespoke travel experiences, including full charter management, concierge coordination, and luxury in-flight services.

Flyte's proprietary AI-enabled platform powers scheduling, routing, and resource optimization across its fleet, improving utilization and reducing operational costs while maintaining compliance with Federal Aviation Administration (FAA) regulations governing charter operations, maintenance, and safety. With its blend of technology, operational excellence, and brand sophistication, Flyte has established itself as a key growth vertical within Creatd's broader ecosystem of media, technology, and commerce.

- B. distribution methods of the products or services;

**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, Studio 96 Publishing and OG Collection. 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.

**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.

**Aviation Platform:** Fly Flyte, Inc., acquired by Creatd in 2025, serves as both a technology platform and distribution network for the company's aviation and high-net-worth customer ecosystem. Through its vertically integrated model, spanning Flyte Hops for short-haul regional travel and Flyte Luxe for premium charter and lifestyle services, Flyte has established a direct access point to a curated network of aviation clients, investors, and affiliated partners. This platform not only supports Flyte's own operational growth but also provides a new channel through which Creatd can distribute and market its broader portfolio of products, media initiatives, and luxury collaborations. Flyte also distributes through its own personal network and book of business.

C. status of any publicly announced new product or service;

N/A

D. competitive business conditions, the issuer's competitive position in the industry, and methods of competition;

As of June 30, 2025, Creatd, Inc. operates within competitive industries that include digital media, publishing, and the broader creator and e-commerce economy.

Competition in these sectors is largely based on audience engagement, operational efficiency, access to capital, and the ability to adapt to rapidly changing market dynamics.

Creatd's primary competitive advantage lies in its data-driven approach to portfolio management. Across all subsidiaries and investments, the company applies big-data analytics to assess and optimize sales performance, marketing effectiveness, logistics, and operational processes, materially improving the financial performance of its portfolio companies. This analytical framework enables Creatd to identify inefficiencies, allocate resources strategically, and enhance profitability across its holdings.

Unlike traditional holding companies or standalone media operators, Creatd's model integrates technology, publishing, and investment management under one structure. Through subsidiaries such as Flyte, Vocal and OG Collection, the company leverages its shared infrastructure, audience data, and operational insights to support the growth of both wholly owned and minority-held businesses.

By combining creative development with data intelligence, Creatd occupies a distinct position in the small-cap and digital media landscape—balancing innovation with disciplined operational oversight to generate long-term value.

E. sources and availability of raw materials and the names of principal suppliers; N/A

F. dependence on one or a few major customers; N/A

G. patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration; and

Creatd, Inc. and its subsidiaries hold the trademarks to the names Flyte, Inc., Flyte Flyte, Inc., "Vocal Inc." and "Studio 96 Publishing" as well as associated logos and marks.

H. the need for any government approval of principal products or services and the status of any requested government approvals.

Creatd, Inc. and its subsidiaries generally do not require specific governmental approvals for their principal products or services, apart from standard business licensing and regulatory compliance applicable to their respective industries.

Subsidiaries engaged in digital publishing, media production, and e-commerce, such as Vocal, Inc., OG Collection, and Studio 96 Publishing, operate under existing federal, state, and local regulations related to advertising, data privacy, and intellectual property. No additional government approvals are required for their ongoing operations.

Flyte, Inc., Creatd's aviation subsidiary, operates in a regulated industry and is subject to oversight by the Federal Aviation Administration (FAA). Flyte is required to maintain an active Part 135 Air Carrier Certificate, which authorizes it to conduct on-demand charter operations in compliance with FAA safety and operational standards. Each aircraft in Flyte's fleet must undergo FAA conformity inspections and receive approval prior to being added to the company's operating specifications.

As of June 30, 2025, all necessary FAA approvals for Flyte's current operations are in place, and management is not aware of any pending government approvals that would materially affect the company's ability to continue its business activities.

**Item 10      The nature and extent of the issuer's facilities.**

Please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

On February 27, 2025, as a result of the acquisition of Flewber Global, Inc., the Company assumed a 3-year lease agreement for a lease for an office suite at the air-taxi's base of operation located at 7160 Republic Airport, Farmingdale, NY 11735.

This was the only lease the Company had as of June 30, 2025.

**Part D      Management Structure and Financial Information**

**Item 11      Company Insiders (Officers, Directors, and Control Persons).**

Please give 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 shareholders.

A. Officers and Directors. In responding to this item, please provide the following information for each of the issuer's executive officers, directors, general partners, as of the date of this information statement:

1.      Full name;
2.      Officer/Director Title:
3.      Business address;

4. Employment history (which must list all previous employers for the past 5 years, positions held, responsibilities and employment dates);
5. Board memberships and other affiliations;

6. Compensation by the issuer; and
7. Number and class of the issuer's securities beneficially owned by each such person.

**Jeremy Frommer**

1. Jeremy Phillip Frommer
2. CEO and CFO
3. Address at 1111B S Governors Ave STE 20721, Dover, Delaware, 19904.
4. CEO of Jerrick Media Holdings since 2014, renamed Creatd, Inc. in 2020
5. Chairman of the Board of Creatd, Inc.
6. Compensation by the issuer; \$375,000
7. Number and class of the issuer's securities beneficially owned:
  - Common: 1,123,306
  - Preferred H: 642
  - Warrants: 4,187,954
  - Options: 1,763,148

**Justin Maury**

1. Justin Fontaine Maury
2. COO of Creatd, Inc., CEO of Vocal Inc.
3. Address at 1111B S Governors Ave STE 20721, Dover, Delaware, 19904.
4. President of Jerrick Media Holdings since 2014, renamed Creatd, Inc. in 2020
5. Member of the Board of Creatd, Inc.
6. Compensation by the issuer; \$375,000
7. Number and class of the issuer's securities beneficially owned:
  - Common: 923,396
  - Warrants: 754,981
  - Preferred H: 636
  - Options: 1,762,894

**Peter Majar**

1. Peter Majar
2. Member of the Board of Directors of Creatd, Inc.
3. Address at 1111B S Governors Ave STE 20721, Dover, Delaware, 19904.
4. Joined Creatd's Board of Directors in May 2022. Concurrent with his role at Creatd, Pete is the founder of Majar Advisors, a financial consultancy. Prior to his role at Creatd, Mr. Majar was the CFO and Head of Strategy at Hoyos Integrity Corporation from October 2021 to April 2022, and Managing Director of Investment Banking and Head of Financial Technology at TAP Advisors from February 2018 to April 2022.
5. Member of the Board of Directors of Creatd, Inc.
6. Compensation by the issuer; \$210,000
7. Number and class of the issuer's securities beneficially owned:
  - Warrants: 743,718
  - Common: 923,216
  - Preferred H: 630
  - Options: 903,256

**B. Other Control Persons.** In responding to this item, please provide the following information for all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities as of the date of this information statement. Do not include Officers or Directors previously listed.

1. Full name;
2. Address; and
3. Number and class of the issuer's securities beneficially owned.

<b>Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)</b>	<b>Position/Company Affiliation (ex: CEO, 5% Control person)</b>	<b>City and State (Include Country if outside U.S.)</b>	<b>Class of Shares Owned</b>	<b>Number of Shares Owned (List common, preferred, warrants and options separately)</b>	<b>Percentage of Class of Shares Owned (undiluted)</b>
AIRHub, Inc. Jeff Ramson,	5% Owner of Class	New York, NY	Preferred I	3,000	7.93%
Arthur Rosen	Independent Director	Isle of Palms, SC	Warrants	0	0.00%
Aya Abitbul	5% Owner of Class	New York, NY	Warrants	441,227	1.24%
Aya Abitbul	5% Owner of Class	New York, NY	Preferred H	224	5.90%
Aya Abitbul	5% Owner of Class	New York, NY	Options	720,747	6.32%
Aya Abitbul	5% Owner of Class	New York, NY	Common	457,000	3.84%
Carmit Cohen	5% Owner of Class	North Woodmere, NY	Warrants	1,150,500	3.24%
Carmit Cohen	5% Owner of Class	North Woodmere, NY	Preferred G	767	5.06%
Chris Riggio	5% Owner of Class	Brooklyn, NY	Warrants	102,205	0.29%
Chris Riggio	5% Owner of Class	Brooklyn,	Preferred H	140	3.69%

		NY			
Chris Riggio	5% Owner of Class	Brooklyn, NY	Options	924,815	8.11%
Chris Riggio	5% Owner of Class	Brooklyn, NY	Common	456,896	3.84%
Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646	5% Owner of Class	Dorado Beach, PR	Warrants	3,407,626	9.61%
Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646	5% Owner of Class	Dorado Beach, PR	Preferred G	537	3.54%
Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646	5% Owner of Class	Dorado Beach, PR	Preferred F	2,253	98.69%
Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646	5% Owner of Class	Dorado Beach, PR	Common	13,125	0.11%
Erica Wagner	5% Owner of Class	London, ENG	Warrants	511,167	1.44%
Erica Wagner	5% Owner of Class	London, ENG	Preferred H	331	8.72%
Erica Wagner	5% Owner of Class	London, ENG	Common	3,389	0.03%
Gregory Castaldo	5% Owner of Class	Pelham, NY	Warrants	1,355,119	3.82%
Gregory Castaldo	5% Owner of Class	Pelham, NY	Preferred G	901	5.95%
Gregory Castaldo	5% Owner of Class	Pelham, NY	Common	121,000	1.02%
Iroquois Master Fund; Richard Abbe 2 Overhill Road, Scarsdale, New York 10583	5% Owner of Class	Scarsdale, NY	Warrants	1,176,000	3.10%
Iroquois Master Fund; Richard Abbe 2 Overhill Road, Scarsdale, New York 10583	5% Owner of Class	Scarsdale, NY	Preferred G	834	5.50%
Jeremy Frommer	CEO	Fort Lee, NJ	Warrants	4,225,454	11.92%
Jeremy Frommer	CEO	Fort Lee, NJ	Preferred H	642	16.90%
Jeremy Frommer	CEO	Fort Lee, NJ	Options	2,393,148	21.00%
Jeremy Frommer	CEO	Fort Lee, NJ	Common	1,123,306	9.45%
Joseph Reda	5% Owner of Class	Pelham, NY	Warrants	1,447,275	4.08%
Joseph Reda	5% Owner of Class	Pelham, NY	Preferred G	1,166	5.93%
Joseph Reda	5% Owner of Class	Pelham, NY	Common	168,200	1.41%
Justin Maury	COO	Fort Lee, NJ	Warrants	754,981	2.13%
Justin Maury	COO	Fort Lee, NJ	Preferred H	636	16.75%
Justin Maury	COO	Fort Lee, NJ	Options	2,392,894	21.00%

Justin Maury	COO	Fort Lee, NJ	Common	923,396	7.77%
Lind Global Fund II LP; Jeff Easton 444 Madison Avenue, FL 41 New York, NY 10022	5% Owner of Class	New York, NY	Preferred F	150	1.31%
Lucosky Brookman, LLP; Joseph Lucosky & Seth Brookman 101 S Wood Ave, Iselin, NJ 08830	5% Owner of Class	Iselin, NJ	Preferred G	867	5.72%
Lucosky Brookman, LLP; Joseph Lucosky & Seth Brookman 101 S Wood Ave, Iselin, NJ 08830	5% Owner of Class	Iselin, NJ	Common	388,889	3.27%
MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621	5% Owner of Class	Bergenfield, NJ	Warrants	758,949	2.14%
MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621	5% Owner of Class	Bergenfield, NJ	Preferred H	563	14.82%
MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621	5% Owner of Class	Bergenfield, NJ	Options	244,419	2.14%
MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621	5% Owner of Class	Bergenfield, NJ	Common	457,000	3.84%
Marc Sellouk	5% Owner of Class	North Woodmere, NY	Preferred I	14,812	39.17%
Marc Sellouk	5% Owner of Class	North Woodmere, NY	Common	1,184,632	9.96%
PCG Advisory, Jeff Ramson	5% Owner of Class	New York, NY	Preferred I	12,500	33.06%
Peter Majar	Independent Director	New York, NY	Warrants	743,718	2.10%
Peter Majar	Independent Director	New York, NY	Preferred H	630	16.59%
Peter Majar	Independent Director	New York, NY	Options	1,103,256	9.68%
Peter Majar	Independent Director	New York, NY	Common	923,216	7.77%
Prism Media Holdings, Inc., Jeff Ramson	5% Owner of Class	New York, NY	Preferred I	5,000	13.22%
Prism MediaWire, Inc., Jeff Ramson	5% Owner of Class	New York, NY	Preferred I	2,500	6.61%

Robert Tal	5% Owner of Class	Oakhurst, NJ	Warrants	862,306	2.43%
Robert Tal	5% Owner of Class	Oakhurst, NJ	Preferred H	632	16.64%
Robert Tal	5% Owner of Class	Oakhurst, NJ	Options	2,375,331	20.84%
Robert Tal	5% Owner of Class	Oakhurst, NJ	Common	457,105	3.84%
SEG Opportunity Fund, LLC; Joseph Reda & Jonathan Schechter  One Wolfs Lane Suite 316 Pelham, NY 10803	5% Owner of Class	Pelham, NY	Warrants	3,787,500	9.59%
SEG Opportunity Fund, LLC; Joseph Reda & Jonathan Schechter  One Wolfs Lane Suite 316 Pelham, NY 10803	5% Owner of Class	Pelham, NY	Preferred G	2,602	17.17%

To the extent not otherwise disclosed, if any of the above shareholders are corporations or other legal entities rather than individuals, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agent of each corporate shareholder.

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);  
No
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;  
No
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or  
No
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.  
No

C. Disclosure of Family Relationships. Describe any family relationships<sup>7</sup> among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the issuer's equity securities.

None

D. Disclosure of Related Party Transactions. Describe any transaction during the issuer's last two full fiscal years and the current fiscal year or any currently proposed transaction, involving the issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years **and** (ii) any related person had or will have a direct or indirect material interest. Disclose the following information regarding the transaction:

None.

1. The name of the related person and the basis on which the person is related to the issuer;
2. The related person's interest in the transaction;
3. The approximate dollar value involved in the transaction (in the case of indebtedness, disclose the largest aggregate amount of principal outstanding during the time period for which disclosure is required, the amount thereof outstanding as of the latest practicable date, the amount of principal and interest paid during the time period for which disclosure is required, and the rate or amount of interest payable on the indebtedness);
4. The approximate dollar value of the related person's interest in the transaction; and
5. Any other information regarding the transaction or the related person in the context of the transaction that is material to investors in light of the circumstances of the particular transaction.

*Instruction to paragraph D of Item 11:*

1. *For the purposes of paragraph D of this Item 11, the term "related person" means any director, executive officer, nominee for director, or beneficial owner of more than five percent (5%) of any class of the issuer's equity securities, immediate family members<sup>8</sup> of any such person, and any person (other than a tenant or employee) sharing the household of any such person.*
2. *For the purposes of paragraph D of this Item 11, a "transaction" includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.*

<sup>7</sup> The term "family relationship" means any relationship by blood, marriage or adoption, not more remote than first cousin.

<sup>8</sup> "Immediate family members" means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

*The "amount involved in the transaction" shall be computed by determining the dollar value of the amount involved in the transaction in question, which shall include:*

- a. In the case of any lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installments due on or after the beginning of the issuer's last fiscal year, including any required or optional payments due during or at the conclusion of the lease or other transaction providing for periodic payments or installments; and*
  - b. In the case of indebtedness, the largest aggregate amount of all indebtedness outstanding at any time since the beginning of the issuer's last fiscal year and all amounts of interest payable on it during the last fiscal year.*
- 3. In the case of a transaction involving indebtedness:*
  - a. The following items of indebtedness may be excluded from the calculation of the amount of indebtedness and need not be disclosed: amounts due from the related person for purchases of goods and services subject to usual trade terms, for ordinary business travel and expense payments and for other transactions in the ordinary course of business; and*
  - b. Disclosure need not be provided of any indebtedness transaction for beneficial owners of more than five percent (5%) of any class of the issuer's equity securities or such person's family members.*
- 4. Disclosure of an employment relationship or transaction involving an executive officer and any related compensation solely resulting from that employment relationship or transaction need not be provided. Disclosure of compensation to a director also need not be provided.*
- 5. A person who has a position or relationship with a firm, corporation, or other entity that engages in a transaction with the issuer shall not be deemed to have an indirect material interest for purposes of paragraph D of this Item 11 where:*
  - a. The interest arises only:*
    - i. From such person's position as a director of another corporation or organization that is a party to the transaction; or*
    - ii. From the direct or indirect ownership by such person and all other related persons, in the aggregate, of less than a ten percent (10%) equity interest in another entity (other than a partnership) which is a party to the transaction; or*
    - iii. From both such position and ownership; or*

b. *The interest arises only from such person's position as a limited partner in a partnership in which the person and all other related persons have an interest of less than ten percent (10%), and the person is not a general partner of and does not hold another position in the partnership.*

*Disclosure need not be provided pursuant to paragraph D of this Item 11 if:*

- c. *The transaction is one where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority;*
- d. *The transaction involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services; or*
- e. *The interest of the related person arises solely from the ownership of a class of equity securities of the issuer and all holders of that class of equity securities of the issuer received the same benefit on a pro rata basis.*

6. *Include information for any material underwriting discounts and commissions upon the sale of securities by the issuer where any of the specified persons was or is to be a principal underwriter or is a controlling person or member of a firm that was or is to be a principal underwriter.*

E. **Disclosure of Conflicts of Interest.** Describe any conflicts of interest. Describe the circumstances, parties involved and mitigating factors for any executive officer or director with competing professional or personal interests.

None.

## **Item 12      Financial information for the issuer's most recent fiscal period.**

*Instruction to Item 12:* The issuer shall post the financial statements required by this Item 12 through [www.OTCIQ.com](http://www.OTCIQ.com) under the appropriate report name for the applicable period end. (If the financial statements relate to a fiscal year end, publish it as an "Annual Report," or if the financial statements relate to a quarter end, publish it as a "Quarterly Report" or "Interim Financial Report") **The issuer must state in its disclosure statement that such financial statements are incorporated by reference.** The issuer must also (i) provide a list in the disclosure statement describing the financial statements that are incorporated by reference, (ii) clearly explain where the incorporated documents can be found, and (iii) provide a clear cross-reference to the specific location where the information requested by this Item 12 can be found in the incorporated documents.

The issuer shall provide the following financial statements for the most recent fiscal period (whether fiscal quarter or fiscal year).

- 1) balance sheet;
- 2) statement of income;
- 3) statement of cash flows;

- 4) statement of changes in stockholders' equity (for Annual Reports only);
- 5) financial notes; and
- 6) audit letter, if period ending is fiscal year

The financial statements requested pursuant to this item shall be prepared in accordance with generally accepted accounting principles (U.S. GAAP or IFRS, as applicable) by persons with sufficient financial skills.

Information contained in annual financial statements will not be considered current more than 90 days after the end of the issuer's fiscal year immediately following the fiscal year for which such statements are provided, or with respect to quarterly financial statements, more than 45 days after the end of the quarter immediately following the quarter for which such statements are provided.

Additionally, if the issuer is an insurance company, the issuer shall also post its most recent "**Insurance Company Annual Regulatory Statement**" required to be filed with the Commissioner of Insurance (or other officer or agency performing a similar function) of its domiciliary state, per section 12(g)(2)(G)(i) of the Securities Exchange Act of 1934. This statement shall be posted through [www.OTCIQ.com](http://www.OTCIQ.com).

**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

**Creatd, Inc.**  
**Condensed Consolidated Balance Sheets**

**June 30, 2025**                    **December 31, 2024**  
**(Unaudited)**

**Assets**

**Current Assets**

Cash	\$ 1,016,944	\$ 15,490
Accounts receivable, net	54,224	2,000
Marketable securities	105,705	67,676
Prepaid expenses and other current assets	<u>51,867</u>	-
<b>Total Current Assets</b>	<u>1,228,740</u>	85,166
Property and equipment, net	255,870	18,062
Intangible assets, net	7,683,050	103,550
Goodwill	8,073,026	5,415
Deposits and other assets	11,651	83,617
Minority investments in businesses	1,172,833	333,333
Operating lease right of use asset	<u>176,605</u>	<u>1,633,207</u>
<b>Total Assets</b>	<u><u>\$ 18,601,775</u></u>	<u><u>\$ 2,262,350</u></u>

**Liabilities and Stockholders' Equity (Deficit)**

**Current Liabilities**

Accounts payable and accrued liabilities	\$ 8,887,269	\$ 8,450,804
Convertible Notes, net of debt discount and issuance costs	1,224,673	1,216,158
Current portion of operating lease payable	68,757	547,439
Note payable, net of debt discount and issuance costs	1,486,400	926,413
Deferred revenue	427,987	146,950
<b>Total Current Liabilities</b>	<u>12,095,086</u>	<u>11,287,764</u>

**Non-current Liabilities:**

Note payable	33,679	21,586
Operating lease payable	<u>71,278</u>	<u>1,251,319</u>
<b>Total Non-current Liabilities</b>	<u>104,957</u>	<u>1,272,905</u>

**Total Liabilities**

12,200,043                    12,560,669

**Commitments and contingencies (Note 9)**

**Mezzanine Equity**

Redeemable Preferred Stock in Vocal, Inc.	<u>84,790</u>	<u>84,790</u>
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**Stockholders' Equity (Deficit)**

Series F Preferred stock, \$0.001 par value, 5,500,000 shares authorized; 2,283 and 3,088 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	2	3
Series G Preferred stock, \$0.001 par value, 500,000 shares authorized; 14,124 and 2,094 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	14	2
Series H Preferred stock, \$0.001 par value, 50,000 shares authorized; 3,798 shares issued and outstanding as of June 30, 2025 and December 31, 2024	4	4
Series I Preferred stock, \$0.001 par value, 100,000 shares authorized; 37,812 and 0 shares issued and outstanding as of June 30, 2025 and December 31, 2024	38	-
Common stock par value \$0.001: 1,500,000,000 shares authorized; 11,893,007 issued and 11,892,920 outstanding as of June 30, 2025 and 4,662,439 issued and 4,662,252 outstanding as of December 31, 2024	11,894	4,615
Vocal, Inc. Preferred stock, \$0.001 par value	178	178
OG Collection, Inc. Preferred stock, \$0.001 par value	200	200
Additional paid in capital	260,651,097	239,182,605
Less: Treasury stock, 186 shares as of June 30, 2025 and December 31, 2024	(78,456)	(78,456)
Accumulated deficit	(257,506,660)	(252,800,799)
Accumulated other comprehensive loss	(298,075)	(297,717)
<b>Total Creatd, Inc. Stockholders' Equity (Deficit)</b>	<u>2,780,236</u>	<u>(13,989,365)</u>
Non-controlling interest in consolidated subsidiaries	<u>3,536,706</u>	<u>3,606,256</u>
	<u>6,316,942</u>	<u>(10,383,109)</u>

**Total Liabilities and Stockholders' Equity (Deficit)**

\$ 18,601,775                    \$ 2,262,350

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

**Creatd, Inc.**  
**Condensed Consolidated Statements of Operations and Comprehensive Loss**  
**(Unaudited)**

	<b>Six Months Ended</b> <b>June 30, 2025</b>	<b>Six Months Ended</b> <b>June 30, 2024</b>
<b>Net revenue</b>	\$ 1,295,542	\$ 807,009
<b>Cost of revenue</b>	596,845	(12,625)
<b>Gross margin (loss)</b>	698,697	819,634
<b>Operating expenses</b>		
Compensation	1,225,754	1,093,360
Research and development	-	108,861
Marketing	130,318	116,782
Stock based compensation	3,310,183	2,878,525
General and administrative	1,250,030	1,263,658
<b>Total operating expenses</b>	5,916,285	5,461,186
<b>Loss from operations</b>	(5,217,588)	(4,641,552)
<b>Other income (expenses)</b>		
Other income	1,068,704	5,856
Interest expense	(128,117)	(261,495)
Accretion of debt discount and issuance cost	(48,775)	(1,000,091)
Change in derivative liability	-	3,142,678
Settlement of vendor liabilities	777,159	711,801
Inducement expense	-	(7,716,525)
Unrealized gain on marketable securities	36,461	-
<b>Other income (expenses), net</b>	1,705,432	(5,117,776)
<b>Loss before income tax provision</b>	(3,512,156)	(9,759,328)
<b>Provision for income Tax</b>	-	-
<b>Net loss</b>	\$ (3,512,156)	\$ (9,759,328)
<b>Net loss Attributable to noncontrolling interest arising from:</b>		
Continuing Operations	\$ (169,550)	(206)
Net loss attributable to noncontrolling interest	\$ (169,550)	\$ (206)
<b>Net Loss attributable to Creatd, Inc. arising from:</b>		
Continuing Operations	\$ (3,681,705)	\$ (9,759,534)
Net loss attributable to Creatd, Inc.	\$ (3,681,705)	\$ (9,759,534)
Deemed dividend	1,363,254	8,110,048
<b>Net loss attributable to common shareholders</b>	\$ (5,044,959)	\$ (17,869,582)
<b>Comprehensive loss</b>		
<b>Net loss</b>	\$ (3,512,156)	\$ (9,759,328)
Currency translation gain (loss)	(358)	-
<b>Comprehensive loss</b>	\$ (3,512,514)	\$ (9,759,328)
<b>Per-share data</b>		
Basic and diluted loss per share	\$ (0.38)	\$ (8.25)
Weighted average number of common shares outstanding	9,290,634	1,182,234

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

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

(Unaudited)

	<b>Series E Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series F Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series G Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series II Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series I Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Stock in Subsidiaries</b>	<b>Shares</b>	<b>Amount</b>	<b>Common Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Treasury stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Additional Paid In Capital</b>	<b>Accumulated Deficit</b>	<b>Non-Controlling Interest</b>	<b>Comprehensive Income</b>	<b>Stockholders' Equity (Deficit)</b>
Balance, January 1, 2024	450	\$ -		\$ -			\$ -			\$ -			\$ -			\$ 507,397	\$ 508	(187)	\$ (78,456)	\$ 191,455,928	\$ (217,655,876)	\$ 851,828	\$ (174,143)	\$ (25,600,211)					
Stock based compensation	-	-		-	-		-	-		-	-		-	-		91,346	91	-	-	2,864,183	-	-	-	-	-	2,864,274			
Cash received for common stock	-	-		-	-		-	-		-	-		-	-		50,980	51	-	-	161,549	-	-	-	-	-	161,600			
Common stock issued upon conversion of notes pa	-	-		-	-		-	-		-	-		-	-		42,368	42	-	-	222,297	-	-	-	-	-	222,339			
Common stock issued for settlement of liabilities	-	-		-	-		-	-		-	-		-	-		1,182,279	1,183	-	-	2,290,341	-	-	-	-	-	2,291,524			
Conversion of notes and warrants to Preferred Seri	-	-		7,863	8		-	-		-	-		-	-		-	-	-	3,233,698	-	-	-	-	-	3,233,706				
Shares issued for conversion of Series F Preferred	-	-		(4,515)	(5)		-	-		-	-		-	-		903,000	903	-	-	(898)	-	-	-	-	-	-			
Common stock issued for financing fees	-	-		-	-		-	-		-	-		-	-		20,500	21	-	-	66,390	-	-	-	-	-	66,411			
Reverse split rounding	-	-		-	-		-	-		-	-		-	-		3,554	4	-	-	12,080	(12,084)	-	-	-	-	-			
Net loss	-	-		-	-		-	-		-	-		-	-		-	-	-	-	206	(9,759,534)	-	-	(9,759,328)	-	-			
Balance, June 30, 2024	450	\$ -		3,348	\$3		\$ -			\$ -			\$ -			2,801,424	\$2,803	(187)	\$ (78,456)	\$200,305,568	\$ (217,667,754)	\$ (8,907,706)	\$ (174,143)	\$ (26,519,685)					

	<b>Series E Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series F Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series G Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series II Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Series I Preferred Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Stock in Subsidiaries</b>	<b>Shares</b>	<b>Amount</b>	<b>Common Stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Treasury stock</b>	<b>Shares</b>	<b>Amount</b>	<b>Additional Paid In Capital</b>	<b>Accumulated Deficit</b>	<b>Non-Controlling Interest</b>	<b>Comprehensive Income</b>	<b>Stockholders' Equity (Deficit)</b>
Balance, January 1, 2025	450	\$ -		3,118	\$ 3		2,085	\$ 2		3,798	\$ 4		-	\$ -		377,937	\$ 378	4,613,981	\$ 4,615	(187)	\$ (78,456)	\$239,182,605	\$ (252,800,800)	\$ 3,606,256	\$ (297,717)	\$ (10,383,110)			
Shares issued for exercise of warrants	-	-		-	-		-	-		-	-		-	-		4,698,400	4,698	-	-	(2,698)	-	-	-	-	-	2,000			
Cash received for stock	-	-		-	-		1,657	2		-	-		-	-		276,140	276	-	-	1,506,862	-	-	-	-	-	1,507,140			
Shares issued as part of acquisition of consolidated subsidiaries	-	-		-	-		9,475	9		-	-		-	-		1,056,140	1,056	-	-	14,071,248	-	-	-	-	-	14,072,313			
Shares issued for acquisition of marketable securities	-	-		-	-		-	-		-	-		-	-		50,176	50	-	-	16,207	-	-	-	-	-	16,257			
Shares issued for minority interest	-	-		-	-		-	-		-	-		-	-		23,000	23	-	-	839,477	-	-	-	-	-	839,500			
Deemed Dividend	-	-		-	-		-	-		-	-		-	-		-	-	-	-	1,363,254	(1,363,254)	-	-	-	-	-			
Fair value allocation of warrants issued with debt	-	-		-	-		-	-		-	-		-	-		-	-	-	-	12,047	-	-	-	-	-	12,047			
Foreign currency translation adjustments	-	-		-	-		-	-		-	-		-	-		-	-	-	-	-	-	-	-	-	(358)	-358			
Common stock issued for financing fees	-	-		-	-		-	-		-	-		-	-		-	-	-	-	2,120	-	-	-	-	-	2,122			
Sale of noncontrolling interest in Flyte, Inc.	-	-		-	-		-	-		-	-		-	-		-	-	-	-	-	-	-	-	100,000	-	100,000			
Shares issued for conversion of preferred to common	-	-		(835)	(1)		-	-		-	-		-	-		-	-	-	167,000	167	-	-	(166)	-	-	-	-		
Shares issued for settlement of liabilities	-	-		-	-		640	1		-	-		-	-		-	-	386,925	387	-	-	328,739	-	-	-	-	-	329,127	
Stock issued for prepaid services	-	-		-	-		-	-		-	-		-	-		-	-	-	-	21,876	-	-	-	-	-	21,876			
Stock based compensation in Creatd, Inc.	-	-		-	-		267	-		-	-		14,812	15		-	-	642,477	643	-	-	3,309,526	-	-	-	-	-	3,310,184	
Net loss for the year ended December 31, 2024	-	-		-	-		-	-		-	-		-	-		-	-	-	-	(3,342,606)	(169,550)	-	-	(3,512,156)	-	-			
Balance, June 30, 2025	450	\$ -		2,283	\$ 2		14,124	\$14		3,798	\$4		37,812	\$38		377,937	\$378	11,893,007	\$11,894	(187)	\$ (78,456)	\$260,651,097	\$ (257,506,660)	\$ 3,536,706	\$ (298,075)	\$ 6,316,942			

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

**Creatd, Inc.**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<b>For the Six Months Ended</b> <b>June 30, 2025</b>	<b>For the Six Months Ended</b> <b>June 30, 2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (3,512,156)	\$ (9,759,328)
Depreciation and amortization	312,188	41,986
Accretion of debt discount and issuance cost	48,775	1,000,091
Stock-based compensation	3,310,183	2,878,525
Unrealized gain on marketable securities	36,461	-
Amortization of right of use asset	1,456,602	60,828
Settlement of vendor liabilities	(777,159)	711,801
Change in fair value of derivative liability	-	3,142,678
Non-controlling interest in consolidated subsidiary	(169,550)	(206)
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	(52,224)	10,711
Deferred revenue	281,037	(71,597)
Accounts payable and accrued expenses	436,465	1,207,938
Operating lease liability	(1,658,723)	160,348
<b>Net Cash Used In Operating Activities</b>	<b>(288,101)</b>	<b>(616,225)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Cash received from sale of interest in Flyte, Inc.	100,000	-
Cash consideration for acquisition	(354,456)	-
<b>Net Cash Used In Investing Activities</b>	<b>(254,456)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net proceeds from issuance of notes	165,100	262,000
Repayment of notes	(114,971)	(139,398)
Repayment of convertible notes	(12,900)	(168,773)
Proceeds from issuance of convertible notes	-	440,000
Proceeds from issuance of common stock and warrants	276,140	161,600
Proceeds from issuance of preferred stock (Creatd)	1,231,000	-
<b>Net Cash Provided By Financing Activities</b>	<b>1,544,369</b>	<b>555,429</b>
Effect of exchange rate changes on cash	(358)	-
<b>Net Change in Cash</b>	<b>1,001,454</b>	<b>(60,796)</b>
<b>Cash - Beginning of period</b>	<b>15,490</b>	<b>71,105</b>
<b>Cash - End of period</b>	<b>\$ 1,016,944</b>	<b>\$ 10,309</b>
<b>SUPPLEMENTARY CASH FLOW INFORMATION:</b>		
Cash Paid During the Year for:		
Income taxes:	\$ -	\$ -
Interest	\$ 20,097	\$ 70,044
<b>SUPPLEMENTARY DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>		
Warrants issued with debt	\$ 12,046	\$ 230,934
Shares issued with debt	\$ 2,122	\$ 78,256
Stock paid for acquisitions	\$ 14,072,313	\$ 66,410
Stock paid for marketable securities	\$ 16,257	\$ -
Stock paid for minority investments	\$ 839,500	\$ -
Common stock and warrants issued upon conversion of notes payable	\$ -	\$ 222,340

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

**Creatd, Inc.**  
**June 30, 2025**  
**Notes to the Condensed 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: Vocal, OG Collection, Inc., and Flyte, Inc. 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. OG Collection, Inc. leverages Creatd’s digital and physical media assets to develop and monetize intellectual property, including photography, film, and historical archives, often through publishing, licensing, and brand development. Flyte, Inc. is a private aviation business that operates both charter and brokered flights, supported by proprietary technology that facilitates seamless booking and optimized aircraft utilization, with a focus on premium short-hop routes and high-margin clientele.

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. (“GTPH”) 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.

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.

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

On February 1, 2023, an investor entered into a Subscription Agreement whereby it purchased from OG Collection, Inc., (a subsidiary, “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 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 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, an employee of the Company. 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 48.72% 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, the OG Collection, Inc. amended its Articles of Incorporation, increasing its authorized shares from 2,000,000, all of which was Common Stock, to 1,050,000,000, of which 1,000,000,000 shares became Common Stock and 50,000,000 shares became Preferred Stock.

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 8.26% 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, THEPOWERHOUSE, 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. On May 6, 2025, the Company and Enzylotics, Inc. agreed to rescind this agreement. The 39,824 shares of Creatd Common stock were cancelled, as were the Company's shares of Enzylotics, Inc.

On November 27, 2024, the Company rescinded 1.5% of its membership interests in OG Collection, Inc. and 1.70% of its membership interests in Vocal, Inc. previously issued to a board member after their resignation.

On February 27, 2025, the Company completed the acquisition of Flewber Global, Inc. ("Flewber"), a private on-demand aviation company, in an all-equity transaction. Upon closing, Flewber was renamed Flyte, Inc. and became a wholly owned subsidiary of the Company. Flewber Global, Inc. had three subsidiaries included in the acquisition: (i) Flewber, Inc.; (ii) Ponderosa Air LLC, which holds the Company's FAA Part 135 Operating Certificate; and (iii) Vision FGAR 1 LLC, which was dissolved after the acquisition but prior to June 30, 2025. The total purchase price, measured as the fair value of the consideration transferred, was approximately \$14.4 million and consisted of shares of the Company's common stock, Series G Preferred Stock, warrants, and forgiveness of an intercompany note. The acquisition was accounted for as a business combination under ASC 805, *Business Combinations*, and the results of Flyte, Inc.'s operations have been included in the Company's consolidated financial statements from the date of acquisition. Additional information about the transaction, including the purchase price allocation, is provided in *Note 10 – Acquisitions*.

On May 6, 2025, the Company acquired 1% of equity in MineralRite Corporation in the form of 17,000,000 shares of its common stock. As consideration for this acquisition, MineralRite Corporation received 90,000 shares of the Company's common stock.

On June 23, 2025, an investor entered into a Securities Purchase Agreement whereby it purchased from the Company 10% ownership interest in the entity Flewber, Inc. for a purchase price of \$100,000. Proceeds were allocated to operating and marketing expenses of Flewber, Inc., which the Company plans to make the operating entity for the Hops side of Flewber's operations. The agreement includes customary investor protections such as down-round anti-dilution rights, a right of first refusal on future financings for 12 months, reinvestment rights, and participation in a potential spin-off of Flyte Luxe. Additionally, the investor received flight credits as non-cash consideration.

## **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.

### *Basis of Presentation*

The Company's condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and following the requirements of the U.S. Securities and Exchange Commission ("SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP can be condensed or omitted. These interim financial statements have been prepared on the same basis as the Company's annual financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for a fair statement of the Company's financial information. These interim results are not necessarily indicative of the results to be expected for the year ending December 31, 2025, or any other interim period or for any other future year. These unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2024, included in the Company's 2024 Annual Report filed with the OTC. The balance sheet as

of December 31, 2024, has been derived from audited financial statements at that date but does not include all of the information required by U.S. GAAP for complete financial statements.

#### *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 condensed 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 condensed 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 credit losses, stock-based compensation, income tax provisions, and impairment of intangible assets.

Actual results could differ from those estimates.

#### *Principles of consolidation*

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

As of June 30, 2025 and December 31, 2024, the Company's consolidated subsidiaries and/or entities are as follows:

<b>Name of combined affiliate</b>	<b>State or other jurisdiction of incorporation or organization</b>	<b>Company Ownership Interest</b>	
		<b>June 30, 2025</b>	<b>December 31, 2024</b>
Jerrick Ventures LLC	Delaware	100%	100%
Abacus Tech Pty Ltd	Australia	100%	100%
OG Collection, Inc.	Delaware	41.50%	41.50%
Vocal, Inc.	Nevada	41.80%	41.80%
S96 NYC, LLC	New York	100%	100%
Flewber, Inc.	New York	90%	-%
Flewber Global, Inc.	Delaware	100%	-%
Ponderosa Air, LLC	New York	100%	-%

All intercompany 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, and prepaid and other current assets. Management believes the estimated fair value of these accounts at June 30, 2025 approximate their carrying value as reflected in the condensed consolidated balance sheets due to the short-term nature of these instruments or the use of market interest rates for debt instruments.

The Company does not currently hold any Level 2 assets/liabilities.

The Company's Level 3 assets/liabilities include goodwill, intangible assets, marketable debt securities, and equity investments at cost. 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.

*Other accounting policies*

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  
June 30, 2025**

	Quoted Prices in Active Markets for Identical Assets or Liabilities	Quoted Prices for Similar Assets or Liabilities	Significant Unobservable Inputs	
	<u>Total</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
<b>Assets:</b>				
<b>Marketable securities</b>	\$ 105,705	\$ 105,705	\$ -	\$ -
<b>Total assets</b>	<u>\$ 105,705</u>	<u>\$ 105,705</u>	<u>\$ -</u>	<u>\$ -</u>

The Company's 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. There have been no material changes to our fair value measurement techniques since December 31, 2024, as disclosed in our Annual Report.

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  
June 30, 2025**

	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)</b>	<b>Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Assets:				
Intangible assets	\$ 7,683,050	\$ -	\$ -	\$ 7,683,050
Goodwill	8,073,026	-	-	8,073,026
<b>Total assets</b>	<b>\$ 15,756,076</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,756,076</b>

#### *Cash Equivalents*

The Company considers all highly liquid investments with an original 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 June 30, 2025, was \$631,144. 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 \$0. 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:

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

\*Leasehold improvements are amortized over the shorter of the remaining term of the lease or the useful life of the improvement.

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 condensed consolidated statements of operations and comprehensive loss.

### *Goodwill*

Goodwill is not amortized but is subject to periodic testing for impairment in accordance with Accounting Standards Codification (“ASC”) and 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 the reporting units to generate cash flows as measures of fair value of the reporting units.

During the six months ended June 30, 2025, the goodwill of the Company increased from \$5,415 to \$8,073,026 due to the acquisition of Flewber Global, Inc. During the six months ended June 30, 2025, the Company recorded an impairment charge of \$0.

### *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. During the six months ended June 30, 2025, the Company recorded \$0 in charges for impairment.

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 June 30, 2025 and December 31, 2024, the Company has \$7,683,050 and \$103,550, respectively, in net intangible assets on its condensed consolidated balance sheets. Amortization expense was \$244,867 and \$0 for the six months ended June 30 2025 and 2024, respectively.

### *Commitments and Contingencies*

The Company follows subtopic 450-20 of the FASB to report accounting for contingencies. Certain conditions may exist as of the date the condensed 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 condensed 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 condensed 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' deficit 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 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 or exercise of a derivative instrument, the instrument is marked to fair value at the date of conversion or exercise or cancellation and then the related fair value is reclassified to equity. Upon extinguishment or cancellation of a derivative instrument, any difference between the fair value and the settlement amount is recognized as a gain or loss under change in derivative liability on the condensed consolidated statements of operations and comprehensive loss.

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 condensed 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 condensed 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 ASC 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 six months ended June 30, 2025 and 2024 consists of the following:

	Six Months Ended June 30,	
	2025	2024
Agency (Managed Services & Branded Content)	\$ 202,825	\$ 383,385
Platform (Creator Subscriptions)	256,755	423,624
Air Mobility	806,713	-
Ecommerce	29,249	-
	<b>\$ 1,295,542</b>	<b>\$ 807,009</b>

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 six months ended June 30, 2025 and 2024 consists of the following:

	Six Months Ended June 30,	
	2025	2024
Products and services transferred over time	\$ 459,580	\$ 807,009
Products transferred at a point in time	835,962	-
	<b>\$ 1,295,542</b>	<b>\$ 807,009</b>

### **Agency Revenue**

#### ***Managed Services***

The Company provides Studio/Agency Service offerings to business-to-business (B2B) and business-to-consumer (B2C) product and service brands which encompasses a full range of digital marketing and e-commerce solutions. The Company's services include the setup and ongoing management of clients' websites, Amazon and Shopify storefronts and listings, social media pages, search engine marketing, and other various tools and sales channels utilized by e-commerce sellers for sales and growth optimization. Contracts are broken into three categories: Partners, Monthly Services, and Projects. Contract amounts for Partner and Monthly Services clients range from approximately \$5,000-\$45,000 per month while Project amounts vary depending on the scope of work. Partner and Monthly clients are billed monthly for the work completed within that month. Revenue is recognized over time as service obligations and milestones in the contract are met.

#### ***Branded Content***

Branded content represents the revenue recognized from the Company's obligation to create and publish branded articles and/or branded challenges for clients on the Vocal platform and promote said stories, tracking engagement for the client. In the case of branded articles, the performance obligation is satisfied when the Company successfully publishes the articles on its platform and meets any required promotional milestones as per the contract. In the case

of branded challenges, the performance obligation is satisfied when the Company successfully closes the challenge and winners have been announced. The Company utilizes the completed contract method when revenue is recognized over time as the services are performed and any required milestones are met. Certain contracts contain separate milestones whereas the Company separates its performance obligations and utilizes the stand-alone selling price method and residual method to determine the estimate of the allocation of the transaction price.

Below are the significant components of a typical agreement pertaining to branded content revenue:

- The Company collects fixed fees ranging from \$5,000 to \$60,000 per month, with branded challenges ranging from \$10,000 to \$25,000 and branded articles ranging from \$2,500 to \$10,000 per article.
- Branded articles are created and published, and challenges are completed, within three months of the signed agreement, or as previously negotiated with the client.
- Branded articles and challenges are promoted per the contract and engagement reports are provided to the client.

## **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. Any discounts are run as coupon codes applied at the time of transaction and accounted for as a reduction in gross revenue.

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.

## **Air Mobility Revenue**

Flewber Global, Inc., acquired by the Company during the three months ended March 31, 2025 and operating under the brand name of Flyte, generates revenue through three primary private aviation services: Flyte Hops, Flyte Luxe, and Jet Card Memberships.

Flyte Hops refers to short-haul private flights operated directly by Flyte under its Part 135 certificate. These flights are conducted on Flyte-managed aircraft and typically service high-demand regional routes throughout the New York Metro Area, Long Island, New England and the Eastern seaboard, to any destination within 400 nautical miles of Flyte's base in Farmingdale, New York. Revenue is recognized upon completion of each flight segment and includes base charter rates, repositioning fees, and ancillary charges. Customer payments received in advance are recorded as deferred revenue until the related flight is completed.

Flyte Luxe is Flyte's brokerage division, offering clients access to on-demand charters through a vetted network of third-party operators. In these transactions, Flyte acts as an agent and earns revenue on a net basis through booking fees or a markup over the wholesale cost. Revenue is recognized when the flight occurs. Deposits or prepayments made prior to flight are deferred until service is rendered.

Jet Card Memberships allow clients to prepay for charter credit in U.S. dollars, which can be applied to both Flyte Hops and Flyte Luxe flights. Members benefit from preferred booking access, flexible terms, and loyalty-based perks. Flyte retains full discretion over flight pricing, and credit may be applied across both operated and brokered flights. Revenue is recognized as credit is drawn down for completed charters. Any unused credit at period-end is recorded as deferred revenue.

Discounts, promotions, and any flight credits issued are treated as reductions to gross revenue. Refunds or pricing adjustments are reflected in the period in which they occur.

#### *Deferred Revenue*

Deferred revenue consists of billings and payments received from clients in advance of revenue recognition. The Company has two types of deferred revenue: (i) subscription revenue, where revenue is recognized ratably over the subscription period, and (ii) contract liabilities, where revenue is recognized when the related performance obligation is satisfied.

For subscription revenue, the Company expects to recognize the deferred revenue within the next twelve months, over the life of the subscription. For contract liabilities, the Company will recognize the deferred revenue at the point in time the related service is performed, which can vary depending on the nature of the contract but is generally expected to occur within one year.

As of June 30, 2025 and December 31, 2024, the Company had deferred revenue of \$427,987 and \$146,950, 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.

The Company adheres to 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 six months ended June 30, 2025 and 2024, the Company recorded \$0 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 six months ended June 30, 2025 and June 30, 2024, 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 June 30, 2025 and 2024:

	<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>
Series E preferred	218	218
Series F preferred	456,600	669,600
Series G preferred	10,593,000	-
Series H preferred	1,477,821	-
Series I preferred	3,781,200	-
Options	8,448,568	2,073,568
Warrants	34,187,403	6,463,028
Convertible notes	523,534	296,913
<b>Totals</b>	<b>59,468,344</b>	<b>9,503,327</b>

#### *Recently Adopted Accounting Guidance*

In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of segment profit or loss. The update also requires disclosure regarding the CODM and expands the interim segment disclosure requirements. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of ASU 2023-07 did not have a material impact on the Company's condensed 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, 2023, including interim periods within that fiscal year. The adoption of the guidance did not have a material impact on the Company's condensed consolidated financial statements.

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

#### *Recently Issued Accounting Standards Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09 – *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances income tax disclosure requirements by:

- Standardizing and disaggregating rate reconciliation categories.
- Requiring disclosure of income taxes paid by jurisdiction.

This ASU is effective for annual periods beginning after December 15, 2024, and may be applied on a prospective or retrospective basis. Early adoption is permitted.

The Company is currently assessing the impact of ASU 2023-09 on its income tax disclosures and reporting requirements.

#### **Note 3 – Going Concern**

The Company's condensed 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 condensed consolidated financial statements as of June 30, 2025 the Company had an accumulated deficit of \$257.5 million, a net loss of \$3.5 million and net cash used in operating activities of approximately \$288,000 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 condensed 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 condensed 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:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Computer Equipment	\$ 466,397	\$ 466,397
Furniture and Fixtures	184,524	184,524
Automobile	68,806	-

Software		236,322	-
Leasehold Improvements		-	47,616
		956,049	698,537
Less: Accumulated Depreciation		(700,179)	(680,475)
		<u>\$ 255,870</u>	<u>\$ 18,062</u>

Depreciation expense was \$67,321 and \$41,986 for the six months ended June 30, 2025 and 2024, respectively.

#### Note 5 – Notes Payable

Notes payable as of June 30, 2025 and December 31, 2024 is as follows:

		Outstanding Principal as of June 30, 2025	Outstanding Principal as of December 31, 2024	Interest Rate	Maturity Date
The April 2020 PPP Loan Agreement	*	\$ 198,577	\$ 198,577	5 %	April 2022
The Second September 2022 Loan Agreement	*	406,125	408,625	-	December 2023
The April 20 2023 Loan Agreement		41,213	41,213	18	December 2025
The April 5, 2024 Loan Agreement	*	56,250	56,250	15	March 2025
The May 3, 2024 Loan Agreement	*	38,989	48,489	-	May 2025
The May 31, 2024 Loan Agreement	*	55,500	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		90,763	117,615	20	February 2026
The February 4, 2025 Loan Agreement		52,750	–	-	December 2025
The February 27, 2025 Loan Agreement		361,143	–	-	February 2026
The June 1, 2025 Loan Agreement		38,198	–	-	December 2026
The First June 4, 2025 Loan Agreement		12,500	–	-	July 2025
The Second June 4, 2025 Loan Agreement		12,500	–	-	July 2025
The June 13, 2020 Loan Agreement		60,090	–	3.75	June 2050
The June 13, 2025 Loan Agreement		100,000	–	-	February 2026
		1,524,598	964,000		
Less: Debt Discount		(4,519)	(16,001)		
Total Debt		1,520,079	947,999		
Less: Current Debt		(1,486,400)	(926,413)		
Total Long Term Debt	\$	33,679	\$ 21,586		

\* Note was in default as of June 30, 2025

*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 June 30, 2025, the Loan was in default, and the lender may require immediate payment of all amounts owed under the Loan or file suit and obtain judgment.

Subsequent to June 30, 2025, the balance of this note was forgiven by the Small Business Administration. *See Subsequent Events.*

*The June 13, 2020 Loan Agreement*

On June 13, 2020, Flewber Global, Inc. received a loan of \$63,800 from the United States’ Small Business Administration (“SBA”) under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). This loan was assumed by the Company on February 27, 2025 as part of the acquisition of Flewber Global, Inc.

This loan accrues interest at 3.75% per annum. The balance of principal and interest will be fully repaid thirty years from the date the loan was received. Future payments of \$3,732 will be made each year, in the form of monthly payments of \$311 until the principal balance is fully repaid.

Subsequent to the assumption of the loan on February 27, 2025, the Company repaid \$933 towards the balance of this loan.

*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 was 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.

On June 13, 2025, the Company entered into a Settlement Agreement with the Second September 2022 Lender, whereby the Company agreed to make a payment of \$2,500 by June 13, 2025, and two subsequent payments of \$25,000 to close out the remaining note.

During the six months ended June 30, 2025, the Company paid \$2,500 towards the principal of this note.

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

Subsequent to June 30, 2025, the Company fulfilled its obligation under the Settlement Agreement, and the note is closed out. *See Subsequent Events.*

#### *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 was 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 were due.

In May 2024, the April 2023 Lender agreed to extend the maturity date of the April 2023 Note until December 28, 2024 in exchange for warrants to purchase 75,560 shares of the Company’s common stock at an exercise price of \$1.75, together valued at \$177,560.

The May 2024 modification of the note was accounted for as a debt modification under ASC 470-50, with no gain or loss recognized and the carrying amount of the note unchanged. The fair value of the warrants issued (\$177,560) was recorded as an additional debt discount. The full amount of this debt discount was amortized during the year ended December 31, 2024.

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

Subsequent to June 30, 2025, the Lender agreed to extend the maturity date of the April 2023 Note until December 31, 2025. *See Subsequent Events.*

#### *The April 5th, 2024 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 promissory note of \$56,250 (the “April 5 Note”). The original maturity date of the April 5 Note is February 15, 2025. This note has a flat interest fee of 15%.

The Company recorded a \$11,250 debt discount relating to an original issue discount and debt issuance costs of \$5,000. The debt discount is being accreted over the life of the note. The debt discount was fully amortized as of June 30, 2025.

On December 4, 2024, the Lender agreed to extend the note’s maturity date to March 31, 2025. As of June 30, 2025, this note was in default.

#### *The May 3rd, 2024 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 \$60,000 (the “May 3rd Note”). This note does not accrue interest. The May 3 Note has a maturity date of May 3, 2025.

The Company recorded a \$24,600 debt discount relating to an original issue discount and debt issuance costs of \$2,400. The debt discount is being accreted over the life of the note. As of June 30, 2025, the discount had been fully amortized.

During the six months ending June 30, 2025, the Company paid \$9,500 in principal towards this note.

#### *The May 31, 2024 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 for an original issue discount. The principal of the note shall be due and payable in full on the Maturity Date.

This note has a flat interest fee of 15%.

The Company recorded debt issuance costs of \$1,800. The debt discount is being accreted over the life of the note. The debt discount has been fully amortized as of June 30, 2025.

During the six months ended June 30, 2025, the Company repaid \$1,500 towards the balance of this note.

*The August 20th, 2024 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 (the “August 20 Note”). The estimated term of the August 20 Note was approximately 181 days, or February 17, 2025, based on the Lender’s projection of daily collections at 10% of the Company’s receivables until the total payment amount was satisfied. Although payments continued beyond the estimated 181-day period, the note remained in good standing, all payment obligations were satisfied, and the note did not go into default.

The Company recorded debt issuance costs of \$1,615. The debt discount is being accreted over the life of the note. As of June 30, 2025, the discount had been fully amortized.

During the six months ended June 30, 2025, the Company repaid \$14,645 towards the balance of this note, and the note is paid in full.

*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, 2025 (the “Maturity Date”). The Company is required to make a minimum payment every 60 days of \$4,782. The note does not accrue interest.

The Company recorded debt issuance costs of \$3,841. The debt discount is being accreted over the life of the note. As of June 30, 2025, the discount had been fully amortized.

During the six months ended June 30, 2025, the Company repaid \$21,586 towards this note, and the note is paid in full.

*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 note has a maturity date of March 31, 2025 and was in default as of June 30, 2025.

The Company accrues interest at the rate of 20% per annum on the outstanding balance of the note. During the six months ended June 30, 2025, this note recorded interest of \$10,202.

*The February 4, 2025 Loan Agreement*

On February 4, 2025, Flewber Global, Inc. entered into a Loan Agreement (the “February 4, 2025 Loan Agreement”) with a lender (the “February 4, 2025 Lender”) whereby the February 4, 2025 Lender issued the Company a promissory note of \$67,500 (the “February 4, 2025 Note”). The note has a maturity date of December 31, 2025.

Prior to February 27, 2025, Flewber Global, Inc. repaid \$2,500 towards the principal of this note. On February 27, 2025, the outstanding note balance of \$65,000 became a liability of the Company via the acquisition of Flewber Global, Inc.

Between February 27 and June 30, 2025, the Company repaid \$4,000 towards this note.

*The February 27, 2025 Loan Agreement*

On February 27, 2025, as part of the acquisition of Flewber Global, Inc., the Company assumed a demand loan between Flewber Global, Inc. and its CEO, Marc Sellouk in the amount of \$365,000. The Company formalized the loan through a written agreement (the "February 27, 2025 Loan Agreement"). The Loan Agreement has a maturity date of February 27, 2026 and accrues interest at a flat monthly rate of \$3,000 per month.

During the six months ended June 30, 2025, the Company paid \$3,554 in principal and \$12,000 towards interest of this note.

*The June 1, 2025 Loan Agreement*

On June 1, 2025, the Company entered into a loan agreement (the "June 1, 2025 Loan Agreement") with a lender (the "June 1, 2025 Lender"), whereby the June 1, 2025 Lender issued the Company a promissory note of \$44,871 (the "June 1, 2025 Note"). The maturity date of the June 1, 2025 Note is December 1, 2026 (the "Maturity Date"). The Company is required to make a minimum payment every 60 days of \$4,986. The note does not accrue interest.

The Company recorded debt issuance costs of \$4,771. The debt discount is being accreted over the life of the note. As of June 30, 2025, the discount balance is \$4,519.

During the six months ended June 30, 2025, the Company repaid \$6,673 towards the principal of this note.

*The First June 4, 2025 Loan Agreement*

On June 4, 2025, the Company entered into a loan agreement (the "First June 4, 2025 Loan Agreement") with a lender (the "First June 4, 2025 Lender") whereby the First June 4, 2025 Lender issued the Company a promissory note of \$12,500 (the "First June 4, 2025 Notes"). The note has a maturity date of June 30, 2025.

As additional consideration, the First June 4, 2025 Lender was issued 37,500 5-year warrants to purchase the Company's common stock at an exercise price of \$1.00 per share. The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$6,477 to the debt instrument (52%) and \$6,023 to the warrants (48%). The Company recorded a \$6,023 debt discount over the life of the note. As of June 30, 2025 the discount has been fully amortized.

*The Second June 4, 2025 Loan Agreement*

On June 4, 2025, the Company entered into a loan agreement (the "First June 4, 2025 Loan Agreement") with CEO Jeremy Frommer, whereby Mr. Frommer issued the Company a promissory note of \$12,500 (the "First June 4, 2025 Notes"). The note has a maturity date of June 30, 2025.

As additional consideration, Mr. Frommer was issued 37,500 5-year warrants to purchase the Company's common stock at an exercise price of \$1.00 per share. The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$6,477 to the debt instrument (52%) and \$6,023 to the warrants (48%). The Company recorded a \$6,023 debt discount over the life of the note. As of June 30, 2025 the discount has been fully amortized.

*The June 13, 2025 Loan Agreement*

On June 13, 2025, the Company entered into a loan agreement (the "June 13, 2025 Loan Agreement") with a lender (the "June 13, 2025 Lender") whereby the June 13, 2025 Lender issued the Company a promissory note of \$100,00

(the “June 13, 2025 Note”). The note has a maturity date of February 15, 2026, and has repayment rights upon the return of the security deposit of a leased aircraft by the Company or any sale of Flewber, Inc. or Ponderosa Air LLC or its assets.

As additional consideration for the issuance of the promissory note, the Company granted the lender seven complimentary Hops flights on the Company’s aircraft, with a total fair value of \$7,805 (\$1,115 per flight). The flights are redeemable at the lender’s discretion and are recorded as a flight obligation liability until redeemed. The full value was recognized as interest expense upon issuance of the note.

#### **Note 6 – Convertible Notes Payable**

Convertible notes payable as of June 30, 2025 and December 31, 2024 is as follows:

	Warrants Granted						
	Outstanding Principal as of June 30, 2025	Outstanding Principal as of December 31, 2024	Interest Rate	Conversion Price	Maturity Date	Quantity	Exercise Price
The March 13, 2024 Loan Agreement	\$ 1,100,000	\$ 1,100,000	10 %	8.50	Sep 2025	–	–
The First April 2nd Loan Agreement	94,673	105,370	18	2.50	Sep 2025	11,112	\$5
The November 22, 2024 Loan Agreement	30,000	30,000	18	1.00	Sep 2025	120,000	\$0.87
	<u>1,224,673</u>	<u>1,235,370</u>					
Less: Debt Discount	–	(19,212)					
Total	<u>\$ 1,224,673</u>	<u>\$ 1,216,158</u>					

#### *The March 13 Loan Agreement*

On March 13, 2024, the Company entered into a restructuring agreement with two of the remaining holders of the May 2022 Convertible Notes (the “First March 13 Loan Agreement”). As part of the agreement, the principal balance of the notes, each \$495,000, was combined into a single note and increased to \$1,100,000 and the conversion price was reduced to \$8.50 per share. The notes accrue interest at a rate of 10% per annum for the first 12 months following closing and 15% thereafter, with interest payable monthly in cash beginning April 15, 2024. The maturity date was extended to 18 months from the date of closing, to September 13, 2025.

As additional consideration for the exchange, the Company cancelled all Series C and Series D Warrants held by the noteholders and issued preferred shares convertible into 30,000 shares of the Company’s common stock. The Company also granted the noteholders a first-priority security interest in all of its assets and those of its subsidiaries.

Since the present value of the cash flows of the new and old debt were more than 10% different, the Company used extinguishment accounting under ASC 470-50. As part of the agreement, the Company recognized a \$110,000 loss on extinguishment of debt due to the additional principal and a \$148,907 gain on extinguishment of debt due to the forgiveness of accrued interest.

#### *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 was 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. As additional consideration for entering in the First April 2 Loan Agreement, the Company issued 11,112 warrants of the Company’s common stock. The Company recorded a \$5,556 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.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$31,210 to the debt instrument (56%) and \$24,346 to the warrants (44%). The Company recorded \$14,951 of debt discount relating to an original issue discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024.

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. The amendment was accounted for as a debt modification in accordance with ASC 470-50. As part of the agreement, the Company is required to make monthly payments of \$1,800 towards the balance of the note per month.

On April 10, 2025, the Lender agreed to amend the loan agreement, whereby the Maturity Date was extended to June 30, 2025. As consideration for the extension, the Company agreed to pay a one-time payment of \$7,500 against the note, reinstate an 18% annualized interest rate, and continue \$1,800 month payments. After the six months ending June 30, 2025, the Lender agreed to extend the Maturity Date to September 30, 2025. *See Subsequent Events.*

During the six months ended June 30, 2025, the Company paid \$10,699 towards principal and \$2,202 towards interest of this note.

#### *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”) with an original issuance discount of \$5,000. 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 was March 22, 2025.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$6,537 to the debt instrument (22%) and \$24,463 to the warrants (78%).

During the year ended December 31, 2024, the Company recorded a \$29,463 debt discount relating to an original issue discount and the issuance of warrants, which is being amortized over the life of the note to accretion of debt discount and issuance cost. As of June 30, 2025, the debt discount had been fully amortized.

On April 10, 2025, the Lender agreed to amend the loan agreement, whereby the Maturity Date was extended to June 30, 2025. As consideration for the extension, the Company agreed to reinstate an 18% annualized interest rate. After the six months ending June 30, 2025, the Lender agreed to extend the Maturity Date to September 30, 2025. *See Subsequent Events.*

#### **Note 7 – Related Party**

##### *Officer compensation*

During the six months ended June 30, 2025 and 2024, the Company paid \$93,838 and \$44,603, respectively for living expenses for officers of the Company under general and administrative expenses in the condensed consolidated statements of operations and comprehensive loss.

## **Note 8 – 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.

### *Equity Line of Credit*

On October 20, 2022, the Company entered into a common stock purchase agreement (the “Equity Line of Credit”) with an otherwise unaffiliated third party (the “Investor”). Pursuant to the terms of the Equity Line of Credit, for a period of thirty-six (36) months commencing on the trading day immediately following the date of effectiveness of the Registration Statement, the Investor can purchase up to \$15,000,000 of the Company’s common stock, par value \$0.001 per share, pursuant to drawdown notices, covering the registrable securities. The purchase price of the shares under the Equity Line of Credit is equal to 82% of the lowest volume weighted average price (VWAP) during the last ten trading days after the Company delivers to the Investor a put notice or drawdown notice in writing requiring Investor to purchase shares of the Company, subject to the terms of the Equity Line of Credit.

### *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 June 30, 2025.

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 six months ended June 30, 2025 and 2024, 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 2,283 shares issued and outstanding as of June 30, 2025.

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 six months ended June 30, 2024, investors were issued 3,939 shares of Series F Preferred stock for the conversion of \$3,930,001 in outstanding notes for a loss on settlement of debt of \$3,589,203 and 3,774 shares of Series F Preferred stock for the exchange of 1,501,353 warrants, resulting in an inducement expense of \$1,441,908.

During the six months ended June 30, 2024, investors were issued 150 shares of Series F Preferred stock in exchange for 1,800 warrants with an exercise price of \$480 as part of the restructuring of a previously outstanding note payable. See *The March 13 Loan Agreement* for further details on the restructuring.

During the six months ended June 30, 2024, 16 investors converted 4,515 shares of Preferred Series F stock into 903,000 shares of common stock.

During the six months ended June 30, 2025, 2 investors converted 835 shares of Preferred Series F stock into 167,000 shares of common stock.

#### *Series G Convertible Preferred Stock*

The Company has designated 500,000 shares of Series G Convertible Preferred stock and has 14,124 shares issued and outstanding as of June 30, 2025.

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 six months ended June 30, 2024, there was no activity in the Series G Preferred stock.

During the six months ended June 30, 2025, 5 investors purchased 238 shares of Series G Preferred stock for proceeds to the Company of \$175,000.

During the six months ended June 30, 2025, 22 investors purchased 1,419 shares of Series G Preferred stock for proceeds to the Company of \$1,056,000. These purchases were made in conjunction with the Company’s acquisition of Flewber Global, Inc. Additionally, 24 debtholders of Flewber Global, Inc. were issued 9,475 shares of Series G Preferred stock with a fair value of \$6,395,625 to eliminate their debt in Flewber Global, Inc. as part of the acquisition purchase price. See [Acquisition of Flewber Global, Inc.](#) in Note 10 for further details on the acquisition structure.

During the six months ended June 30, 2025, the Company issued 267 shares of Series G Preferred stock with a fair value of \$78,899 to a consultant as payment for services.

During the six months ended June 30, 2025, the Company issued 640 shares of Series G Preferred stock with a fair value of \$192,000 to settle an outstanding payable of \$480,000 for the office at 419 Lafayette Street, resulting in a gain on settlement of vendor liabilities of \$288,000. See [Lease Agreements](#) for more information on the settlement of this liability.

#### *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 June 30, 2025.

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 six months ended June 30, 2025 and 2024, there was no activity in the Series H Preferred stock.

### *Series I Convertible Preferred Stock*

The Company has designated 100,000 shares of Series I Convertible Preferred stock and has 37,812 shares issued and outstanding as of June 30, 2025.

The shares of Series I 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 I Preferred Stock, at any time beginning 18 months after the Original Issue Date, at a price of \$1.00 per share, subject to adjustment. Each holder of Series I Preferred Stock shall be entitled to receive, with respect to each share of Series I 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% 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. No adjustment, increase, or decrease in the Beneficial Ownership Limitation shall be permitted.

During the six months ended June 30, 2024, there was no activity in the Series I Preferred stock.

On June 27, 2025, the Company acquired 25% of equity in PCG Advisory, Inc. As consideration for this acquisition, PCG Advisory, Inc. received 12,500 shares of the Company’s Series I Preferred stock with a fair value of \$456,250. This minority equity investment was booked in *Minority interest in business* on the consolidated balance sheets at cost.

On June 27, 2025, the Company acquired 25% of equity in PRISM Media Holdings, Inc. As consideration for this acquisition, PRISM Media Holdings, Inc. received 5,000 shares of the Company’s Series I Preferred stock with a fair value of \$182,500. This minority equity investment was booked in *Minority interest in business* on the consolidated balance sheets at cost.

On June 27, 2025, the Company acquired 25% of equity in PRISM MediaWire, Inc. As consideration for this acquisition, PRISM MediaWire, Inc. received 2,500 shares of the Company’s Series I Preferred stock with a fair value of \$91,250. This minority equity investment was booked in *Minority interest in business* on the consolidated balance sheets at cost.

On June 27, 2025, the Company acquired 20% of equity in AIRHub, Inc. As consideration for this acquisition, AIRHub, Inc. received 3,000 shares of the Company’s Series I Preferred stock with a fair value of \$109,500. This minority equity investment was booked in *Minority interest in business* on the consolidated balance sheets at cost.

During the six months ended June 30, 2025, the Company issued 14,812 shares of Series I Preferred stock with a fair value of \$592,465 to Marc Sellouk, CEO of Flewber Global, Inc. as part of a retention bonus after the Company’s acquisition of Flewber Global, Inc. in February of 2025. See Stock based compensation under *Common Stock* below for more details on this overall retention package.

### *Common Stock*

*Common stock issued upon conversion of notes payable*

On January 9, 2024, the Company issued 20,000 shares of its common stock pursuant to a conversion of \$100,000 in convertible notes and accrued interest at a price of \$5.00 per share.

On February 2, 2024, the Company issued 16,424 shares of its common stock pursuant to a conversion of \$82,103 in accrued interest on convertible notes at a price of \$5.00 per share.

On March 15, 2024, the Company issued 1,287 shares pursuant to a conversion of \$4,500 in promissory notes at a price of \$3.50 per share.

On March 18, 2024, the Company agreed to the cancellation of a previous conversion of \$4,285 in notes payable and rescinded the issuance of 343 shares of its common stock.

On March 19, 2024, the Company issued 5,000 shares pursuant to the conversion of \$40,000 in convertible notes at a price of \$8.00 per share.

*Shares issued for settlement of liabilities*

On February 28, 2024, the Company issued 2,300 shares at a fair value of \$11,270 to settle \$2,300 in outstanding liabilities, resulting in a loss on settlement of debt of \$8,970.

On February 28, 2024, the Company issued 18,000 shares of common stock with a fair value of \$88,200 to a vendor to settle \$15,120 in outstanding liabilities, resulting in a loss on settlement of debt of \$73,080.

On March 22, 2024, the Company issued 33,895 shares of common stock with a fair value of \$203,370 to a vendor to settle \$27,472 in outstanding liabilities, resulting in a loss on settlement of debt of \$174,898.

On January 2, 2025, the Company issued 800 shares with a fair value of \$264 to a vendor to settle \$800 in outstanding liabilities, resulting in a gain on settlement of debt of \$536.

On January 17, 2025, the Company issued 10,000 shares at a fair value of \$5,800 to settle \$5,800 in outstanding liabilities.

On March 4, 2025, the Company issued 4,125 shares at a fair value of \$3,094 to settle \$1,250 in outstanding liabilities, resulting in a loss on settlement of debt of \$1,844.

On June 25, 2025, the Company issued 372,000 to 2 employees of Flewber Global, Inc. at a fair value of \$127,968 to settle \$372,000 in outstanding liabilities, resulting in a gain on settlement of debt of \$244,032.

*Common stock issued for financing fees*

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 March 21, 2024, the Company issued 3,500 shares of its restricted common stock at a fair value of \$21,700 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On March 25, 2024, the Company issued 3,000 shares of its restricted common stock at a fair value of \$16,710 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On February 7, 2025, the Company issued 1,768 shares of common stock with a fair value of \$2,122 to an investor for fees and penalties associated with a convertible note.

*Shares issued for acquisition of consolidated subsidiary*

On February 27, 2025, the Company issued 1,056,140 shares of common stock with a fair value of \$950,526 to the shareholders of Flewber Global, Inc. in exchange for their equity in Flewber Global, Inc. as part of the acquisition of that entity. See [Acquisition of Flewber Global, Inc.](#) in Note 10 for further details on the acquisition structure.

*Cash received for common stock*

On January 3, 2024, the Company sold 9,989 shares of its common stock pursuant to the Equity Line of Credit entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$27,728 to the Company.

On March 6, 2024, the Company sold 7,143 shares of its common stock for proceeds of \$25,000. Additionally, the Company issued 7,143 warrants with an exercise price of \$7.00 and an expected life of 5 years with a fair value of \$33,215.

On March 25, 2024, the Company sold 23,848 shares of its common stock pursuant to the Equity Line of Credit entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$83,872.

On April 8, 2024, the Company issued 10,000 shares of its restricted common stock for gross proceeds of \$25,000. Additionally, the Company issued 10,000 warrants with an exercise price of \$5.00 with an expected life of 5 years, and a fair value of \$35,100.

During the six months ended June 30, 2025, 13 investors purchased 276,140 shares of Common stock for proceeds to the Company of \$276,140. These purchases were made in conjunction with the Company's acquisition of Flewber Global, Inc. See [Acquisition of Flewber Global, Inc.](#) in Note 10 for further details on the acquisition structure.

*Stock based compensation in Creatd. Inc.*

On March 1, 2024, the Company issued 10,000 shares at a fair value of \$51,100 to a vendor for services rendered. On May 17, 2024, these shares were then rescinded as part of a renegotiation of the agreement with this vendor.

On April 22, 2024, the Company issued 11,436 shares at a fair value of \$20,699 to a vendor for services rendered.

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 March 5, 2024, the Company issued 10,000 shares at a fair value of \$46,000 to a vendor for services rendered.

On March 6, 2024, the Company issued 15,000 shares with a fair value of \$69,750 to a vendor for services.

On January 6, 2025, the Company issued 48,645 shares with a fair value of \$22,377 to a vendor for services rendered.

On February 6, 2025, the Company issued 125,000 shares with a fair value of \$131,250 to a vendor for services rendered for a service contract of 6 months. \$109,250 of this was recognized in the current period, and \$21,875 was recognized as prepaid expenses.

On February 27, 2025, the Company issued 500,000 shares with a fair value of \$450,000 to Marc Sellouk, CEO of Flewber Global, Inc., as part of a retention package associated with the Company's acquisition of that entity. Under this agreement, these 500,000 shares were to be issued at acquisition in exchange for his equity in Flewber Global, Inc. and another 468,832 shares, as well as 14,812 shares of Preferred Series I stock, were to be issued on June 30, 2025, if Mr. Sellouk's employment at the Company continued through that date. Mr. Sellouk continues his employment with the Company, and on June 30, 2025, the Company issued the additional 468,832 shares of

Common stock with a fair value of \$187,583 and the 14,812 shares of Preferred Series I stock with a fair value of \$592,465 under this agreement.

*Shares issued for acquisition of marketable securities*

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. On May 6, 2025, the Company and Enzyloitics, Inc. agreed to rescind this agreement. The 39,824 shares of Creatd Common stock were cancelled, as were the Company's shares of Enzyloitics, Inc.

On May 6, 2025, the Company acquired 17,000,000 shares in MineralRite Corporation, in exchange for 90,000 shares of the Company's common stock.

*Exercise of warrants to stock*

Between February 12, 2025, and February 26, 2025, the Company issued 4,496,400 shares of common stock pursuant to the cashless exercise of warrants.

On June 23, 2025, the Company issued 2,000 shares of common stock pursuant to the exercise of warrants for gross proceeds of \$2,000.

On June 30, 2025, the Company issued 200,000 shares of common stock pursuant to the cashless exercise of warrants.

*Shares issued for rounding in reverse stock split*

On January 24, 2024, the Company effectuated a 1-for-500 reverse stock split. 3,554 shares with a fair value of \$12,084 were issued pursuant to rounding from this reverse stock split.

*Mezzanine Equity*

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. The offering closed in February 2024, with a total of 12,204 shares sold for proceeds to the Company of \$84,790. Prior to this offering, a total of 100,000,000 shares were issued and outstanding, owned by the Company.

As of June 30, 2025, these amounts are classified under mezzanine equity on its condensed 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.

*Stock Options*

The assumptions used for options granted during the six months ended June 30, 2025, are as follows:

	<b>June 30, 2025</b>
Exercise Price	\$0.30 - \$0.33
Expected dividends	0%
Expected volatility	371.70% - 372.53%
Risk free interest rate	4.40% - 4.57%

Expected life of option	10 years
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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, 2024 – outstanding	2,073,568	\$8.93	8.84
Granted	6,375,000	\$0.32	10.01
Exercised	-	-	-
Forfeited/Cancelled	-	-	-
Balance – June 30, 2025 – outstanding	8,448,568	\$2.43	9.33
Balance – June 30, 2025 – exercisable	6,822,306	\$2.78	9.28

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)
\$ 2.43	8,448,568	9.33	\$2.78	6,822,306	9.28

Stock-based compensation for stock options has been recorded in the condensed consolidated statements of operations and comprehensive loss and totaled \$2,319,5521, for the six months ended June 30, 2025.

As of June 30, 2025, there was \$2,979 of total unrecognized compensation expense related to unvested employee options granted under the Company's share-based compensation plans.

#### *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 six months ended June 30, 2025, are as follows:

	June 30, 2025
Exercise Price	\$1.00 - 1.20
Expected dividends	0%
Expected volatility	227.71% - 279.01%
Risk free interest rate	3.81% - 4.45%
Expected life of warrants	5 years

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

	<b>Warrants</b>	<b>Weighted Average Exercise Price</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
Balance – December 31, 2024 – outstanding	26,206,856	\$0.40	3.64
Granted	9,155,836	\$1.00	5.00
Exercised	-1,176,100	\$0.26	-
Forfeited/Cancelled	-189	\$6,746	-
Balance – June 30, 2025 – outstanding	34,186,403	\$0.27	3.51
Balance – June 30, 2025 – exercisable	34,186,403	\$0.27	3.51

<b>Warrants Outstanding</b>			<b>Warrants Exercisable</b>		
<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Weighted Average Exercise Price</b>	<b>Number Exercisable</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
\$0.27	34,186,403	3.51	\$0.27	34,186,403	3.51

During the six months ended June 30, 2025, a deemed dividend of \$1,363,254 was recorded to the condensed consolidated statements of operations and comprehensive loss.

During the six months ended June 30, 2025, a total of 75,000 warrants with a fair value of \$12,046 were issued with convertible notes and promissory notes.

On February 27, 2025, the Company issued 7,510,058 warrants with an exercise price of \$1.00 and a cumulative fair value of \$6,726,164 as part of the acquisition of Flewber Global, Inc. This fair value was treated as part of the purchase price for Flewber Global, Inc. See Acquisition of Flewber Global, Inc. in Note 10 for further details on the acquisition structure.

During the six months ended June 30, 2025, a total of 1,645,778 warrants with a fair value of \$1,363,243 were issued with the sale of common and preferred stock not associated with the acquisition of Flewber Global, Inc., the conversion of promissory notes, or as stock based compensation.

#### **Note 9 – Commitments and Contingencies**

The Company follows subtopic 450-20 of the FASB ASC to report accounting for contingencies. Certain conditions may exist as of the date the condensed 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 condensed 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.

#### Equity Awards to Former Flewber Shareholder and Current Officer

In connection with the Company's acquisition of Flewber Global, Inc. on February 27, 2025 (see *Note 10 – Acquisitions*), Marc Sellouk, the Chief Executive Officer of Flewber and, received 500,000 shares of the Company's common stock at closing as part of the consideration for his shares in Flewber. In addition, under the terms of the acquisition agreement, Mr. Sellouk was entitled to receive an additional 468,832 shares of the Company's common stock and 14,812 shares of the Company's Series I Preferred Stock if he remained employed with the Company through June 30, 2025. These additional shares were accounted for as stock-based compensation under ASC 718, with grant-date fair value determined as of February 27, 2025, and are being expensed on a straight-line basis over the service period from February 27, 2025 through June 30, 2025.

#### Lease Agreements

The Company currently does not own any properties.

On May 1, 2022, the Company entered into a lease agreement for its former corporate headquarters, consisting of a total of 8,000 square feet and is located at 419 Lafayette Street, 6<sup>th</sup> Floor, New York, NY, 10003. The lease term was 7 years commencing May 1, 2022.

During 2024, the Company entered into and then subsequently amended the lease agreement for 419 Lafayette Street, with the goal of terminating the lease going forward contingent upon a payment plan for amounts owed under the lease. Under this agreement \$120,000 was owed prior to February 4, 2025, which amount was satisfied via the issuance of 125,000 shares of common stock in August 2024 (see *Common Stock* for full details on this issuance). An additional \$220,000 is due in monthly installments of \$19,000 between February 2025 and February 2026, and an additional \$252,000 is due in monthly installments of \$21,000 per month between February 2026 and February 2027. These payments are subject to acceleration based upon the Company's financing proceeds. During the six months ended June 30, 2025, the Company settled the remaining \$480,000 in Accounts Payable under this lease with the issuance of 640 shares of the Company's Series G Preferred Stock with a fair value of \$192,000, resulting in a gain on settlement of debt of \$288,000. As of June 30, 2025, due to the settlement of the lease, there are no remaining Right of Use assets or liabilities on the Company's condensed consolidated balance sheets.

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. During the six months ended June 30, 2025, the Company settled the remaining accounts payable balance under this lease of \$120,597 for a cash payment of \$10,000, resulting in a \$110,597 gain on settlement of debt, which is recorded in settlement of vendor liabilities in the condensed consolidated statements of operations and comprehensive loss.

On February 27, 2025, as a result of the acquisition of Flewber Global, Inc., the Company assumed a 3-year lease agreement for a lease for an office suite at the air-taxi's base of operation located at 7160 Republic Airport, Farmingdale, NY 11735.

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 7%, 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 six months ended June 30, 2025, the Company recorded \$10,954 as operating lease expense which is included in general and administrative expenses on the condensed consolidated statements of operations and comprehensive loss, respectively.

The components of the lease expense were as follows:

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Operating lease cost	\$ 55,900	\$ 253,183
Short term lease cost	-	-
<b>Total net lease cost</b>	<b>\$ 55,900</b>	<b>\$ 253,183</b>

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

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating lease payments	33,540	279,038
Weighted average remaining lease term (in years):	2.17	4.84
Weighted average discount rate:	7.00%	12.50%

Operating right-of-use assets are summarized below.

	<b>Six Months Ended June 30, 2025</b>	<b>Year Ended December 31, 2024</b>
Office Lease	\$ 186,270	\$ 2,243,971
Less accumulated amortization	(9,665)	(610,764)
<b>Right-of-use, net</b>	<b>\$ 176,605</b>	<b>\$ 1,633,207</b>

Operating lease liabilities are summarized below

	<b>Six Months Ended June 30, 2025</b>	<b>Year Ended December 31, 2024</b>
Office Lease	\$ 140,035	\$ 1,798,758
Less: current portion	(68,757)	(547,439)
<b>Long term portion</b>	<b>\$ 71,278</b>	<b>\$ 1,251,319</b>

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

<b>For the Twelve Months Ended December 31,</b>	<b>Operating Leases</b>
2025	\$ 34,211
2026	69,783
2027	47,444
<b>Total</b>	<b>151,438</b>
Less imputed interest	(11,403)
<b>PV of Payments</b>	<b>\$ 140,035</b>

#### Employment Agreements

As of June 30, 2025, the Company does not have employment agreements with its executives or any other employees.

#### **Note 10 – Acquisitions**

### Acquisition of Flewber Global, Inc.

On February 27, 2025, Creatd, Inc. (“Creatd” or the “Company”) completed the acquisition of Flewber Global, Inc. (“Flewber”), a private on-demand aviation company. Upon closing, Flewber was renamed Flyte, Inc. and became a wholly owned subsidiary of the Company. Flewber Global, Inc. had three subsidiaries included in the acquisition: (i) Flewber, Inc.; (ii) Ponderosa Air LLC, which holds the Company’s FAA Part 135 Operating Certificate; and (iii) Vision FGAR 1 LLC, which was dissolved after the acquisition but prior to June 30, 2025. At the time of its dissolution, this entity had no active operations. The acquisition was accounted for as a business combination under ASC 805, *Business Combinations*, using the acquisition method of accounting.

The Company acquired Flyte as part of its strategy to identify businesses where operational efficiencies and data-driven processes can drive growth and margin expansion. Management viewed Flyte and the private aviation sector as an industry with strong underlying demand and infrastructure that could benefit from the Company’s expertise in implementing scalable systems and optimizing operations.

The Company has not yet finalized the accounting for the acquisition of Flewber Global, Inc. The purchase price allocation presented above is preliminary and subject to revision as the Company completes its valuation and assessment of the fair values of the assets acquired and liabilities assumed, including, but not limited to, the finalization of third-party valuations of certain tangible and intangible assets, the review of working capital balances, and the evaluation of tax-related matters. In accordance with ASC 805, the Company may adjust the preliminary purchase price allocation for a period of up to one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date which, if known, would have affected the measurement of the amounts recognized as of that date. Any such adjustments will be recorded in the reporting period in which the adjustments are determined.

### **Transaction Terms**

The total purchase price, measured as the fair value of the consideration transferred, was \$14,439,924, comprised of the following:

- 1,056,140 shares of common stock, with a fair value of \$950,526
- 9,475 shares of Series G Preferred Stock, with a fair value of \$6,395,625
- Forgiveness of \$367,609 in intercompany receivables due from Flewber
- 7,510,058 common stock purchase warrants, with a total fair value of \$6,726,164

The terms of the consideration varied by stakeholder:

Flewber equity holders who participated in a concurrent offering received Creatd common stock at a \$1.00 exchange ratio and 10% warrant coverage. Non-participating equity holders received only warrants.

Flewber debt holders agreed to waive all outstanding interest and default penalties in exchange for Series G Preferred Stock (with a 25% original issue discount), 100% warrant coverage, and conversion of legacy Flewber warrants into Series G Preferred Stock at \$0.50 per warrant.

### **Allocation of Consideration**

The Company engaged a third-party valuation specialist to identify and measure the fair value of assets acquired and liabilities assumed. The non-intangible assets and liabilities acquired were short-term in nature, and their carrying values approximated fair value at the acquisition date. The final purchase price allocation is as follows:

<b>Asset Description</b>	<b>Amount</b>
Intangible Assets	7,824,367

Cash	389
Accounts Receivable	10,553
Prepaid Expenses	3,392
Property & Equipment	305,128
Deposits and Other Assets	11,650
Operating Lease ROU Asset	182,082
<b>Total Assets Acquired</b>	<b>8,337,561</b>
Less: Deferred Revenue	(280,525)
Less: Notes Payable	(429,697)
Less: Operating Lease Liability	(168,098)
Less: Accounts Payable and Accrued Liabilities	(1,086,928)
<b>Net Assets Acquired</b>	<b>6,372,313</b>
Goodwill	8,067,611
<b>Total Purchase Price</b>	<b>14,439,924</b>

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired and is primarily attributable to expected synergies, assembled workforce, and other intangible benefits that do not qualify for separate recognition under ASC 805. Goodwill is not deductible for tax purposes.

The identifiable intangible assets acquired in the transaction consist of the FAA Part 135 Operating Certificate, developed technology (app), customer relationships, know-how, licensing agreements/vendor & supplier contracts, and trademark/tradename. The fair values of these intangible assets were determined in accordance with the guidance in ASC 805 and valuation best practices.

The FAA Part 135 Operating Certificate and developed technology (app) were valued using the Cost Approach, which estimates the cost to reproduce or replace the asset with one of equal utility, including applicable overhead and profit margins where appropriate. This method was considered appropriate given the lack of direct revenue generation by these assets and the ability to reliably estimate replacement costs.

The remaining intangible assets—customer relationships, know-how, licensing agreements/vendor & supplier contracts, and the trademark/tradename—were valued using the Income Approach. Specifically, the Multi-Period Excess Earnings Method (MPEEM) was applied to customer relationships and know-how, and the Relief-from-Royalty Method was applied to the trademark/tradename. These methods are based on projected cash flows attributable to the respective intangible assets, discounted at rates reflective of the risk profile of each asset. Where applicable, tax amortization benefits (TAB) were included in the fair value determinations.

The FAA Part 135 Operating Certificate was determined to have an indefinite useful life. The developed technology (app) is being amortized over an estimated useful life of 5 years. The trademark/tradename, licensing agreements/vendor & supplier contracts, know-how, and customer relationships are each being amortized over an estimated useful life of 15 years. Amortization of these definite-lived intangible assets is recognized on a straight-line basis over their estimated useful lives and is included in amortization expense in the accompanying consolidated statements of operations. For the period from February 27, 2025 through June 30, 2025, the Company recorded amortization expense of \$218,343 related to the definite-lived intangible assets acquired in this transaction.

#### **Pro Forma Information (Unaudited)**

The following unaudited pro forma information presents the combined results of operations as if the acquisition had occurred on January 1, 2024. The pro forma results include adjustments for amortization of acquired intangible assets and the impact of the capital structure at acquisition. The pro forma information is not necessarily indicative of the actual results that would have occurred had the acquisition been completed on the date indicated, nor is it indicative of future operating results of the combined company. The unaudited pro forma results presented above do not include any material, nonrecurring items directly attributable to the acquisition.

	<b>For the Six Months Ended June 30, 2025</b>	<b>For the Six Months Ended June 30, 2024</b>
Revenue	1,469,516	2,463,738
Net Income (Loss)	(4,438,269)	(11,536,888)

For the period from February 27, 2025 through June 30, 2025, Flewber contributed revenue of \$806,713 and net income (loss) of \$281,433 to the Company's consolidated results.

Subsequent to the acquisition, on June 23, 2025, an investor entered into a Securities Purchase Agreement whereby it purchased from the Company 10% ownership interest in Flewber, Inc., a previously wholly-owned subsidiary of Flewber Global, Inc., for a purchase price of \$100,000. Proceeds were allocated to operating and marketing expenses of Flewber, Inc., which the Company plans to make the operating entity for the Hops side of Flewber's operations. [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. On May 6, 2025, the Company and Enzylotics, Inc. agreed to rescind this agreement. The 39,824 shares of Creatd Common stock were cancelled, as were the Company's shares of Enzylotics, Inc.

#### MineralRite Corporation

On May 6, 2025, the Company acquired 1% of equity in MineralRite Corporation in the form of 17,000,000 shares of its common stock. As consideration for this acquisition, MineralRite Corporation received 90,000 shares of the Company's common stock.

#### **Note 11 - Segment Reporting**

The Company operates in three reportable segments: Vocal, OG Collection, and Air Mobility. The Company's segments were determined based on the economic characteristics of its products and services, its internal organizational structure, the manner in which operations are managed and the criteria used by the Company's Chief Operating Decision Maker (CODM) to evaluate performance, which include revenue, gross margin, operating profit, and platform engagement metrics.

Vocal is the segment focused on development initiatives. Vocal houses the Company's proprietary technology, including its flagship platform, Vocal, as well as oversees the Company's content creation framework, and management of its digital communities and the relationships between brands and creators that this framework supports. Vocal derives revenues from Vocal creator subscriptions, platform processing fees and technology licensing fees. It also includes revenue generated from Vocal's suite of agency services, offered through Vocal for Brands.

#### *OG Collection*

OG Collection is the segment focused on curation, preservation, and monetization of rare and archival media assets. This segment houses the Company's legacy media library, consisting of vintage photographs, historical film

negatives, celebrity ephemera, and related intellectual property. OG Collection oversees both the physical archive and the strategic transformation of these assets into modern IP across multiple formats.

OG Collection derives revenues from the sale and licensing of archival media, framed prints, and memorabilia; the development and sale of limited-edition books and publishing projects through Studio 96; and from collaborations with brands, creators, and institutions seeking access to OG's library for creative or commercial use. This segment also includes revenue generated from custom publishing services and content creation built around OG Collection assets, with the goal of building long-term IP value through storytelling, editorial development, and collectible product releases.

#### *Air Mobility*

Flyte is the segment focused on private aviation services and related travel infrastructure. This segment encompasses Flyte's operations as both a licensed charter operator and a brokerage, providing on-demand flight solutions for regional and long-range travel. Flyte operates a fleet of managed aircraft under its Part 135 certificate and maintains a network of third-party operators through which it arranges additional charter services.

Flyte derives revenues from directly operated flights through Flyte Hops, brokered flights through Flyte Luxe, and prepaid charter credit through its Jet Card Membership program. Revenue sources include base charter fares, booking fees, repositioning charges, and ancillary service add-ons. The segment also generates revenue from concierge-level travel planning and bespoke client services offered in connection with both operated and brokered flights.

The following tables present certain financial information related to our reportable segments and Corporate:

As of June 30, 2025					
	Vocal	OG Collection	Air Mobility	Corporate	Total
Accounts receivable,Net	\$ 43,125	\$ -	\$ 11,099	\$ -	\$ 54,224
Prepaid expenses and other current assets	-	-	27,992	23,875	51,867
Deposits and other assets	-	-	11,651	-	11,651
Intangible assets	-	-	-	7,683,050	7,683,050
Goodwill	-	-	-	8,073,026	8,073,026
All other assets	6,835	236	442,739	2,278,147	2,727,957
<b>Total Assets</b>	<b>\$ 49,960</b>	<b>\$ 236</b>	<b>\$ 493,481</b>	<b>\$ 18,058,098</b>	<b>\$ 18,601,775</b>
Accounts payable and accrued liabilities	\$ 523,474	\$ 24,044	\$ 719,001	\$ 7,620,750	\$ 8,887,269
Note payable, net of debt discount and issuance costs	89,179	-	473,983	956,917	1,520,079
Deferred revenue	117,693	-	310,294	-	427,987
All other Liabilities	-	-	140,035	1,224,673	1,364,708
<b>Total Liabilities</b>	<b>\$ 730,346</b>	<b>\$ 24,044</b>	<b>\$ 1,643,313</b>	<b>\$ 9,802,340</b>	<b>\$ 12,200,043</b>

For the six month ended June, 30 2025					
	Vocal	OG Collection	Air Mobility	Corporate	Total
Net revenue	\$ 434,680	\$ 29,249	\$ 806,713	\$ 24,900	\$ 1,295,542
Cost of revenue	79,050	8,693	509,102	-	596,845
Gross margin	355,630	20,556	297,611	24,900	698,697
Marketing	63,799	43,533	22,986	-	130,318
Compensation	197,025	125,000	403,153	500,576	1,225,754
Stock based compensation	-	-	-	3,310,183	3,310,183
General and administrative	162,302	21,664	393,472	672,592	1,250,030
<b>Total operating expenses</b>	<b>423,126</b>	<b>190,197</b>	<b>819,611</b>	<b>4,483,351</b>	<b>5,916,285</b>
Interest expense	(6,171)	-	-	(121,946)	(128,117)
All other expenses	(5,497)	-	240,567	1,598,479	1,833,549
<b>Other expenses, net</b>	<b>(11,668)</b>	<b>-</b>	<b>240,567</b>	<b>1,476,533</b>	<b>1,705,432</b>
<b>Loss before income tax provision and equity in net loss from unconsolidated investments</b>	<b>\$ (79,164)</b>	<b>\$ (169,641)</b>	<b>\$ (281,433)</b>	<b>\$ (2,981,918)</b>	<b>\$ (3,512,156)</b>

As of December 31, 2024					
	Vocal	OG Collection	Air Mobility	Corporate	Total
Accounts receivable,Net	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
Prepaid expenses and other current assets	-	-	-	-	-
Deposits and other assets	-	-	-	83,617	83,617
Intangible assets	-	-	-	103,550	103,550
Goodwill	-	-	-	5,415	5,415

All other assets	5,153	1,319	-	2,061,296	2,067,768
<b>Total Assets</b>	<b>\$ 5,153</b>	<b>\$ 1,319</b>	<b>\$ -</b>	<b>\$ 2,255,878</b>	<b>\$ 2,262,350</b>
Accounts payable and accrued liabilities	\$ 507,374	\$ 17,447	\$ -	\$ 7,925,983	\$ 8,450,804
Note payable, net of debt discount and issuance costs	88,695	-	-	859,304	947,999
Deferred revenue	146,950	-	-	-	146,950
All other Liabilities	-	-	-	3,014,916	3,014,916
<b>Total Liabilities</b>	<b>\$ 743,019</b>	<b>\$ 17,447</b>	<b>\$ -</b>	<b>\$ 11,800,203</b>	<b>\$ 12,560,669</b>

For the six month ended June, 30 2024					
	Vocal	OG Collection	Air Mobility	Corporate	Total
Net revenue	\$ 807,009	\$ -	\$ -	\$ -	\$ 807,009
Cost of revenue	(12,625)	-	-	-	(12,625)
Gross margin	819,634	-	-	-	819,634
Research and development	108,861	-	-	-	108,861
Marketing	116,630	-	-	152	116,782
Compensation	-	-	-	1,093,360	1,093,360
Stock based compensation	-	-	-	2,878,525	2,878,525
General and administrative	150,085	6,871	-	1,106,702	1,263,658
<b>Total operating expenses</b>	<b>375,576</b>	<b>6,871</b>	<b>-</b>	<b>5,078,739</b>	<b>5,461,186</b>
Interest expense	(12,193)	-	-	(249,302)	(261,495)
All other expenses	(14,839)	5,000	-	(4,846,442)	(4,856,281)
<b>Other expenses, net</b>	<b>(27,032)</b>	<b>5,000</b>	<b>-</b>	<b>(5,095,744)</b>	<b>(5,117,776)</b>
<b>Loss before income tax provision and equity in net loss from unconsolidated investments</b>	<b>\$ 417,026</b>	<b>\$ (1,871)</b>	<b>\$ -</b>	<b>\$ (10,174,483)</b>	<b>\$ (9,759,328)</b>

## **Note 12 – Subsequent Events**

### *Settlement of Payable to Meta Platforms, Inc.*

Subsequent to June 30, 2025, the Company settled an accounts payable liability in the amount of \$2,244,848 with Meta Platforms, Inc.

### *Note Extensions*

Subsequent to June 30, 2025, the First April 2 2024 Lender agreed to extend the Maturity Date of the First April 2 2024 Loan Agreement to September 30, 2025, in exchange for \$3,500 monthly payments against the note.

Subsequent to June 30, 2025, the November 22, 2024 Lender agreed to extend the November 22, 2024 Loan Agreement to September 30, 2025, in exchange for \$1,000 monthly payments against the note.

Subsequent to June 30, 2025, the April 27, 2023 Lender agreed to extend the April 20, 2023 Loan Agreement to December 31, 2025.

### *Settlement of The Second September 2022 Loan Agreement*

Subsequent to June 30, 2025, the Second September 2022 Lender amended its June 13, 2025 Settlement Agreement with the Company, whereby the Company paid \$40,000 to close out the balance owed to the Lender. As of the date of this filing, the note is completed.

### *Settlement of The April 2020 PPP Loan Agreement*

Subsequent to June 30, 2025, the Small Business Administration forgave the outstanding balance of the Loan, including \$200,118 in principal and \$2,287 in accrued interest. As of the date of this filing, the note is completed.

**Item 13      Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.**

Please provide the financial statements described in Item 12 above for the issuer's two preceding fiscal years.

*Instruction to Item 13:* The issuer shall either (i) attach the financial statements required by this Item 13 to its initial disclosure or (ii) post such financial statements through [www.OTCIQ.com](http://www.OTCIQ.com) as a separate report under the name of "Annual Report" for the applicable fiscal year end. **The issuer must state in its disclosure statement that such financial statements are incorporated by reference.** The issuer must also (x) provide a list in the disclosure statement describing the financial statements that are incorporated by reference, (y) clearly explain where the incorporated documents can be found, and (z) provide a clear cross-reference to the specific location where the information requested by this Item 13 can be found in the incorporated documents.

**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

**Report Of Independent Registered Public Accounting Firm**



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and  
Stockholders of Creatd, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Creatd, Inc. (the Company) as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive loss, stockholders' deficit, and cash flows for each of the years in the two-year period ended December 31, 2024, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

### Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3, the Company has recurring net losses and negative cash flow from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Our opinion is not modified with respect to that matter.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provides a reasonable basis for our opinion.

A handwritten signature in black ink that reads "Astra Audit &amp; Advisory, LLC".

We have served as the Company's auditor since 2024.

PCAOB Firm ID #6920  
Tampa, Florida  
June 24 2025

**Creatd, Inc.**  
**Consolidated Balance Sheets**

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 15,490	\$ 71,105
Accounts receivable, Net	2,000	-
Marketable securities	67,676	-
Discontinued Operation net Current Assets	-	2,150
<b>Total Current Assets</b>	<u>85,166</u>	<u>73,255</u>
Property and equipment, net	18,062	84,143
Intangible assets	103,550	-
Goodwill	5,415	-
Deposits and other assets	83,616	83,616
Minority investment in businesses	333,333	-
Operating lease right of use asset	1,633,207	1,923,112
<b>Total Assets</b>	<u><u>\$ 2,262,349</u></u>	<u><u>\$ 2,164,126</u></u>
<b>Liabilities and Stockholders' Deficit</b>		
<b>Current Liabilities</b>		
Cash overdraft		
Accounts payable and accrued liabilities	\$ 8,450,804	\$ 10,366,934
Convertible Notes, net of debt discount	1,216,158	5,535,111
Current portion of operating lease payable	547,439	532,689
Notes payable, net of debt discount	926,413	1,127,101
Deferred revenue	146,950	266,037
Derivative Liability	-	7,836,521
Stock Compensation Liability	-	449,376
Deferred offering proceeds	-	65,808
<b>Total Current Liabilities</b>	<u>11,287,764</u>	<u>26,179,577</u>
<b>Non-current Liabilities:</b>		
Notes payable, less current maturities	21,586	30,026
Operating lease payable	1,251,319	1,554,734
<b>Total Non-current Liabilities</b>	<u>1,272,905</u>	<u>1,584,760</u>
<b>Total Liabilities</b>	<u><u>12,560,669</u></u>	<u><u>27,764,337</u></u>
<b>Commitments and contingencies</b>		
<b>Mezzanine Equity</b>		
Redeemable Preferred Stock in Vocal, Inc.	84,790	-
<b>Stockholders' Equity (Deficit)</b>		
Series E Preferred stock, \$0.001 par value, 8,000 shares authorized; 450 and 450 shares issued and outstanding	-	-
Series F Preferred stock, \$0.001 par value, 5,500,000 shares authorized; 3,118 and 0 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	3	-
Common stock par value \$0.001: 1,500,000,000 shares authorized; 4,613,981 issued and 4,613,794 outstanding as of December 31, 2024 and 507,397 issued and 507,211 outstanding as of December 31, 2023	4,615	508
Series G Preferred stock, \$0.001 par value, 500,000 shares authorized; 2,085 and 0 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	2	-
Series H Preferred stock, \$0.001 par value, 50,000 shares authorized; 3,798 and 0 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	4	-
Vocal, Inc. Preferred stock, \$0.001 par value, 500,000 shares authorized; 185,532 and 0 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	178	-
OG Collection, Inc. Preferred stock, \$0.001 par value, 2,000,000 shares authorized; 2,000,000 and 200,000 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	200	-
Additional paid in capital	239,182,605	191,455,928
Less: Treasury stock, 186 shares	(78,456)	(78,456)
Accumulated deficit	(252,800,800)	(217,655,876)
Accumulated other comprehensive income	(297,717)	(174,143)
Total Creatd, Inc. Stockholders' Equity	(13,989,366)	(26,452,039)
Non-controlling interest in consolidated subsidiaries	3,606,256	851,828
	<u>(10,383,110)</u>	<u>(25,600,211)</u>
<b>Total Liabilities and Stockholders' Equity (Deficit)</b>	<u><u>\$ 2,262,349</u></u>	<u><u>\$ 2,164,126</u></u>

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

**Creatd, Inc.**  
**Consolidated Statements of Operations and Comprehensive Loss**

	<b>For the Year Ended December 31, 2024</b>	<b>For the Year Ended December 31, 2023</b>
<b>Net revenue</b>	\$ 1,498,874	\$ 1,916,453
<b>Cost of revenue</b>	<u>63,144</u>	<u>808,315</u>
<b>Gross margin (loss)</b>	<u>1,435,730</u>	<u>1,108,138</u>
<b>Operating expenses</b>		
Compensation	1,941,672	3,099,285
Research and development	204,043	362,013
Marketing	274,039	838,603
Stock based compensation	9,442,717	20,165,067
Impairment of intangible assets	-	13,334
General and administrative	<u>1,910,480</u>	<u>3,865,614</u>
<b>Total operating expenses</b>	<u>13,772,951</u>	<u>28,343,916</u>
<b>Loss from operations</b>	<u>(12,337,221)</u>	<u>(27,235,778)</u>
<b>Other income (expenses)</b>		
Other income	9,474	109,931
Interest expense	(319,155)	(884,692)
Accretion of debt discount and issuance cost	(2,120,640)	(5,671,843)
Derivative expense	-	-
Change in derivative liability	7,836,522	(4,744,187)
Settlement of vendor liabilities	3,726,317	366,587
Inducement expense	<u>(1,465,308)</u>	<u>-</u>
<b>Other income (expenses), net</b>	<u>7,667,210</u>	<u>(10,824,204)</u>
<b>Loss from Continuing Operations</b>	<u>(4,670,011)</u>	<u>(38,059,982)</u>
<b>Loss from Discontinued Operations</b>	<u>-</u>	<u>(934,546)</u>
<b>Loss before income tax provision</b>	<u>(4,670,011)</u>	<u>(38,994,528)</u>
<b>Income tax provision</b>	<u>-</u>	<u>-</u>
<b>Net loss</b>	<u><b>\$ (4,670,011)</b></u>	<u><b>\$ (38,994,528)</b></u>
<b>Net loss Attributable to noncontrolling interest arising from:</b>		
Continuing Operations	\$ (2,555,059)	\$ (35,435)
Net loss attributable to noncontrolling interest	<u>\$ (2,555,059)</u>	<u>\$ (35,435)</u>
<b>Net Loss attributable to Creatd, Inc. arising from:</b>		
Continuing Operations	\$ (2,114,952)	\$ (38,959,092)
Net loss attributable to Creatd, Inc.	<u>\$ (2,114,952)</u>	<u>\$ (38,959,092)</u>
Deemed dividend	<u>(33,017,888)</u>	<u>(32,554,410)</u>
<b>Net loss attributable to common shareholders</b>	<u><b>\$ (35,132,840)</b></u>	<u><b>\$ (71,513,502)</b></u>
<b>Comprehensive loss</b>		
<b>Net loss</b>	<u><b>\$ (4,670,011)</b></u>	<u><b>\$ (38,994,528)</b></u>
Currency translation gain (loss)	\$ (123,574)	\$ (33,960)
<b>Comprehensive loss</b>	<u><b>\$ (4,793,585)</b></u>	<u><b>\$ (39,028,488)</b></u>
<b>Per-share data</b>		
Basic and diluted loss per share from continuing operations	\$ (13.69)	\$ (0.60)
Basic and diluted loss per share from discontinued operations	<u>\$ -</u>	<u>\$ (0.01)</u>
Basic and diluted loss per share	<u>\$ (13.69)</u>	<u>\$ (0.61)</u>
Weighted average number of common shares outstanding	<u><b>2,566,027</b></u>	<u><b>118,606,984</b></u>

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

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

(Unaudited)

													Other							
	Series E Preferred Stock		Series F Preferred Stock		Series G Preferred Stock		Series H Preferred Stock		Stock in Subsidiaries		Common Stock		Treasury stock		Additional		Accumulated	Non-Controlling	Comprehensive	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	Interest	Income	Equity (Deficit)	
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	19	-	-	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	61	-	-	497,189	-	-	-	497,250	
Foreign currency translation adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(33,960)	(33,960)		
Sale of minority interest in OG Collection Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250,000	-	250,000		
Fair value allocation of warrants issued with debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	265,268	-	-	-	265,268	
Deemed Dividend	-	-	-	-	-	-	-	-	-	-	5,459	6	-	-	32,554,404	(32,554,410)	-	-	-	
Stock Compensation Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(449,376)	-	-	-	(449,376.00)	
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(38,959,093)	(35,435)	-	-	(38,994,528)	
Balance, December 31, 2023	450	\$ -	-	\$ -	-	\$ -	-	-	\$ -	-	507,397	\$ 508	(187)	\$ (78,456)	\$ 191,455,928	\$(217,655,876)	\$ 851,828	\$ (174,143)	\$ (25,600,211)	

													Other							
	Series E Preferred Stock		Series F Preferred Stock		Series G Preferred Stock		Series H Preferred Stock		Stock in Subsidiaries		Common Stock		Treasury stock		Additional		Accumulated	Non-Controlling	Comprehensive	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	Interest	Income	Equity (Deficit)	
Balance, January 1, 2024	450	\$ -	-	\$ -	-	\$ -	-	-	\$ -	-	507,397	\$ 508.00	(187)	\$ (78,456)	\$ 191,455,928	\$(217,655,876)	\$ 851,828	\$ (174,143)	\$ (25,600,211)	
Cash received for common stock	-	-	-	-	-	-	-	-	-	-	177,646	178	-	-	221,422	-	-	-	221,600	
Cash received for preferred stock	-	-	-	-	284	-	-	-	-	-	-	-	-	-	210,000	-	-	-	210,000	
Common stock issued for financing fees	-	-	-	-	-	-	-	-	-	-	33,021	33	-	-	78,223	-	-	-	78,256	
Common stock issued upon conversion of notes payable	-	-	-	-	-	-	-	-	-	-	1,299,332	1,299	-	-	1,375,951	-	-	-	1,377,250	
Deemed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,017,888	(33,017,888)	-	-	-	
Foreign currency translation adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(123,574)	(123,574)	-	-	
Preferred stock issued upon conversion of notes payable	-	-	7,863	8	692	1	-	-	-	-	-	-	-	-	3,589,002	-	-	-	3,589,011	
Shares issued for acquisition of consolidated subsidiary	-	-	-	-	-	-	-	-	-	-	35,000	35	-	-	108,965	-	-	-	109,000	
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	-	-	(4,745)	(5)	-	-	-	-	-	-	949,000	949	-	-	(944)	-	-	-	-	
Shares issued for rounding in reverse stock split	-	-	-	-	-	-	-	-	-	-	3,554	4	-	-	12,080	(12,084)	-	-	-	
Shares issued for settlement of accounts payable	-	-	-	975	1	3,798	4	-	-	-	808,110	808	-	-	4,224,269	-	-	-	4,225,082	
Stock based compensation in consolidated subsidiaries	-	-	-	-	-	-	-	-	-	-	378	-	-	-	-	-	5,309,487	-	5,309,865	
Stock based compensation in Creatd, Inc.	-	-	-	134	-	-	-	-	-	-	389,510	390	-	-	4,132,462	-	-	-	4,132,852	
Fair value allocation of warrants issued with debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	356,796	-	-	-	356,796	
Net loss for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,114,952)	(2,555,059)	-	(4,670,011)		
Balance, December 31, 2024	450	\$ -	3,118	\$ 3	2,085	\$ 2	3,798	\$ 4	377,937	\$ 378	4,613,981	\$ 4,615	(187)	\$ (78,456)	239,182,605	\$(252,800,800)	\$ 3,606,256	\$ (297,717)	\$ (10,383,110)	

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	(4,670,011)	(38,994,528)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	66,081	146,938
Impairment of intangible assets	-	13,334
Accretion of debt discount and issuance cost	2,120,640	5,671,843
Stock-based compensation	9,442,717	20,165,067
Amortization of right of use asset	121,655	131,153
Settlement of vendor liabilities	(3,726,317)	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	2,555,059	(35,435)
Net cash used in Discontinued Operations	-	(1,069,380)
<b>CHANGE IN OPERATING ASSETS AND LIABILITIES</b>		
Accounts receivable	2,000	152,571
Deposits and other assets	-	711,014
Prepaid expenses	-	87,866
Inventory	-	30,125
Accounts payable and accrued expenses	1,916,129	4,933,535
Deferred revenue	(119,087)	(8,980)
Operating lease liability	(303,415)	(317,103)
<b>Net Cash Used In Operating Activities</b>	<b>(431,071)</b>	<b>(3,248,666)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Cash paid for property and equipment	-	(18,537)
Cash received from sale of interest in OGC	-	250,000
<b>Net Cash Provided by Investing Activities</b>	<b>-</b>	<b>231,463</b>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Proceeds from the exercise of warrant	-	1,047,811
Net proceeds from issuance of notes payable	430,730	1,352,447
Repayment of notes payable	(339,277)	(2,129,524)
Proceeds from issuance of convertible notes	300,000	2,752,100
Repayment of convertible notes	(326,173)	(2,185,226)
Proceeds from issuance of common stock	221,600	1,727,143
Proceeds from issuance of preferred stock (Creatd)	210,000	-
Proceeds from issuance of preferred stock (Vocal)	-	65,804
Net financing cash flows from discontinued operations	-	(212,361)
<b>Net Cash Provided by Financing Activities</b>	<b>496,880</b>	<b>2,418,194</b>

Effect of exchange rate changes on cash	(123,574)	(33,960)
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<b>Net Change in Cash</b>	<b>(57,765)</b>	<b>(632,969)</b>
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<b>Cash - Beginning of period</b>	<b>73,255</b>	<b>706,224</b>
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<b>Cash - End of period</b>	<b>\$ 15,490</b>	<b>\$ 73,255</b>
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**SUPPLEMENTARY CASH FLOW INFORMATION:**

Cash Paid During the Year for:

Income taxes	\$ -	\$ -
Interest	\$ 61,829	\$ -

**SUPPLEMENTARY DISCLOSURE OF NON-CASH  
INVESTING AND FINANCING ACTIVITIES:**

Warrants issued with debt	\$ 356,796	\$ 265,268
Shares issued with debt	\$ 78,256	\$ 283,407
Stock paid for acquisitions	\$ 109,000	\$ -
Stock paid for marketable securities	\$ 67,641	\$ -
Stock paid for minority investments	\$ 333,333	\$ -
Common stock and warrants issued upon conversion of notes payable	\$ 1,377,250	\$ 1,989,863

**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. (“GTPH”) 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”). WHE is a talent management and public relations agency based in New York. WHE has been consolidated due to the Company’s ownership of 55% voting control.

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 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.

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 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, “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 a 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, an employee of the Company. 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 48.72% 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, the OG Collection, Inc. amended its Articles of Incorporation, increasing its authorized shares from 2,000,000, all of which was Common Stock, to 1,050,000,000, of which 1,000,000,000 shares became Common Stock and 50,000,000 shares became Preferred Stock.

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 8.26% 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, THEPOWERHOUSE, 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.

On November 27, 2024, the Company rescinded 1.5% of its membership interests in OG Collection, Inc. and 1.70% of its membership interests in Vocal, Inc. previously issued to a board member after their resignation.

## **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 and 2023, the Company's consolidated subsidiaries and/or entities are as follows:

<b>Name of combined affiliate</b>	<b>State or other jurisdiction of incorporation or organization</b>	<b>Company Ownership Interest</b>	
		<b>December 31, 2024</b>	<b>December 31, 2023</b>
Jerrick Ventures LLC	Delaware	100%	100%
Abacus Tech Pty Ltd	Australia	100%	100%
CEOBloc, LLC	Delaware	100%	100%
OG Collection, Inc.	Delaware	41.50%	89%
Vocal, Inc.	Nevada	41.80%	100%
S96 NYC, LLC	New York	100%	-%

All other previously consolidated subsidiaries have been dissolved or sold.

All intercompany 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.

#### *Other accounting policies*

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 \$30,946,827 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.

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**

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

**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)
<b>Assets:</b>				
<b>Marketable securities</b>	\$ -	\$ -	\$ -	\$ -
<b>Total assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities:</b>				
<b>Stock Compensation Liability</b>	\$ 449,376	\$ -	\$ -	\$ 449,376
<b>Derivative liabilities</b>	<u>7,836,521</u>	<u>-</u>	<u>-</u>	<u>7,836,521</u>
<b>Total Liabilities</b>	<u><u>\$ 8,285,897</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,285,897</u></u>

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 \$67,676 and \$0 respectively.

Details on the changes in the derivative liabilities during the years ended December 31, 2024 and 2023 can be found in Note 8.

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)
<b>Assets:</b>				
Intangible assets	\$ 103,550	\$ -	\$ -	\$ 103,550
Goodwill	5,415	-	-	5,415
<b>Total assets</b>	<u>\$ 108,965</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,965</u>

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

	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)</u>	<u>Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
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 \$0. 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>
Furniture and fixtures	3
Leasehold improvements	5

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.

### *Goodwill*

Goodwill is not amortized but is subject to periodic testing for impairment in accordance with Accounting Standards Codification (“ASC”) and 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 \$5,415 due to the acquisition of S96 NYC, LLC (Studio 96 Publishing). During the years ended December 31, 2024 and 2023, the Company recorded an impairment charge of \$0 for both years.

### *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, respectively, on 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.

### *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' deficit 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 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 or exercise of a derivative instrument, the instrument is marked to fair value at the date of conversion or exercise or cancellation and then the related fair value is reclassified to equity. Upon extinguishment or cancellation of a derivative instrument, any difference between the fair value and the settlement amount is recognized as a gain or loss under change in derivative liability on the statement of operations.

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 ASC 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:

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

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:

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

### **Agency Revenue**

#### ***Managed Services***

The Company provides Studio/Agency Service offerings to business-to-business (B2B) and business-to-consumer (B2C) product and service brands which encompasses a full range of digital marketing and e-commerce solutions. The Company's services include the setup and ongoing management of clients' websites, Amazon and Shopify storefronts and listings, social media pages, search engine marketing, and other various tools and sales channels utilized by e-commerce sellers for sales and growth optimization. Contracts are broken into three categories: Partners, Monthly Services, and Projects. Contract amounts for Partner and Monthly Services clients range from approximately \$5,000-\$12,000 per month while Project amounts vary depending on the scope of work. Partner and Monthly clients are billed monthly for the work completed within that month. Revenue is recognized over time as service obligations and milestones in the contract are met.

### ***Branded Content***

Branded content represents the revenue recognized from the Company's obligation to create and publish branded articles and/or branded challenges for clients on the Vocal platform and promote said stories, tracking engagement for the client. In the case of branded articles, the performance obligation is satisfied when the Company successfully publishes the articles on its platform and meets any required promotional milestones as per the contract. In the case of branded challenges, the performance obligation is satisfied when the Company successfully closes the challenge and winners have been announced. The Company utilizes the completed contract method when revenue is recognized over time as the services are performed and any required milestones are met. Certain contracts contain separate milestones whereas the Company separates its performance obligations and utilizes the stand-alone selling price method and residual method to determine the estimate of the allocation of the transaction price.

Below are the significant components of a typical agreement pertaining to branded content revenue:

- The Company collects fixed fees ranging from \$5,000 to \$60,000 per month, with branded challenges ranging from \$10,000 to \$25,000 and branded articles ranging from \$2,500 to \$10,000 per article.
- Branded articles are created and published, and challenges are completed, within three months of the signed agreement, or as previously negotiated with the client.
- Branded articles and challenges are promoted per the contract and engagement reports are provided to the client.

### **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. Any discounts are run as coupon codes applied at the time of transaction and accounted for as a reduction in gross revenue.

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:

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Series E preferred	450	450
Series F preferred	623,600	-
Series G preferred	1,563,750	-
Series H preferred	1,477,821	-
Options	2,073,568	144,827
Warrants	26,206,856	1,972,602
Convertible notes	296,161	452,775
<b>Totals</b>	<b>32,242,206</b>	<b>2,570,654</b>

#### *Recently Adopted Accounting Guidance*

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker (“CODM”) and included within each reported measure of segment profit or loss. The update also requires disclosure regarding the CODM and expands the interim segment disclosure requirements. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of ASU 2023-07 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, 2023, 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.

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.

#### *Recently Issued Accounting Standards Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09 – *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances income tax disclosure requirements by:

- Standardizing and disaggregating rate reconciliation categories.
- Requiring disclosure of income taxes paid by jurisdiction.

This ASU is effective for annual periods beginning after December 15, 2024, and may be applied on a prospective or retrospective basis. Early adoption is permitted.

The Company is currently assessing the impact of ASU 2023-09 on its income tax disclosures and reporting requirements.

### **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 \$252.8 million, a net loss of \$4.7 million and net cash used in operating activities of approximately \$431,000 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:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Computer Equipment	\$ 466,397	\$ 466,397
Furniture and Fixtures	184,524	184,524
Leasehold Improvements	47,616	47,616
	698,537	698,537
Less: Accumulated Depreciation	(680,475)	(614,394)
	<b>\$ 18,062</b>	<b>\$ 84,143</b>

Depreciation expense was \$66,081 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 December 31, 2024	Outstanding Principal as of December 31, 2023	Interest Rate	Maturity Date
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 20 2023 Loan Agreement	41,213	41,213	18	April 2023
The June 30 2023 Loan Agreement	–	2,500	-	September 2023
The July 11 2023 Loan Agreement	–	276,429	10	July 2024
The July 31 2023 Loan Agreement	–	253,409	12	April 2024
The August 2023 Loan Agreement	–	38,997	-	February 2025
The September 27 2023 Loan Agreement	–	34,500	15	June 2024
The September 28 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	48,489	–	-	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	117,615	–	20	March 2025
	964,000	1,414,488		
Less: Debt Discount	(16,000)	(257,361)		
Total Debt	948,000	1,157,127		
Less: Current Debt	(926,414)	(1,127,101)		
Total Long Term Debt	\$ 21,586	\$ 30,026		

\* 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.

During each of the years ended December 31, 2024 and 2023, the Company recorded \$9,929 in interest.

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 was 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.

During the year ended December 31, 2024, the Company paid \$45,000 towards this note.

The Company recorded a \$300,000 debt discount relating to an original issue discount. The debt discount was amortized over the life of the note to accretion of debt discount and issuance cost. During the year ended December 31, 2023, the Company amortized \$178,694 of the discount. As of December 31, 2023, this debt discount has been fully amortized.

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. During the year ended December 31, 2023, the Company amortized \$61,358 of the discount. The debt discount is fully amortized as of December 31, 2023.

During the year ended December 31, 2024, the Company paid the remaining principal balance of this note.

#### *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 was 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 were due.

In May 2024, the April 2023 Lender agreed to extend the maturity date of the April 2023 Note until December 28, 2024 in exchange for warrants to purchase 75,560 shares of the Company’s common stock at an exercise price of \$1.75, together valued at \$177,560.

The May 2024 modification of the note was accounted for as a debt modification under ASC 470-50, with no gain or loss recognized and the carrying amount of the note unchanged. The fair value of the warrants issued (\$177,560) was recorded as an additional debt discount. The full amount of this debt discount was amortized during the year ended December 31, 2024.

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

During the years ended December 31, 2024 and 2023, the Company recorded \$7,521 and \$7,477 in interest, respectively.

This note was outstanding as of December 31, 2024.

#### *The June 30 2023 Loan Agreement*

On June 30, 2023, the Company entered into a loan agreement (the “June 30 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 May 2023 Note is September 30, 2023 (the “June 2023 Maturity Date”).

The note included a \$2,000 debt discount, which was amortized over the life of the note and fully amortized during the year ended December 31, 2023.

On March 14, 2024, the June 2023 Lender converted \$2,500 of outstanding debt and an additional \$2,000 penalty into 1,287 shares of common stock, recognizing a loss on settlement of debt of \$400.

#### *The July 11, 2023 Loan Agreement*

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

The Company recorded a \$60,000 debt discount relating to an original issue discount. 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 was due and payable in seven equal monthly payments (each, a “Monthly Payment”) of \$47,142, commencing on December 11, 2023 and continuing on the 11<sup>th</sup> day of each month thereafter (each, a “Monthly Payment Date”) until paid in full not later than July 11, 2024 (the “Maturity Date”). The Company also recorded an additional debt discount of \$204,557 related to derivative liability treatment, which was fully amortized over the life of the note. As of December 31, 2024, the debt discount has been fully amortized with amortization of \$132,279 in each of the years ended December 31, 2024 and 2023.

In the twelve months ended 2024, the Company paid back \$165,000 against this note in cash.

During the year ended December 31, 2024, the Lender converted an aggregate of \$217,100 of outstanding debt into 497,186 shares of the Company’s common stock, resulting in a total loss on settlement of debt of \$123,209.

The Company incurred \$29,762 and \$14,219 in interest during the years ended December 31, 2024 and 2023, respectively.

As of December 31, 2024, there was no outstanding balance on this note.

**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 was April 30, 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, and a \$140,581 debt discount relating to the issuance of warrants with the note. An additional \$28,000 debt discount was recognized in the year ended December 2024, and these discounts and issuance costs were accreted over the life of the note with amortization of \$144,111 and \$76,720 during the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 the discounts had been fully amortized.

The Company also accrued interest at the rate of 10% per annum on the outstanding balance of the note. The Principal Amount and the Guaranteed Interest were due and payable in six equal monthly payments (each, a “Monthly Payment”) of \$45,416, 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 and recognized a \$93,508 loss on settlement of debt.

During the twelve months ended December 31, 2024 and 2023, the Company recorded \$13,105 and \$ 14,687 in interest, respectively.

**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 “August 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 of December 31, 2023, the Company paid \$98,451 against this note. In the six months ended June 30, 2024, the Company paid \$43,222 against principal and interest on this note, repaying this note in full.

The Company recorded \$12,948 of debt discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. During the years ended December 31, 2024 and 2023, the Company amortized \$4,385 and \$8,563 of the discount, respectively. As of December 31, 2024, this debt discount has been fully amortized.

**The September 27 2023 Loan Agreement**

On September 27, 2023, the Company entered into a loan agreement (the “September 27 2023 Loan Agreement”) with a lender (the “September 27 2023 Lender”), whereby the First September 2023 Lender issued the Company a promissory note of \$51,750 (the “September 27 2023 Note”). The maturity date of the First September 2023 Note was June 30, 2024 (the “September 27 2023 Maturity Date”). The Company accrued interest at the rate of 15% per annum on the outstanding balance of the note.

The Company recorded a \$6,750 debt discount relating to an original issue discount and debt issuance costs of \$5,000. During the years ended December 31, 2024 and 2023, the Company amortized \$4,431 and \$7,319 of the discount, respectively. As of December 31, 2024, this debt discount has been fully amortized.

On July 23, 2024, the Lender converted the outstanding debt on this note and the Convertible Note April 2023 Loan Agreement 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 years ended December 31, 2024 and 2023, the Company recorded \$1,775 and \$2,587 in interest, respectively.

#### *The September 28 2023 Loan Agreement*

On September 28, 2023, the Company entered into a secured loan agreement (the "September 28 2023 Loan Agreement") with a lender (the "September 28 2023 Lender"), whereby the September 28 2023 Lender issued the Company a secured promissory note of \$166,905 AUD or \$107,221 United States Dollars. This note had an effective interest rate of 15%. The maturity date of the September 28 2023 Note was June 30, 2024 at which time all outstanding principal, accrued and unpaid interest and other amounts due under the First September 2023 Loan Agreement was 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 year ended December 31, 2024, the Company repaid the remaining balance against the note.

During the years ended December 31, 2024 and 2023, the Company recorded \$13,587 and \$4,430 in interest, respectively.

#### *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 in the principal amount of \$15,000 (the "January 26 Note"). The maturity date of the January 26 Note was February 9, 2024. As additional consideration for entering into the January 26 Loan Agreement, the Company issued 9,000 warrants to purchase shares of the Company's common stock.

The Company repaid \$15,000 in principal on February 1, 2024, and the note was fully repaid as of that date.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$5,660 to the debt instrument (38%) and \$9,340 to the warrants (62%).

The Company recorded \$9,340 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

#### *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 and the note was fully repaid as of that date.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$5,623 to the debt instrument (47%) and \$6,377 to the warrants (53%).

The Company recorded \$6,377 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

#### *The February 1, 2024 Loan Agreement*

On February 1, 2024, the Company entered into a promissory note agreement (the "February 1, 2024 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, 2024 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 accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$9,756 to the debt instrument (49%) and \$10,244 to the warrants (51%).

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 in full the balance of this loan and interest of \$4,974.

The Company recorded a \$10,769 debt discount relating to an original issue discount and debt issuance costs of \$6,377, which was amortized over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

#### *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 was February 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. The note did not accrue interest.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$1,990 to the debt instrument (40%) and \$3,010 to the warrants (60%).

The Company recorded \$3,010 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

#### *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% per annum. 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. The April amendment was accounted for as a debt modification in accordance with ASC 470-50. The fair value of the warrants issued in connection with this extension, totaling \$265,000, was recorded as a debt discount and fully amortized to accretion of debt discount and issuance cost during the year ended December 31, 2024.

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 year ended December 31, 2024, the Company recorded \$1,397 in interest.

#### *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 22, 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, which was amortized over the life of the note to accretion of debt discount and issuance cost. The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$9,239 to the debt instrument (22%) and \$33,261 to the warrants (78%). As of December 31, 2024, this debt discount has been fully amortized.

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 28, 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 and a fair value of \$521,461, of which \$161,653 was allocated to this note. The amendment was accounted for as a debt modification in accordance with ASC 470-50. The fair value of the warrants issued in connection with this extension, totaling \$217,799, was recorded as a debt discount and fully amortized to interest expense during the year ended December 31, 2024

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

The Company recognized \$599 as a gain on extinguishment of debt.

During the year ended December 31, 2024, this note recorded interest of \$6,746.

#### *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 original maturity date of the March 26 Note was April 26, 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, which was amortized over the life of the note to accretion of debt discount and issuance cost. The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$13,000 to the debt instrument (26%) and \$37,000 to the warrants (74%). As of December 31, 2024, this debt discount has been fully amortized.

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 May 6, 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 and a fair value of \$521,461, of which \$312,876 was allocated to this note. The amendment was accounted for as a debt modification in accordance with ASC 470-50. The fair value of the warrants issued in connection with this extension, was recorded as a debt discount and fully amortized to interest expense during the year ended December 31, 2024.

The Company recognized \$309 as a loss on extinguishment of debt.

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, including interest.

During the year ended December 31, 2024, this note recorded interest of \$11,760.

*The April 5th, 2024 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 promissory note of \$56,250 (the “April 5 Note”). The original maturity date of the April 5 Note is February 15, 2025. This note has a flat interest fee of 15%.

The Company recorded a \$11,250 debt discount relating to an original issue discount and debt issuance costs of \$5,000. The debt discount is being accreted over the life of the note. The debt discount is \$2,366 as of December 31, 2024.

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

During the year ended December 31, 2024, this note recorded interest of \$7,209. This note was outstanding as of December 31, 2024.

*The May 3rd, 2024 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 \$60,000 (the “May 3rd Note”). This note does not accrue interest. The May 3 Note has a maturity date of May 3, 2025.

The Company recorded a \$24,600 debt discount relating to an original issue discount and debt issuance costs of \$2,400. The debt discount is being accreted over the life of the note. The debt discount is \$9,099 as of December 31, 2024.

During the year ending December 31, 2024, the Company paid \$38,511 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. This note has a flat interest fee of \$500.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$1,471 to the debt instrument (21%) and \$5,529 to the warrants (79%). The Company recorded a \$5,529 debt discount relating to the warrants, which was amortized over the life of the note to accretion of debt discount and issuance cost. As of December 31, 2024, this debt discount has been fully amortized.

The Company recognized \$500 as a gain on extinguishment of debt upon the repayment of this note related to the forgiveness of the \$500 interest fee.

#### *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. This note did not accrue interest. This note had an original issue discount of \$9,144.

The Company recorded \$9,144 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

During the year ended December 31, 2024, the Company repaid \$65,944 towards the balance of this note and \$39,678 in interest.

#### *The May 31, 2024 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 for an original issue discount. The principal of the note shall be due and payable in full on the Maturity Date.

This note has a flat interest fee of 15%. During the year ended December 31, 2024, this note accrued interest of \$5,101.

The Company recorded debt issuance costs of \$1,800. The debt discount is being accreted over the life of the note. The debt discount is \$745 as of December 31, 2024.

During the year 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 12,787 warrants of the Company’s common stock. The original maturity date of the June 13 Note was July 13, 2024. This note has a flat interest fee of \$500.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$2,118 to the debt instrument (28%) and \$5,382 to the warrants (72%).

On September 20, 2024, the Company and Frommer executed an agreement extending the maturity date of this note to December 28, 2024 for no additional consideration. The amendment was accounted for as a debt modification in accordance with ASC 470-50.

On December 30, 2024, the Lender restructured the note with the company into the December 30, 2024 Loan Agreement and completed this note (see *The December 30 2024 Loan Agreement*). The balance of the note at the time of restructuring was \$8,000 including interest. The Company recognized \$700 as a loss on extinguishment of debt related to the payment of \$1,200 in interest, which exceeded the amount of interest accrued by \$700. The Company recorded \$5,382 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized.

During the year ended December 31, 2024, this note recorded interest of \$500.

*The August 20th, 2024 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 (the “August 20 Note”). The maturity date of the August 20 Note is February 17, 2025 (the “Maturity Date”).

The Company recorded debt issuance costs of \$1,615. The debt discount is being accreted over the life of the note. The debt discount is \$428 as of December 31, 2024.

During the year ended December 31, 2024, the Company repaid \$770 towards the balance of this note.

*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, 2025 (the “Maturity Date”). The Company is required to make a minimum payment every 60 days of \$4,782. The note does not accrue interest.

The Company recorded debt issuance costs of \$3,841. The debt discount is being accreted over the life of the note. The debt discount is \$3,364 as of December 31, 2024.

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. This note has a flat interest fee of \$500.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$3,998 to the debt instrument (33%) and \$8,062 to the warrants (67%). The Company recorded \$8,062 of debt discount over the life of the note. As of December 31, 2024, this debt discount has been fully amortized. The Company recognized \$500 as a gain on extinguishment of debt related to the forgiveness of the \$500 interest fee.

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 note has a maturity date of March 31, 2025.

The Company accrues interest at the rate of 20% per annum on the outstanding balance of the note. During the years ended December 31, 2024, this note recorded interest of \$64.

As of 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:

Note Name	Outstanding						Warrants Granted	
	Outstanding Principal as of December 31, 2024	Principal as of December 31, 2023	Interest Rate	Conversion Price	Maturity Date	Quantity	Exercise Price	
The First May 2022 Convertible Note Offering	\$ –	\$ 495,000	18 %	\$ 1,000 (*)	Nov 2022	4,000	\$ 1,500 – \$3,000	
The Second May 2022 Convertible Note Offering	–	495,000	18	1,000 (*)	Nov 2022	4,000	\$ 1,500 – \$3,000	
The July 2022 Convertible Note Offering	–	1,756,159	18	5.00 (*)	Mar 2023	4,300	\$5	
The December 2022 Convertible Loan Agreement	–	250,000	–	12.50 (*)	Apr 2023	1,125	\$100	
The January 2023 Convertible Loan Agreement	–	847,500	–	12.50 (*)	Jun 2023	–	–	
The February 2023 Convertible Loan Agreement	–	1,387,500	–	12.50 (*)	Jun 2023	–	–	
The April 2023 Loan Agreement	–	65,167	10	(*)	Apr 2024	–	–	
The May 16 2023 Loan Agreement	–	213,878	10	5.00	Apr 2024	4,400	\$63	
The May 24 2023 Loan Agreement	–	31,146	10	(*)	Feb 2024	–	–	
The June 2023 Loan Agreement	–	50,600	–	5.00 (*)	Dec 2023	173	\$100	
The July 2023 Loan Agreement	–	143,000	10	(*)	Jul 2024	–	–	
The October 2023 Loan Agreement	–	111,111	–	8.00 (*)	Oct 2024	–	–	
The March 13, 2024 Loan Agreement	1,100,000	–	10	8.50 (*)	Sep 2025	–	–	
The First April 2nd Loan Agreement	105,370	–	–	2.50	Jul 2025	11,112	\$5	
The November 22, 2024 Loan Agreement	30,000	–	18	1.00 (*)	Jul 2025	120,000	\$0.87	
	1,235,370	5,846,061						
Less: Debt Discount	(19,213)	(323,887)						
Less: Debt Issuance Cost	–	–						
Total	<u>\$ 1,216,158</u>	<u>\$ 5,535,111</u>						

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

#### *The May 2022 Convertible Note Offering*

During May of 2022, the Company conducted two closings of a private placement offering to accredited investors (including the The First May 2022 Convertible Note Offering and The Second May 2022 Convertible Note Offering, collectively “The May 2022 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 \$.001 per share, at a conversion price of \$1,000 per share. As additional consideration for entering in the May 2022 Offering, the Company issued 8,000 warrants of the Company’s common stock. Both notes 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 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 was amortized over the life of the note and was fully amortized prior to December 31, 2023.

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

On September 15, 2022, the Company and 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 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 \$1,083,684 as a 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, which was fully amortized in 2023.

On March 13, 2024, the Company entered into a separate restructuring agreement with the remaining May 2022 Investors, converting the principal balances into the March 13 Loan Agreement and recognizing a \$148,907 gain on settlement of debt for each note, or a total gain of \$297,814, related to the forgiveness of interest.

#### *The July 2022 Convertible Note Offering*

During July of 2022, the Company conducted multiple closings of a private placement offering to 10 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 Company recorded a \$214,981 debt discount relating to an original issue discount. The debt discount was amortized over the life of the note.

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 year ended December 31, 2023, the Company repaid \$1,785,686 in principal in cash and investors converted \$259,285 in principal into shares of the Company's common stock.

During the year ended December 31, 2024, all July 2022 Investors converted all outstanding note amounts into the Company's Preferred Series F stock. The Company recognized a \$305,136 gain on settlement of debt. During the year ended December 31, 2024, the notes collectively accrued \$74,469 in interest.

*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 December 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 an original issue discount and \$508,227 relating to the beneficial conversion feature. The debt discount is being amortized over the life of the note. The Company amortized \$642,857 during the year ended December 31, 2023.

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

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 And the conversion price was lowered to \$12.50.

On February 12, 2024, the December 2022 Lender converted \$250,000 of this note into the Company's Preferred Series F stock, completing the note.

During the year ended December 31, 2024, the note recorded \$2,671 in interest. The Company recorded \$27,603 as a gain on extinguishment of debt related to the forgiveness of all accrued interest at the time of conversion.

*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 relating to the fair value of the embedded derivative components of the note. The debt discount was being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$847,500 in the year ending December 31, 2023 as a result of the amortization of the debt discount..

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

On February 12, 2024, the December 2022 Lender converted \$750,000 of this note into the Company's Preferred Series F stock, completing the note.

The Company recorded \$97,500 as a gain on extinguishment of debt relating to the forgiveness of the original issuance discount upon conversion.

#### *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 was August 1, 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 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$1,387,500 in 2023 as a result of the amortization of the debt discount.

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

On February 12, 2024, the December 2022 Lender converted \$1,250,000 of this note into the Company’s Preferred Series F stock, completing the note.

The Company recorded \$137,500 as a gain on extinguishment of debt relating to the forgiveness of the original issuance discount upon conversion.

#### *The April 2023 Loan Agreement*

On April 24, 2023, the Company entered into a loan agreement (the “April 24 2023 Loan Agreement”) with a lender (the “April 24 2023 Lender”), whereby the April 24 2023 Lender issued the Company a promissory note of \$109,500 (the “April 24 2023 Note”). Pursuant to the April 24 2023 Loan Agreement, the April 24 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”).

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. The Company recorded a \$88,065 debt discount relating to a \$5,000 original issue discount and \$83,065 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$58,710 during the years ended December 31, 2024 and 2023, respectively, as a result of the amortization of the debt discount.

On July 23, 2024, the Lender converted the remainder of this note and the September 27 2023 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 year ended December 31, 2024, the note accrued \$3,624 in interest. The debt discount is fully amortized as of December 31, 2024. The Company recorded \$77,631 as a loss on extinguishment of debt related to the value of common stock issued for conversion exceeding the remaining note value.

#### *The May 16 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 with a relative fair value of \$90,349 and 750 restricted shares of the Company's common stock with a relative fair value of \$16,090.

The First May 2023 Note was convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") at a price of \$37.50 per share.

The Company recorded a \$275,000 debt discount relating to a \$60,000 original issue discount and \$215,000 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. In the years ended December 31, 2024 and 2023, the Company expensed \$183,333 and \$91,667, respectively, as a result of the amortization of the debt discount.

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

During the year ended December 31, 2024, the note recorded \$9,890 in interest. The debt discount is fully amortized as of December 31, 2024. The Company recorded \$37,158 as a loss on extinguishment of debt related to the value of interest paid via conversion exceeding the amount previously accrued.

#### *The May 24 2023 Loan Agreement*

On May 24, 2023, the Company entered into a loan agreement (the "May 24 2023 Loan Agreement") with a lender (the "May 24 2023 Lender"), whereby the Second May 2023 Lender issued the Company a promissory note of \$86,250 (the "May 24 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 23, 2024 (the "May 24 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 \$61,363 debt discount relating to an \$11,250 original issue discount and \$50,113 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$13,636 in 2024 and \$61,363 in 2023 as a result of the amortization of the debt discount.

During the year ended December 31, 2024, the note recorded \$811 in interest. The Company recorded \$976 as a gain on extinguishment of debt due to the value of interest paid being less than the amount previously accrued. During the year ended December 31, 2024, the Company repaid this note in full.

#### *The June 23 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 were 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 \$35,000 in principal.

The Company recorded a \$3,076 debt discount relating to an original issue discount, which was fully amortized during the year ended December 31, 2023..

During the year ended December 31, 2024, the Company repaid this note in full. The Company recorded \$3,158 as a loss on extinguishment of debt due to the value of interest paid being less than the amount previously accrued.

#### *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 24, 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 \$143,000 debt discount relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$83,417 in 2024 and \$59,583 in 2023 as a result of the amortization of the debt discount..

On July 23, 2024, the Lender converted the remaining \$143,000 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.

During the year ended December 31, 2024, the note accrued \$627 in interest. The debt discount is fully amortized as of December 31, 2024. The Company recorded \$2,932 as a loss on extinguishment of debt related to the difference between the value of common stock issued for conversion and the remaining note value.

#### *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 \$111,111 debt discount relating to an original issue discount, issuance costs, and derivative liability. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$92,593 in 2024 and \$18,519 in 2023 as a result of the amortization of the debt discount.

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 and interest to 81,924 shares of the Company’s common stock.

During the year ended December 31, 2024, the note recorded \$4,330 in interest. The Company recorded \$21,042 as a loss on extinguishment of debt due to the value of interest paid being less than the amount previously accrued.

#### *The February 20, 2024 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 20, 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.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$15,792 to the debt instrument (32%) and \$34,208 to the warrants

(68%). The Company recorded \$34,208 of debt discount relating to the issuance of warrants, which was amortized over the life of the note to accretion of debt discount. The debt discount is fully amortized as of December 31, 2024.

On July 19, 2024, the Company and the February 20 Lender executed an agreement extending the maturity date from August 30, 2024 to December 31, 2024 for no additional consideration. The amendment was accounted for as a debt modification in accordance with ASC 470-50.

On September 3, the February 20 Lender converted the total balance of the note to shares of Series G Preferred stock. The Company recognized \$1,342 as a gain on extinguishment of debt due to the fair value of shares issued exceeding the remaining note value.

During the year ended December 31, 2024, the note recorded \$1,342 in interest.

#### *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.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$45,461 to the debt instrument (45%) and \$54,539 to the warrants (55%). The Company accreted \$54,539 of debt discount relating to an original issue discount, which was amortized over the life of the note to accretion of debt discount. The debt discount is fully amortized as of December 31, 2024.

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 for no additional consideration. The amendment was accounted for as a debt modification in accordance with ASC 470-50.

On September 3, 2024 the March 11 Lender converted the balance of the note to shares of Series G Preferred stock. During the year ended December 31, 2024, the note recorded \$2,411 in interest. The Company recorded \$2,411 as a gain on extinguishment of debt due to the remaining value of the note exceeding the value of the shares issued for conversion.

#### *The March 13 Loan Agreement*

On March 13, 2024, the Company entered into a restructuring agreement with two of the remaining holders of the May 2022 Convertible Notes (the “First March 13 Loan Agreement”). As part of the agreement, the principal balance of the notes, each \$495,000, was combined into a single note and increased to \$1,100,000 and the conversion price was reduced to \$8.50 per share. The notes accrue interest at a rate of 10% per annum for the first 12 months following closing and 15% thereafter, with interest payable monthly in cash beginning April 15, 2024. The maturity date was extended to 18 months from the date of closing.

As additional consideration for the exchange, the Company cancelled all Series C and Series D Warrants held by the noteholders and issued preferred shares convertible into 30,000 shares of the Company’s common stock. The Company also granted the noteholders a first-priority security interest in all of its assets and those of its subsidiaries.

Since the present value of the cash flows of the new and old debt were more than 10% different, the Company used extinguishment accounting under ASC 470-50. As part of the agreement, the Company recognized a \$110,000 loss on extinguishment of debt due to the additional principal and a \$148,907 gain on extinguishment of debt due to the forgiveness of accrued interest.

During the year ended December 31, 2024, the note recorded \$88,301 in interest.

### *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 15,000 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 for no additional consideration. The amendment was accounted for as a debt modification in accordance with ASC 470-50.

On September 3, the March 22 Lender converted the remaining balance of the note to shares of Series G Preferred stock. The Company recorded \$12,069 as a gain on extinguishment of debt related to the forgiveness of interest at the time of conversion. .

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$34,096 to the debt instrument (45%) and \$40,904 to the warrants (55%). The Company recorded \$40,904 of debt discount relating to the warrants, which was amortized over the life of the note to accretion of debt discount. The debt discount is fully amortized as of December 31, 2024. During the year ended December 31, 2024, the note recorded \$12,069 in interest.

### *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. As additional consideration for entering in the First April 2 Loan Agreement, the Company issued 11,112 warrants of the Company’s common stock. The Company recorded a \$5,556 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.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$31,210 to the debt instrument (56%) and \$24,346 to the warrants (44%). The Company recorded \$14,951 of debt discount relating to an original issue discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024.

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. The amendment was accounted for as a debt modification in accordance with ASC 470-50. As part of the agreement, the Company is required to make monthly payments of \$1,800 towards the balance of the note. During the twelve months ended December 31, 2024, the Company paid \$3,600 towards this 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.

On November 21, 2024, the Lender converted the balance of the note to shares of Series G Preferred stock.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$15,605 to the debt instrument (56%) and \$12,173 to the warrants (44%). The Company recorded \$14,951 of debt discount and the original discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024.

#### *The Third April 2nd Loan Agreement*

On April 2, 2024, the Company entered into a loan agreement (the “Third 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.

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

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$15,605 to the debt instrument (56%) and \$12,173 to the warrants (44%). The Company recorded \$14,951 of debt discount relating to the warrants and the original issue discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024.

#### *The Fourth April 2nd Loan Agreement*

On April 2, 2024, the Company entered into a loan agreement (the “Fourth 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 Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$15,605 to the debt instrument (56%) and \$12,173 to the warrants (44%). The Company recorded \$14,951 of debt discount relating to an original issue discount and the warrants, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024.

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

#### *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. The amendment was accounted for as a debt modification in accordance with ASC 470-50.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$19,009 to the debt instrument (38%) and \$30,991 to the warrants (62%). The Company recorded \$30,991 of debt discount, which was amortized over the life of the note to accretion of debt discount and issuance cost. The debt discount is fully amortized as of December 31, 2024. During the year ended December 31, 2024, the note recorded \$3,603 in interest.

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

#### *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”) with an original issuance discount of \$5,000. 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.

The Company accounted for the issuance of the warrants and the note using the relative fair value method. The total relative fair value was allocated as follows: \$6,537 to the debt instrument (22%) and \$24,463 to the warrants (78%). During the year ended December 31, 2024, the Company recorded a \$29,463 debt discount relating to an original issue discount and the issuance of warrants, which is being amortized over the life of the note to accretion of debt discount and issuance cost. As of December 31, 2024, the debt discount was \$19,213. During the year ended December 31, 2024, the note recorded \$577 in interest.

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

#### **Note 7 – Related Party**

##### *Officer compensation*

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

#### **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 year ended December 31, 2023. 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.

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.

	<b>Years Ended December 31, 2024 and 2023</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
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	-	-	6,370,621	6,370,621
Extinguishment	-	-	1,465,900	1,465,900
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.

##### *Equity Line of Credit*

On October 20, 2022, the Company entered into a common stock purchase agreement (the "Equity Line of Credit") with an otherwise unaffiliated third party (the "Investor"). Pursuant to the terms of the Equity Line of Credit, for a period of thirty-six (36) months commencing on the trading day immediately following the date of effectiveness of the Registration Statement, the Investor can purchase up to \$15,000,000 of the Company's common stock, par value \$0.001 per share, pursuant to drawdown notices, covering the registrable securities. The purchase price of the shares under the Equity Line of Credit is equal to 82% of the lowest volume weighted average price (VWAP) during the last ten trading days after the Company delivers to the Investor a put notice or drawdown notice in writing requiring Investor to purchase shares of the Company, subject to the terms of the Equity Line of Credit.

##### *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 years ended December 31, 2024 and 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 3,939 shares of Series F Preferred stock for the conversion of \$3,930,001 in outstanding notes for a loss on settlement of debt of \$3,589,203 and 3,774 shares of Series F Preferred stock for the exchange of 1,501,353 warrants, resulting in an inducement expense of \$1,441,908.

During the year ended December 31, 2024, investors were issued 150 shares of Series F Preferred stock in exchange for 1,800 warrants with an exercise price of \$480 as part of the restructuring of a previously outstanding note payable. See *The March 13 Loan Agreement* for further details on the restructuring.

Between March 14, 2024 and March 20, 2024, 11 investors converted 1,802 shares of Preferred Series F stock into 360,400 shares of common stock.

Between June 25 and June 27, 2024, 6 investors converted 2,713 shares of Series F Preferred into 542,600 shares of common stock.

On July 25, 2024, the Company issued 100,000 shares of common stock for the conversion of 500 shares of Series F preferred stock to 2 investors.

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 to 3 investors.

On September 30, 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.

#### *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 284 shares of Series G Preferred stock for gross proceeds of \$210,000. As additional incentive, the Company issued 210,500 warrants with an exercise price of \$1.00 and a fair value of \$152,742.

During the year ended December 31, 2024, the Company issued 644 shares of Series G Preferred with a fair value of \$355,305 for the conversion of \$408,334 in notes payable, resulting in a gain on settlement of debt of \$76,429. Additionally, the Company issued 48 shares of Series G Preferred in exchange for the cancellation of 71,230 warrants, resulting in an inducement expense of \$23,400.

Additionally, on August 27, 2024, 134 shares of Series G Preferred were issued to a consultant of the company as compensation for services rendered at a value of \$76,380.

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 with a fair value of \$362,998 and 975 shares of Series G Preferred with a fair value of \$606,938. This resulted in a loss on settlement of debt of \$304,316.

#### *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. See *Shares issued for settlement of compensation to employees and consultants* for further details regarding these conversions.

#### *Common Stock*

##### *Sale of minority interest in OG Collection Inc.*

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

##### *Sale of minority interest via Regulation CF in Vocal, Inc.*

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. In the year ended December 31, 2024, the Company sold an additional 2,164 shares for net proceeds of \$18,986. 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 received as of December 31, 2023 were classified as “Deferred offering proceeds” on the Consolidated Balance Sheets. As of December 31, 2024, these amounts were reclassified under mezzanine equity on its 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.

*Stock based compensation in consolidated subsidiaries*

On August 1, 2024, Vocal, Inc. granted 48.72% 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, the OG Collection, Inc. amended its Articles of Incorporation, increasing its authorized shares from 2,000,000, all of which was Common Stock, to 1,050,000,000, of which 1,000,000,000 shares became Common Stock and 50,000,000 shares became Preferred Stock.

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 November 27, 2024, the Company rescinded 1.5% of its membership interests in OG Collection, Inc. and 1.70% of its membership interests in Vocal, Inc. previously issued to a board member after their resignation.

*Common stock issued upon conversion of notes payable*

On January 17, 2023, the Company issued 228 shares pursuant to a conversion of \$51,132 in convertible notes at a price of \$225.25 per share.

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 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 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 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 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 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 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 January 9, 2024, the Company issued 20,000 shares of its common stock pursuant to a conversion of \$100,000 in convertible notes and accrued interest at a price of \$5.00 per share.

On February 2, 2024, the Company issued 16,424 shares of its common stock pursuant to a conversion of \$82,103 in accrued interest on convertible notes at a price of \$5.00 per share.

On March 15, 2024, the Company issued 1,287 shares pursuant to a conversion of \$4,500 in promissory notes at a price of \$3.50 per share.

On March 18, 2024, the Company agreed to the cancellation of a previous conversion of \$4,285 in notes payable and rescinded the issuance of 343 shares of its common stock.

On March 19, 2024, the Company issued 5,000 shares pursuant to the conversion of \$40,000 in convertible notes at a price of \$8.00 per share.

On July 2, 2024, the Company issued 231,815 shares of common stock in exchange for \$278,179 in convertible notes payable at a price of \$1.20 per share.

On July 10, 2024, the Company issued 275,000 shares of common stock in exchange for \$330,000 in notes payable and accrued interest at a price of \$1.00 per share, resulting in a gain on settlement of debt of \$55,000.

On July 11, 2024, the Company issued 128,205 shares of common stock in exchange for \$41,129 in notes payable and \$58,871 in interest at a price of \$0.78 per share, resulting in a loss on settlement of debt of \$28,205.

On July 22, 2024, the Company issued 171,039 shares of common stock in exchange for \$133,411 in notes payable at a price of \$0.90 per share, resulting in a loss on settlement of debt of \$20,524. Additionally, the Company issued 10,461 shares with a fair value of \$9,414 as penalties and fees in relation to the conversion of a note payable.

On July 29, 2024, the Company issued 81,924 shares of common stock for the conversion of \$98,309 in notes payable and accrued interest at a price of \$1.20 per share.

On September 12, 2024, the Company issued 161,346 shares of common stock for the conversion of \$41,429 in notes payable at a price of \$0.26 per share, resulting in a loss on settlement of debt of \$40,857.

On November 6, 2024, a noteholder converted \$54,000 in principal for 150,000 shares of common stock at a price of \$0.36 per share, resulting in a loss on settlement of debt of \$43,500.

On December 2, 2024, a noteholder converted \$9,683 in principal and \$11,999 in interest into 57,635 shares of common stock at a price of \$0.38 per share, resulting in a loss on settlement of debt of \$19,815.

#### Shares issued for settlement of accounts payable

On February 28, 2024, the Company issued 2,300 shares at a fair value of \$11,270 to settle \$2,300 in outstanding liabilities, resulting in a loss on settlement of debt of \$8,970.

On February 28, 2024, the Company issued 18,000 shares of common stock with a fair value of \$88,200 to a vendor to settle \$15,120 in outstanding liabilities, resulting in a loss on settlement of debt of \$73,080.

On March 22, 2024, the Company issued 33,895 shares of common stock with a fair value of \$203,370 to a vendor to settle \$27,472 in outstanding liabilities, resulting in a loss on settlement of debt of \$174,898.

On August 22, 2024, the Company issued 125,000 shares of common stock with a fair value of \$121,250 in exchange for \$120,000 in accounts payable outstanding to a vendor, resulting in a loss on settlement of debt of \$1,250. This issuance satisfied the first stage of a payment plan entered into relating to the termination of the Company's lease at 419 Lafayette Street. See *Lease Agreements* for further details on the lease agreement and its settlement.

On November 12, 2024, Jessica Skube and the Company executed a settlement agreement for the matter of Skube 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 with a fair value of \$145,410 to settle the outstanding balance of \$191,360, resulting in a loss on settlement of debt of \$45,950.

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 with a fair value of \$362,998 and 975 shares of Series G Preferred with a fair value of \$606,938. This resulted in a loss on settlement of debt of \$304,316.

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 with a fair value of \$5,360, resulting in a gain on settlement of debt of \$8,040.

#### *Shares issued for settlement of compensation to employees and consultants*

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 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 April 22, 2024, the Company issued 691,845 shares of common stock with a fair value of \$1,252,239 in exchange for \$609,535 in net pay owed to employees, officers, and directors, and payables to key consultants, resulting in a loss on settlement of debt of \$642,704.

On June 7, 2024, the Company issued 219,535 shares of common stock with a fair value of \$392,968 in exchange for \$144,502 in net pay owed to employees, officers, and directors, and payables to key consultants, resulting in a loss on settlement of debt of \$248,466.

On June 26, 2024, the Company issued 216,704 shares of common stock with a fair value of \$343,476 in exchange for \$84,514 in net pay owed to employees, officers, and directors, and payables to key consultants, resulting in a loss on settlement of debt of \$258,962.

On July 31, 2024, the Company issued 250,339 shares of common stock with a fair value of \$367,998 in exchange for \$78,048 in net pay owed to employees, officers, and directors, and payables to key consultants, resulting in a loss on settlement of debt of \$289,950.

On September 30, 2024, the Company reversed the majority of the above conversions and rescinded 1,385,255 shares of common stock previously issued for the conversion of net pay owed to employees, officers, and directors, and payables to key consultants. The rescinded shares had a fair value of \$581,807, and resulted in the reinstatement of \$881,304 of the net pay owed to employees and payables and key consultants previously converted on April 22, June 7, June 26, and July 31, 2024.

On October 1, 2024, the Company re-offered employees, officers, directors, and key consultants the ability to convert their payables into Preferred Series H stock, and issued 3,798 shares of Preferred Series H stock with a fair value of \$755,422 in exchange for \$379,405 in net pay owed to employees, officers, and directors, and payables to key consultants. These conversions resulted in a loss on settlement of debt of \$376,017. The Series H Preferred shares issue contain all the standard terms and conditions under the certificate of destination for that class of stock, including conversion price adjustment upon the sale of equity at a lower price subsequent to the issuance of these shares. See *Series H Convertible Preferred Stock* for additional information on the terms of Series H Preferred.

*Common stock issued for financing fees*

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 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 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 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 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 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 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 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 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 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 March 21, 2024, the Company issued 3,500 shares of its restricted common stock at a fair value of \$21,700 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On March 25, 2024, the Company issued 3,000 shares of its restricted common stock at a fair value of \$16,710 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On July 2, 2024, the Company issued 2,060 shares of common stock with a fair value of \$2,431 to an investor for fees and penalties associated with a convertible note.

*Shares issued for acquisition of consolidated subsidiary*

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 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 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 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 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 26, 2024, the Company issued 35,000 common shares with a fair value of \$38,150 to acquire 100% of the membership interests in S96 NYC, LLC (Studio 96 Publishing) from Ayelet Abitbul, an employee of the Company. Additionally, the Company issued 65,000 warrants with an exercise price of \$1.20 and an expected life of 5 years with a value of \$70,850, for a total purchase price of \$109,000. Of this purchase price, \$5,450 was recorded as Goodwill and \$103,550 was recorded as intangible assets.

*Cash received for common stock*

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

On May 3, 2023, the Company sold 2,820 shares of its common stock pursuant to the Equity Line of Credit 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 June 20, 2023, the Company sold 2,766 shares of its common stock pursuant to the Equity Line of Credit 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 September 5, 2023, the Company sold 8,256 shares of its common stock pursuant to the Equity Line of Credit entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$97,142 to the Company.

On October 20, 2023, the Company sold 8,485 shares of its common stock pursuant to the Equity Line of Credit 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 November 3, 2023, the Company sold 8,058 shares of its common stock pursuant to the Equity Line of Credit entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$43,839 to the Company.

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

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

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

On January 3, 2024, the Company sold 9,989 shares of its common stock pursuant to the Equity Line of Credit entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$27,728 to the Company.

On March 6, 2024, the Company sold 7,143 shares of its common stock for proceeds of \$25,000. Additionally, the Company issued 7,143 warrants with an exercise price of \$7.00 and an expected life of 5 years with a fair value of \$33,215.

On March 25, 2024, the Company sold 23,848 shares of its common stock pursuant to the Equity Line of Credit entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$83,872.

On April 8, 2024, the Company issued 10,000 shares of its restricted common stock for gross proceeds of \$25,000. Additionally, the Company issued 10,000 warrants with an exercise price of \$5.00 with an expected life of 5 years, and a fair value of \$35,100.

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. Additionally, the Company issued 126,667 warrants with an exercise price of \$1.25, an expected life of 5 years, and a combined fair value of \$114,000.

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. Additionally, the Company issued 100,000 warrants with an exercise price of \$1.00 and an expected term of 5 years with a fair value of \$64,375.

#### Stock based compensation in Creatd, 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 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 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 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 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 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 March 1, 2024, the Company issued 10,000 shares at a fair value of \$51,100 to a vendor for services rendered. On May 17, 2024, these shares were then rescinded as part of a renegotiation of the agreement with this vendor.

On April 22, 2024, the Company issued 11,436 shares at a fair value of \$20,699 to a vendor for services rendered.

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 March 5, 2024, the Company issued 10,000 shares at a fair value of \$46,000 to a vendor for services rendered.

On March 6, 2024, the Company issued 15,000 shares with a fair value of \$69,750 to a vendor for services.

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

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

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

On December 18, 2024, the Company issued 5,198 shares with a fair market value of \$2,079 to consultants for services rendered.

#### *Shares issued for acquisition of marketable securities*

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 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 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.

*Shares issued for acquisition of minority interest*

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. This minority equity investment was booked in *Minority interest in business* on the consolidated balance sheets at cost.

*Shares issued for conversion of preferred to common*

Between March 15, 2024 and March 18, 2024 6 investors converted 1,562 shares of Preferred Series F stock into 312,400 shares of common stock.

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

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

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 September 30, 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.

*Exercise of warrants to stock*

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

*Shares issued for rounding in reverse stock split*

On January 24, 2024, the Company effectuated a 1-for-500 reverse stock split. 3,554 shares with a fair value of \$12,084 were issued pursuant to rounding from this reverse stock split.

### Stock Options

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

	<b>December 31, 2024</b>
Exercise Price	\$1.78-1.92
Expected dividends	0%
Expected volatility	215.44% - 218.11%
Risk free interest rate	4.17% - 4.69%
Expected life of option	10 years

	<b>December 31, 2023</b>
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:

	<b>Options</b>	<b>Weighted Average Exercise Price</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
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	0.30	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

<b>Option Outstanding</b>			<b>Option Exercisable</b>		
<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Weighted Average Exercise Price</b>	<b>Number Exercisable</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
\$ 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, 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, 2034.

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, 2034.

On February 12, 2024, the Company's Board voted to lower the exercise price of 136,000 stock options from \$15 to \$1.92. As the fair value of the options after this modification was greater than the fair value previously recorded, no additional compensation expense was recorded.

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. As the fair value of the options after this modification was greater than the fair value previously recorded, no additional compensation expense was recorded.

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. As the fair value of the options after this modification was greater than the fair value previously recorded, no additional compensation expense was recorded.

On September 23, 2024, the Company's Board voted to lower the exercise price of 2,064,751 stock options from \$0.87 to \$0.30. As the fair value of the options after this modification was greater than the fair value previously recorded, no additional compensation expense was recorded.

#### *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:

	<b>December 31, 2024</b>
Exercise Price	\$0.26 - 7.00
Expected dividends	0%
Expected volatility	201.06% - 309.08%
Risk free interest rate	3.41% - 4.66%
Expected life of warrants	5 years

	<b>December 31, 2023</b>
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:

	<b>Warrant</b>	<b>Weighted Average Exercise Price</b>
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	37,057,6833	1.68
Exercised	-	-
Forfeited/Cancelled	(12,823,429)	0.35
Balance – December 31, 2024 – outstanding	26,206,856	0.40
Balance – December 31, 2024 – exercisable	26,206,856	0.40

<b>Warrants Outstanding</b>			<b>Warrants Exercisable</b>		
<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Weighted Average Exercise Price</b>	<b>Number Exercisable</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
\$0.40	26,205,856	3.64	\$0.40	26,206,856	3.64

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.

During the year ended December 31, 2023, 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 \$33,017,888 was recorded to the Consolidated Statements of Operations and Comprehensive Loss, of which \$2,071,061 as in relation to the issuance of new warrants and \$30,946,827 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 \$363,173 were issued with convertible notes and promissory notes.

During the year ended December 31, 2024, a total of 5,337,652 warrants with a fair value of \$4,526,593 were issued with the sale of common stock, the conversion of promissory notes, or the conversion of payables. This includes the settlement of \$250,000 in accounts payable for consideration of 300,000 warrants with an exercise price of \$1.00 and a fair value of \$149,990, resulting in a gain on settlement of debt of \$100,003.

11,319,417 warrants were cancelled on September 30, 2024 pursuant to the rescission of converted payroll and payable amounts (see *Shares issued for settlement of compensation to employees and consultants* for further detail

on these conversions and their cancellation), leading to the reversal of \$2,455,532 in deemed dividend related to the issuance of new warrants and \$7,515,455 in deemed dividend related to the trigger of down round provisions.

## **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, 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, valued at \$150,000, with an additional 35,000 shares of common stock issued in legal fees, valued at \$35,000.

#### *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.

As of December 31, 2023, there was \$990,000 in outstanding principal, which is included in convertible notes net of debt discount and issuance costs on the consolidated balance sheets and \$297,814 in outstanding interest, which is included within accounts payable and accrued liabilities on the consolidated balance sheets.

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. See ("The First May 2022 Convertible Note" and "The Second May 2022 Convertible Note" in Note 6 for further detail.

### Lease Agreements

The Company currently does not own any properties.

On May 1, 2022, the Company entered into a lease agreement for its former corporate headquarters, consisting of a total of 8,000 square feet and is located at 419 Lafayette Street, 6<sup>th</sup> Floor, New York, NY, 10003. The lease term was 7 years commencing May 1, 2022.

During 2024, the Company entered into and then subsequently amended the lease agreement for 419 Lafayette Street, with the goal of terminating the lease going forward contingent upon a payment plan for amounts owed under the lease. Under this agreement \$120,000 was owed prior to February 4, 2025, which amount was satisfied via the issuance of 125,000 shares of common stock in August 2024 (see *Common Stock* for full details on this issuance). An additional \$220,000 is due in monthly installments of \$19,000 between February 2025 and February 2026, and an additional \$252,000 is due in monthly installments of \$21,000 per month between February 2026 and February 2027. These payments are subject to acceleration based upon the Company's financing proceeds. As of December 31, 2024, the amount owed on this lease under Accounts Payable on its consolidated balance sheets was \$480,000. See *Subsequent Events*.

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. As of December 31, 2024 and 2023, the Company is in breach of this lease agreement and carries an accounts payable balance of \$120,597 on its consolidated balance sheets. See *Subsequent Events*.

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, 2024 and 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:

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

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

	<b>Year Ended December 31, 2024</b>	<b>Year Ended December 31, 2023</b>
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.

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

Operating lease liabilities are summarized below

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

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

<b>For the Twelve Months Ended December 31,</b>	<b>Operating Leases</b>
2025	547,439
2026	532,424
2027	548,073
2028	564,191
2029	160,684
<b>Thereafter</b>	<b>189,821</b>
<b>Total</b>	<b>2,352,812</b>
Less imputed interest	(547,439)
<b>PV of Payments</b>	<b>\$ 1,251,319</b>

#### 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.

## **Note 11 – Acquisitions**

### Studio 96 Publishing

On July 26, 2024, the Company acquired 100% of the membership interests in S96 NYC, LLC (Studio 96 Publishing) from Ayelet Abitbul, an employee of the Company. As consideration for the acquisition, the Company issued 35,000 shares of common stock with a fair value of \$38,150 and 65,000 warrants with an exercise price of \$1.20 per share and an expected term of five years, valued at \$70,850. The total purchase price was \$109,000.

The acquisition was accounted for as a business combination in accordance with ASC 805. The total purchase consideration was allocated to the identified intangible assets and goodwill based on their estimated fair values. Of the total purchase price, \$43,600 was allocated to know-how, \$16,350 to the Company's website and app, and \$43,600 to the acquired customer list. The remaining \$5,450 was recorded as goodwill.

The know-how and customer list were valued using the income approach, specifically the multi-period excess earnings method, which estimates the present value of future cash flows attributable to each asset. The website and app were valued using the cost approach, which reflects the estimated cost to replace the existing digital infrastructure. Goodwill represents the expected synergies and benefits from the integration of Studio 96 Publishing with the Company's existing operations. The goodwill recognized is not deductible for tax purposes.

### 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 with a fair value of \$16,578 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. The value of the shares issued by the Company were recorded to marketable securities on the Company's consolidated balance sheets.

### 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 with a fair value of \$18,208. The value of the shares issued by the Company were recorded to marketable securities on the Company's consolidated balance sheets.

### 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 THEPOWERHOUSE, 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, THEPOWERHOUSE LLC received 333,333 shares of the Company's common stock. The value of the shares issued by the Company were recorded to long-term assets under *Minority interest in business* on the Company's consolidated balance sheets.

## Enzyloitics, Inc.

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 at a fair value of \$32,855. The value of the shares issued by the Company were recorded to marketable securities on the Company's consolidated balance sheets.

### **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 operations.

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

#### **Discontinued Operations Consolidated Balance Sheets**

	<b>For the Year Ended December 31, 2024</b>	<b>For the Year Ended December 31, 2023</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ -	\$ 2,150
Accounts receivable, net	-	-
Inventory	-	-
Prepaid expenses and other current assets	-	-
<b>Total Current assets</b>	<b>-</b>	<b>2,150</b>
Intangible assets	-	-
Goodwill	-	-
Deposits and other assets	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 2,150</b>
<b>Liabilities and Stockholders' Deficit</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ -	-
Note payable, net of debt discount and issuance costs	-	-
Deferred revenue	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>
Investment from Parent	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>
<b>Stockholders' Equity (Deficit)</b>		
Accumulated deficit	-	2,150
Accumulated other comprehensive income	-	-
<b>Total Creatd, Inc. Stockholders' Equity (Deficit)</b>	<b>-</b>	<b>2,150</b>
Non-controlling interest in consolidated subsidiaries	-	-
<b>Total Liabilities and Stockholders' Equity (Deficit)</b>	<b>\$ -</b>	<b>\$ 2,150</b>

As of December 31, 2023, all assets and liabilities of the discontinued subsidiaries had been transferred to the parent company, assigned to a third party, or disposed of.

**Discontinued Operations Consolidated Statements of Operations**

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Net revenue	\$ -	\$ 662,987
Cost of revenue	-	884,565
<b>Gross loss</b>	<b>-</b>	<b>(221,578)</b>
<b>Operating expenses</b>		
Compensation	-	265,969
Marketing	-	291,173
Impairment of goodwill	-	46,460
Impairment of intangible assets	-	109,622
General and administrative	-	175,822
<b>Total operating expenses</b>	<b>-</b>	<b>889,046</b>
<b>Loss from operations</b>	<b>-</b>	<b>(1,110,624)</b>
<b>Other income (expenses)</b>		
Other income	-	-
Interest expense	-	(7,830)
Accretion of debt discount and issuance cost	-	-
Settlement of vendor liabilities	-	183,908
<b>Other income (expenses), net</b>	<b>-</b>	<b>176,078</b>
<b>Loss before income tax provision</b>	<b>-</b>	<b>(934,546)</b>
<b>Income tax provision</b>	<b>-</b>	<b>-</b>
<b>Net Loss</b>	<b>-</b>	<b>(934,546)</b>
Non-controlling interest in net loss	-	-
<b>Net Loss attributable to Creatd, Inc.</b>	<b>\$ -</b>	<b>\$ (934,546)</b>

Revenue for the discontinued entities was \$0 for the year ended December 31, 2024 and \$662,987 for the year ended December 31, 2023. Cost of revenue for the discontinued entity for the year ended December 31, 2024, was \$0 as compared to \$884,565 for the year ended December 31, 2023. Operating expenses for the discontinued entities for the year ended December 31, 2024, were \$0 as compared to \$889,046 for the year ended December 31, 2023. Loss from operations for the discontinued entities for the year ended December 31, 2024, was \$0 as compared to \$1,110,624 for the year ended December 31, 2023.

**Note 13 - Segment Reporting**

**Business Segments**

The Company's Chief Executive Officer, who serves as the Chief Operating Decision Maker ("CODM"), evaluates the Company's financial performance and allocates resources based on a consolidated view of the business. Consequently, the Company operates as a single reportable segment under the guidelines of ASC 280, *Segment Reporting*. The CODM classifies this segment as Creator Monetization Platform.

The Company's operations, which include digital media publishing, content creation tools, and creator monetization services, are managed centrally. The CODM assesses financial performance using metrics such as revenue, gross

margin, operating profit, and platform engagement metrics, which are outlined below as the primary cost components for evaluating the Company's performance.

Additionally, the CODM measures income generated from the Company's assets by focusing on net income as a key performance indicator. This metric is used to assess the return on assets and supports strategic decision-making.

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Net revenue	\$ 1,498,874	\$ 1,916,453
<i>Reconciliation of Revenue</i>		
Less: Cost of good sold	(63,144)	(808,315)
Segment gross margin	1,435,730	1,108,138
Less:		
Compensation	1,941,672	3,099,285
Marketing	274,039	362,013
Other segment items	11,557,240	24,406,028
Segment net loss from operations	(12,337,221)	(27,235,778)
<i>Reconciliation of loss:</i>		
Other income (expense), net	7,667,210	(11,758,750)
Loss before income taxes	(4,670,011)	(38,994,528)

(1) Other segment items comprising segment net loss include research and development, stock related expenses, and certain general and administrative expenses

#### **Note 14 –Income Taxes**

Components of deferred tax assets are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>Net deferred tax assets – Non-current:</b>		
Depreciation	\$ (66,080)	\$ (146,938)
Stock based compensation	9,442,717	20,165,067
Expected income tax benefit from NOL carry-forwards	6,017,949	5,810,345
Less valuation allowance	(15,394,586)	(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:

	<b>For the Year Ended December 31, <u>2024</u></b>	<b>For the Year Ended December 31, <u>2023</u></b>
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 \$(15,394,586), in comparison to a valuation allowance in 2023 of \$(25,828,474), a decrease in valuation allowance of \$10,433,888.

As of December 31, 2024, the Company had approximately \$108.1 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 consolidated 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 15 – Subsequent Events**

### *Consultant Shares*

Subsequent to December 31, 2024, the Company issued 125,000 shares valued at \$125,000 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.

### *Note Extensions*

Subsequent to December 31, 2024, 3 lenders extended 3 notes. One lender received an updated interest rate of 18% on two of its notes.

### *Conversion of Payables into Common Stock*

Subsequent to December 31, 2024, 4 former vendors of the Company converted \$25,173 in net payables for services rendered into 29,373 shares of the Company's common stock.

### *Conversion of Payables into Preferred Stock*

Subsequent to December 31, 2024, 1 former landlord of the Company converted \$480,000 in outstanding settlement payments owed 640 shares of the Company's Series G Preferred stock. See *Settlement of Lease Agreements* below.

### *Purchase of Common Stock*

Subsequent to December 31, 2024, the Company issued 832,280 shares of its Common Stock in exchange for \$276,140 worth of cash, and acquiree debt, to 13 investors, at a price of \$1 per share of common stock.

### *Purchase of Series G Preferred*

Subsequent to December 31, 2024, the Company issued 238 shares of its Preferred Series G stock in exchange for \$175,000 to 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.

### *New Notes*

Subsequent to December 31, 2024, two lenders lent the Company a combined \$25,000.

### *Note Defaults*

Subsequent to December 31, 2024, 1 note went into default.

### *Settlement of Lease Agreements*

Subsequent to December 31, 2024, the Company reached an agreement with its former landlord at 1674 Meridian Ave., Miami Beach, FL, 33131. The Company and Landlord agreed that the Company make a settlement payment of \$10,000 to close out the payable and settle the lease. As of the date of this filing, the lease is settled and nothing further is due to the Landlord.

Subsequent to December 31, 2024, the Company amended its existing settlement agreement with its former landlord at 419 Lafayette Street, New York, NY 10003. Per the agreement, the Company issued \$480,000 worth of Preferred Series G stock to the Landlord to settle the remaining payable due per the Settlement Agreement. As of the date of this filing, the lease is settled and nothing further is due to the Landlord.

**Options Issuances**

Subsequent to December 31, 2024, the Company issued 6,375,000 options to purchase its common stock to officers, employees, consultants, and directors, as part of the Creatd 2024 Omnibus Securities and Incentive Plan (“Options Plan”). The options have a 10-year term. The Options Plan was approved at the Company’s 2024 annual shareholder meeting.

**Acquisition of Flewber Global, Inc.**

Subsequent to December 31, 2024, the Company completed the acquisition of Flewber Global, Inc. (“Flewber”) for total consideration of \$7,618,836.

In connection with the acquisition, the Company raised acquisition-specific funding from both former Flewber equity and debt investors. The Company raised \$276,140 in cash proceeds from former Flewber equity investors and issued 276,140 shares of the Company’s common stock in exchange for these funds. In addition, the Company issued 556,140 shares of common stock to former Flewber equity holders in exchange for their prior Flewber equity and new investment, resulting in a total of 832,280 shares of common stock issued as part of the acquisition.

The Company also raised \$1,056,000 in cash from former Flewber debt investors and issued 1,149 shares of Preferred Series G stock in exchange for these funds, accompanied by 1,064,250 warrants to purchase common stock at an exercise price of \$1.00 per share. Additionally, the Company issued 9,342 shares of Preferred Series G stock in exchange for outstanding Flewber debt at the time of the acquisition, along with 7,006,500 warrants to purchase common stock at an exercise price of \$1.00 per share.

As part of the acquisition, the Company also issued 503,558 warrants to purchase common stock at an exercise price of \$1.00 per share to former Flewber debt and equity holders who did not participate in the reinvestment.

**Equity Exchange with MineralRite Corporation.**

Subsequent to December 31, 2024, the Company acquired 0.4% of equity in MineralRite Corporation, a company focused on mining earth materials. As consideration for this acquisition, MineralRite Corporation received 90,000 shares of the Company’s common stock.

**Reversal of Equity Exchange with Enzolytics, Inc.**

Subsequent to December 31, 2024, the Company and Enzolytics, Inc. reversed their equity exchange entered into on November 11, 2024. The Company received 39,824 shares of its common stock back into its Treasury and returned 39,146,342 shares of its ownership of Enzolytics’s common stock into Enzolytics’s Treasury.

**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and  
Stockholders of Creatd, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Creatd, Inc. (the Company) as of December 31, 2023, and the related consolidated statements of income and comprehensive loss, stockholders' deficit, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3, the Company has recurring net losses and negative cash flow from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Our opinion is not modified with respect to that matter

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

A handwritten signature in black ink that reads "Astra Audit &amp; Advisory LLC".

We have served as the Company's auditor since 2024.

PCAOB Firm ID #6920  
Tampa, Florida  
January 21, 2025



## ROSENBERG RICH BAKER BERMAN, P.A.

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### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and  
Stockholders of Creatd, Inc.

#### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Creatd, Inc. (the "Company") as of December 31, 2022 and 2021, and the related statements of operations and comprehensive income (loss), stockholders' equity (deficit), and cash flows for each of the years in the two-year period ended December 31, 2022, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

#### Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, The Company had a significant accumulated deficit, significant net loss and net cash used in operating activities that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

#### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

#### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex



## ROSENBERG RICH BAKER BERMAN, P.A.

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To the Board of Directors and  
Stockholders of Creatd, Inc.

judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

### *Goodwill and Finite-Lived Intangible Assets Impairment Evaluation*

As discussed in Note 2 to the financial statements, management conducts a goodwill impairment assessment on an annual basis and when events or changes in circumstances indicate that the carrying value of a reporting unit exceeds its fair value. The fair value of a reporting unit is determined through the use of the income approach using estimates of future cash flows attributable to the respective reporting units. As a result of the annual impairment assessment, the Company recognized approximately \$1.4 million of goodwill impairment related to its reporting units.

Additionally, as discussed in Note 2 to the financial statements, management evaluates the recoverability of acquired finite-lived intangible assets for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. 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 their use and eventual disposition. As a result of the intangible asset impairment assessment, the Company recognized approximately \$1.9 million of impairment related to finite-lived intangible assets.

We identified the impairment of Goodwill and finite-lived intangible assets as a critical audit matter because of significant judgments required by management to estimate the fair value, including forecasted cash flows, revenue growth rates and expectations for operating expenses. The Goodwill assessment also requires judgment related to the discount rate utilized and other significant valuation assumptions. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's cash flow estimates and the selection of cash flow multiples used in the income approach for valuing Goodwill.

### *How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the forecasts of management's estimates of future cash flows, the selection of cash flow multiples for the Company's reporting units, and the evaluation of the discount rate for Goodwill assessments included the following, among others:

- We obtained an understanding of the controls over the assessment of Goodwill and intangible asset impairment, including those over qualitative assessments and the determination of fair value based on relevant cash flow forecasts.
- Tested the mathematical accuracy of the calculations and evaluated significant assumptions and the underlying data used by the Company by performing procedures to test the projected revenues, projected direct costs, and projected operating expenses by comparing them with the historical forecasted results of the respective entities' operations, evaluating the feasibility of generating revenues and cost-cutting strategies and assessing the impacts of internal and/or external economic factors.
- We used experienced personnel to evaluate the expertise, valuation assumptions and methodologies utilized by valuation professionals with specialized skills and knowledge engaged by the Company, and critically evaluated management's assumptions used in the valuations.



## ROSENBERG RICH BAKER BERMAN, P.A.

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To the Board of Directors and  
Stockholders of Creatd, Inc.

### *Inventory*

As discussed in Note 2 to the financial statements, inventories are stated at the lower of cost (first-in, first-out basis) or net realizable value and are periodically evaluated to identify obsolete or otherwise impaired products and are written off when management determines usage is not probable. The Company estimates the balance of excess and obsolete inventory by analyzing inventory by age using last used and original purchase date and existing sales pipeline for which the inventory could be used.

We identified the audit of inventory as a critical audit matter for the following reasons based on different aspects of the audit of inventory.

- (a) Existence of inventory – we encountered difficulty in gaining timely access to observe physical inventory counts at multiple locations or confirm existence in other locations. Certain counts could only be done virtually. These factors required the need for inventory roll back procedures, which were also complicated.
- (b) Valuation of inventory – (1) The determination of the proper allocation of inventory value to unit costs was complex and the Company lacked formal controls over this area; (2) The determination of inventory obsolescence required significant assumptions about expiration and spoilage or breakage.

### *How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the testing the existence and valuation of inventory included the following, among others:

- We obtained an understanding of the controls over inventory recognition, valuation and monitoring, including those related to allocation of unit costs, inventory obsolescence, and tracking of remote inventories.
- Tested the mathematical accuracy of the calculations and evaluated significant assumptions and the underlying data used by the Company in allocating unit costs by performing procedures to test the underlying value of inventory components in relation to historical bill of materials and finished goods observed during inventory counts. We also evaluated this information by performing our own independent allocations of predicted unit costs and comparing to Company estimates.
- We critically evaluated the assumptions and methodology employed by the Company in evaluating inventory obsolescence, including consideration of subsequent events, and assessing the reasonableness of estimates to historical data for spoilage or breakage.
- During inventory observations, we required live counts, ensured that count procedures were prepared and properly followed, the counting team member was adequately familiar with the inventory items to be counted, count locations were properly identified and tracked accurately, and observed the contents of certain boxes and observed all sides of palletized items.
- We tested the verifiability of inventory reports and tested detailed transactions for the inventory roll back procedures.

We have served as the Company's auditor since 2018.

*Rosenberg Rich Baker Berman P.A.*

Somerset, New Jersey

April 18, 2023, except for Note 12 and Note 15, Reverse Stock Split, as to which the date is January 21, 2025

**Creatd, Inc.**  
**Consolidated Balance Sheets**

**December 31, 2023**      **December 31, 2022**

**Assets**

**Current Assets**

Cash	\$ 71,105	\$ 673,774
Accounts receivable, net	-	152,571
Inventory	-	30,125
Prepaid expenses and other current assets	-	87,866
Discontinued operations, net current assets	2,150	534,828
<b>Total Current Assets</b>	<b>73,255</b>	<b>1,479,164</b>
Property and equipment, net	84,143	212,545
Intangible assets	-	22,783
Deposits and other assets	83,616	794,631
Operating lease right of use asset	1,923,112	2,054,265
Discontinued operations, net non-current assets	-	256,361
<b>Total Assets</b>	<b>\$ 2,164,126</b>	<b>\$ 4,819,749</b>

**Liabilities and Stockholders' Deficit**

**Current Liabilities**

Accounts payable and accrued liabilities	\$ 10,366,934	\$ 5,433,398
Deferred revenue	266,037	275,017
Convertible notes, net of debt discount and issuance costs	5,535,111	5,369,599
Current portion of operating lease payable	532,689	326,908
Note payable, net of debt discount and issuance costs	1,127,101	1,461,520
Deferred offering proceeds	65,808	-
Derivative liability	7,836,521	-
Stock Compensation Liability	449,376	-
Discontinued operations, net current liabilities	-	2,340,874
<b>Total Current Liabilities</b>	<b>26,179,577</b>	<b>15,207,316</b>

**Non-current Liabilities:**

Note payable, less current portion	30,026	38,014
Operating lease payable	1,554,734	2,077,618
<b>Total Liabilities</b>	<b>27,764,337</b>	<b>17,322,948</b>

**Commitments and contingencies (Note 10)**

**Stockholders' Equity (Deficit)**

Preferred stock, \$0.001 par value, 20,000,000 shares authorized; 450 shares issued and outstanding	-	-
Common stock par value \$0.001: 100,000,000 shares authorized; 507,397 issued and 507,210 outstanding as of December 31, 2023 and 78,125 issued and 77,938 outstanding as of December 31, 2022	508	78
Additional paid in capital	191,455,928	134,609,584
Less: Treasury stock, 187 shares	(78,456)	(78,456)
Accumulated deficit	(217,655,876)	(146,142,373)
Accumulated other comprehensive loss	(174,143)	(140,183)
<b>Total Creatd, Inc. Stockholders' Deficit</b>	<b>(26,452,039)</b>	<b>(11,751,350)</b>
Non-controlling interest in consolidated subsidiaries	851,828	(751,849)
<b>Total Stockholders' Deficit</b>	<b>(25,600,211)</b>	<b>(12,503,199)</b>
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$ 2,164,126</b>	<b>\$ 4,819,749</b>

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

**Creatd, Inc.**  
**Consolidated Statements of Operations and Comprehensive Loss**

	<b>For the Year Ended December 31, 2023</b>	<b>For the Year Ended December 31, 2022</b>
<b>Net revenue</b>	\$ 1,916,453	\$ 2,323,327
<b>Cost of revenue</b>	808,315	2,633,088
<b>Gross margin (loss)</b>	<u>1,108,138</u>	<u>(309,761)</u>
<b>Operating expenses</b>		
Compensation	3,099,285	3,072,796
Research and development	362,013	951,414
Marketing	838,603	3,025,088
Stock based compensation	20,165,067	4,183,844
Impairment of intangible assets	13,334	137,296
General and administrative	3,865,614	8,443,838
<b>Total operating expenses</b>	<u>28,343,916</u>	<u>19,814,276</u>
<b>Loss from operations</b>	<u>(27,235,778)</u>	<u>(20,124,037)</u>
<b>Other income (expenses)</b>		
Other income	109,931	-
Interest expense	(884,692)	(817,070)
Accretion of debt discount and issuance cost	(5,671,843)	(4,660,952)
Change in derivative liability	(4,744,187)	3,729
Impairment of investment	-	(50,000)
Settlement of vendor liabilities	366,587	(265,717)
Loss on marketable securities	-	(11,742)
Loss on extinguishment of debt	-	(832,482)
<b>Other expenses, net</b>	<u>(10,824,204)</u>	<u>(6,634,234)</u>
<b>Loss from continuing operations</b>	<u>(38,059,982)</u>	<u>(26,758,271)</u>
<b>Loss from discontinued operations</b>	<u>(934,546)</u>	<u>(8,918,044)</u>
<b>Loss before income tax provision</b>	<u>(38,994,528)</u>	<u>(35,676,315)</u>
<b>Income tax provision</b>	<u>-</u>	<u>-</u>
<b>Net loss</b>	<u><b>\$ (38,994,528)</b></u>	<u><b>\$ (35,676,315)</b></u>
<b>Net loss Attributable to noncontrolling interest arising from:</b>		
Continuing Operations	\$ (35,435)	\$ (47,441)
Discontinued Operations	-	(3,335,603)
Net loss attributable to noncontrolling interest	<u>\$ (35,435)</u>	<u>\$ (3,383,044)</u>
<b>Net Loss attributable to Creatd, Inc. arising from:</b>		
Continuing Operations	\$ (38,959,093)	\$ (26,710,830)
Discontinued Operations	-	(5,582,441)
Net loss attributable to Creatd, Inc.	<u>(38,959,093)</u>	<u>(32,293,271)</u>
Deemed dividend	<u>(32,554,410)</u>	<u>(4,216,528)</u>
<b>Net loss attributable to common shareholders</b>	<u><b>\$ (71,513,503)</b></u>	<u><b>\$ (36,509,799)</b></u>
<b>Comprehensive loss</b>		
<b>Net loss</b>	<u><b>\$ (38,994,528)</b></u>	<u><b>\$ (35,676,315)</b></u>
Currency translation loss	<u>(33,960)</u>	<u>(61,911)</u>
<b>Comprehensive loss</b>	<u><b>\$ (39,028,488)</b></u>	<u><b>\$ (35,738,226)</b></u>
<b>Per-share data</b>		
Basic and diluted loss per share from continuing operations	\$ <b>(0.60)</b>	\$ <b>(1.40)</b>
Basic and diluted loss per share from discontinued operations	\$ <b>(0.01)</b>	\$ <b>(0.26)</b>
Basic and diluted loss per share	<u>\$ <b>(0.61)</b></u>	<u>\$ <b>(1.66)</b></u>
Weighted average number of common shares outstanding	<u><b>118,606,984</b></u>	<u><b>22,035,260</b></u>

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

**Creatd, Inc.**  
**Consolidated Statements of Changes in Stockholders' Equity (Deficit) for the years ended December 31 2023 and 2022**

											Other	
	Series E Preferred Stock		Common Stock		Treasury stock		Additional		Accumulated	Non-Controlling	Comprehensive	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	Interest	Income		Equity (Deficit)
Balance, January 1, 2022	500	\$ -	33,382	\$ 33	(11)	\$ (62,406)	\$ 111,580,276	\$ (109,632,574)	\$ 1,881,195	\$ (78,272)	\$ -	\$ 3,688,252
Conversion of preferred series E to stock	(50)	-	24	-	-	-	-	-	-	-	-	-
Stock based compensation	-	-	888	1	-	-	4,087,403	-	-	-	-	4,087,404
Shares issued to settle vendor liabilities	-	-	615	1	-	-	410,498	-	-	-	-	410,499
Shares issued for prepaid services	-	-	300	-	-	-	141,150	-	-	-	-	141,150
Shares issued for in process research and development	-	-	115	-	-	-	40,995	-	-	-	-	40,995
BCF issued with note payable	-	-	-	-	-	-	2,008,227	-	-	-	-	2,008,227
Exercise of warrants to stock	-	-	18,346	18	-	-	1,781,929	-	-	-	-	1,781,947
Purchase of treasury stock	-	-	-	-	(176)	(16,050)	-	-	-	-	-	(16,050)
Stock warrants issued with note payable	-	-	-	-	-	-	3,149,270	-	-	-	-	3,149,270
costs	-	-	14,093	14	-	-	5,722,286	-	-	-	-	5,722,300
Stock issued with note payable	-	-	1,630	2	-	-	409,943	-	-	-	-	409,945
Common stock issued upon conversion of notes payable	-	-	8,732	9	-	-	1,061,079	-	-	-	-	1,061,088
Foreign currency translation adjustments	-	-	-	-	-	-	-	-	-	-	(61,911)	(61,911)
Sale of non-controlling interest in OG Collection Inc.	-	-	-	-	-	-	-	-	-	750,000	-	750,000
Deemed dividends	-	-	-	-	-	-	4,216,528	(4,216,528)	-	-	-	-
Net loss	-	-	-	-	-	-	-	(32,293,271)	(3,383,044)	-	-	(35,676,315)
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	19	-	-	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	61	-	-	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	6	-	-	32,554,404	(32,554,410)	-	-	-	-							
Stock Compensation Liability	-	-	-	-	-	-	(449,376)	-	-	-	-	(449,376)							
Net loss	-	-	-	-	-	-	-	(38,959,093)	(35,435)	-	-	(38,994,528)							
Balance, December 31, 2023	450	\$	-	507,397	\$	508	(187)	\$	(78,456)	\$	191,455,928	\$	(217,655,876)	\$	851,828	\$	(174,143)	\$	(25,600,211)

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

**Creatd, Inc.**  
**Consolidated Statements of Cash Flows**

	<b>For the Year Ended December 31, 2023</b>	<b>For the Year Ended December 31, 2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (38,994,528)	\$ (35,676,315)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	146,938	156,951
Impairment of investment	-	50,000
Impairment of intangible assets	13,334	130,096
Amortization of right of use asset	131,153	101,623
Accretion of debt discount and issuance cost	5,671,843	4,668,039
Stock-based compensation	20,165,067	4,183,844
Shares issued for in process research and development	-	40,994
Credit losses	22,540	32,500
Settlement of vendor liabilities	366,587	265,717
Change in fair value of derivative liability	4,744,187	(3,729)
Loss on marketable securities	-	11,742
Loss on extinguishment of debt	-	837,382
Non cash lease expense	-	274,784
Non-controlling interest in consolidated subsidiary	(35,435)	-
Net cash used in Discontinued Operations	(1,069,380)	4,915,888
<b>Changes in operating assets and liabilities:</b>		
Prepaid expenses	87,866	126,835
Inventory	30,125	(30,124)
Accounts receivable	152,571	(345,660)
Deposits and other assets	711,014	(75,680)
Accounts payable and accrued expenses	4,933,535	3,486,925
Deferred revenue	(8,980)	68,905
Operating lease liability	(317,103)	(26,146)
<b>Net Cash Used In Operating Activities</b>	<b>(3,248,666)</b>	<b>(16,805,429)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Cash paid for property and equipment	(18,537)	(212,249)
Cash paid for investments in marketable securities	-	(48,878)
Sale of marketable securities	-	37,135
Cash received from sale of interest in OGC	250,000	750,000
Net investing cash flows from discontinued operations	-	(31,679)
Purchases of digital assets	-	(410,369)
Sale of digital assets	-	289,246
<b>Net Cash Provided By Investing Activities</b>	<b>231,463</b>	<b>373,206</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from the exercise of warrants	1,047,811	1,781,947
Net proceeds from issuance of notes	1,352,447	2,103,731
Repayment of notes	(2,129,524)	(2,505,566)
Proceeds from issuance of convertible notes	2,752,100	8,391,905
Repayment of convertible notes	(2,185,226)	(1,863,315)
Proceeds from issuance of common stock	1,727,143	5,722,300
Proceeds from issuance of preferred stock (Vocal)	65,804	-
Net financing cash flows from discontinued operations	(212,361)	(209,328)
Purchase of treasury stock	-	(16,050)
<b>Net Cash Provided By Financing Activities</b>	<b>2,418,194</b>	<b>13,405,624</b>
Effect of exchange rate changes on cash	(33,960)	(61,911)
<b>Net Change in Cash</b>	<b>(632,969)</b>	<b>(3,088,510)</b>
<b>Total Cash - Beginning of period</b>	<b>706,224</b>	<b>3,794,734</b>
<b>Total Cash - End of Period</b>	<b>\$ 73,255</b>	<b>\$ 706,224</b>
<b>Cash - End of period - Continuing Operations</b>	<b>71,105</b>	<b>673,774</b>
<b>Cash End of period - Discontinued Operations</b>	<b>2,150</b>	<b>32,450</b>

<b>Total Cash - End of period</b>	<b>\$ 73,255</b>	<b>\$ 706,224</b>
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**SUPPLEMENTARY CASH FLOW INFORMATION:**

Cash Paid During the Year for:

Income taxes	\$ -	\$ -
Interest	\$ 884,692	\$ 650

**SUPPLEMENTARY DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:**

Beneficial conversion feature on convertible notes	\$ -	\$ 2,008,227
Warrants issued with debt	265,268	3,149,270
Shares issued with debt	283,407	409,945
Recognition of Right-of-use asset and corresponding operating lease liability	-	2,412,221
Common stock and warrants issued upon conversion of notes payable	1,989,863	1,061,088

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

**Creatd, Inc.**

**December 31, 2023 and 2022**

**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.

## **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, 2023, 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	89%
Vocal, Inc.	Nevada	100%

All other previously consolidated subsidiaries have been dissolved or sold.

All inter-company balances and transactions have been eliminated.

See Note 12 – Discontinued Operations for information on previously consolidated entities that were discontinued in 2023.

#### *Variable Interest Entities*

Management performs an ongoing assessment of its noncontrolling interests from investments in unrelated entities to determine if those entities are variable interest entities (VIEs), and if so, whether the Company is the primary beneficiary. If an entity in such a transaction, by design, meets the definition of a VIE and the Company determines that it, or a consolidated subsidiary is the primary beneficiary, the Company will include the VIE in its consolidated financial statements. If such an entity is deemed to not be consolidated, the Company records only its investment in equity securities as a marketable security or investment under the equity method, as applicable.

#### *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, 2023 and 2022 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, 2023**

	Quoted Prices in Active Markets for Identical Assets or Liabilities	Quoted Prices for Similar Assets or Liabilities	Significant Unobservable Inputs
	Total	in Active Markets (Level 2)	(Level 3)
<b>Liabilities:</b>			
<b>Stock Compensation Liability</b>	\$ 449,376	\$ -	\$ 449,376
<b>Derivative liabilities</b>	<u>\$ 7,836,521</u>	<u>\$ -</u>	<u>\$ 7,836,521</u>
<b>Total Liabilities</b>	<u>\$ 8,285,897</u>	<u>\$ -</u>	<u>\$ 8,285,897</u>

**Fair Value Measurements as of  
December 31, 2022**

	Quoted Prices in Active Markets for Identical Assets or Liabilities	Quoted Prices for Similar Assets or Liabilities	Significant Unobservable Inputs
	Total	in Active Markets (Level 2)	(Level 3)
<b>Assets:</b>			
<b>Marketable securities - debt securities</b>	\$ -	\$ -	\$ -
<b>Total assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities:</b>			
<b>Derivative liabilities</b>	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2023 and 2022 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, 2023 and 2022 was \$0 and \$11,742, respectively.

The following are the changes in the derivative liabilities during the years ended December 31, 2023 and 2022:

	Years Ended December 31, 2023 and 2022			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Derivative liabilities as January 1, 2022	\$ -	\$ -	\$ -	\$ -
Addition	-	-	100,532	100,532
Changes in fair value	-	-	(3,729)	(3,729)
Extinguishment	-	-	(96,803)	(96,803)
Derivative liabilities as December 31, 2022	-	-	-	-
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

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, 2023**

	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)</b>	<b>Quoted Prices for Similar Assets or Identical Assets or Liabilities in Active Markets (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
Intangible assets	\$ -	\$ -	\$ -	\$ -
Goodwill	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Fair Value Measurements as of  
December 31, 2022**

	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)</b>	<b>Quoted Prices for Similar Assets or Identical Assets or Liabilities in Active Markets (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
Equity investments, at cost	\$ -	\$ -	\$ -	\$ -
Intangible assets	230,084	-	-	230,084

Goodwill	46,460	-	-	46,460
Total assets	\$ 276,544	\$ -	\$ -	\$ 276,544

*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, 2023, was \$271. 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, 2023 and 2022, the Company recorded an impairment charge of \$13,334 and \$3,464,135 (with \$3,326,839 classified in discontinued operations), 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, 2023 and 2022, the Company has \$0 and \$22,783, respectively, intangible assets on its consolidated balance sheets. Amortization expense was \$0 and \$483,484 for the years ended December 31, 2023 and 2022, 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, 2023, the Company has no goodwill on its balance sheet, and during the years ended December 31, 2023 and 2022, the Company recorded an impairment charge of \$0 and \$12,691 respectively, with the 2022 impairment charge being classified with the loss from discontinued operations

#### *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 unasserted 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, 2023 and 2022 consists of the following:

	Years Ended December 31,	
	2023	2022
Agency (Managed Services & Branded Content)	\$ 759,348	\$ 811,165
Platform (Creator Subscriptions)	1,123,242	1,511,594
Other Revenue	33,863	568
	<u><b>\$ 1,916,453</b></u>	<u><b>\$ 2,323,327</b></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, 2023 and 2022 consists of the following:

	Years Ended December 31,	
	2023	2022
Products and services transferred over time	\$ 1,882,590	\$ 2,322,759
Products transferred at a point in time	33,863	568
	<u><b>\$ 1,916,453</b></u>	<u><b>\$ 2,323,327</b></u>

## Agency Revenue

### *Managed Services*

The Company provides Studio/Agency Service offerings to business-to-business (B2B) and business-to-consumer (B2C) product and service brands which encompasses a full range of digital marketing and e-commerce solutions. The Company's services include the setup and ongoing management of clients' websites, Amazon and Shopify storefronts and listings, social media pages, search engine marketing, and other various tools and sales channels utilized by e-commerce sellers for sales and growth optimization. Contracts are broken into three categories: Partners, Monthly Services, and Projects. Contract amounts for Partner and Monthly Services clients range from approximately \$5,000-\$12,000 per month while Project amounts vary depending on the scope of work. Partner and Monthly clients are billed monthly for the work completed within that month. Revenue is recognized over time as service obligations and milestones in the contract are met.

### *Branded Content*

Branded content represents the revenue recognized from the Company's obligation to create and publish branded articles and/or branded challenges for clients on the Vocal platform and promote said stories, tracking engagement for the client. In the case of branded articles, the performance obligation is satisfied when the Company successfully publishes the articles on its platform and meets any required promotional milestones as per the contract. In the case of branded challenges, the performance obligation is satisfied when the Company successfully closes the challenge and winners have been announced. The Company utilizes the completed contract method when revenue is recognized over time as the services are performed and any required milestones are met. Certain contracts contain separate milestones whereas the Company separates its performance obligations and utilizes the stand-alone selling price method and residual method to determine the estimate of the allocation of the transaction price.

Below are the significant components of a typical agreement pertaining to branded content revenue:

- The Company collects fixed fees ranging from \$5,000 to \$60,000 per month, with branded challenges ranging from \$10,000 to \$25,000 and branded articles ranging from \$2,500 to \$10,000 per article.
- Branded articles are created and published, and challenges are completed, within three months of the signed agreement, or as previously negotiated with the client.
- Branded articles and challenges are promoted per the contract and engagement reports are provided to the client.

### ***Talent Management Services***

Talent Management represents the revenue recognized by WHE from the Company's obligation to manage and oversee influencer-led campaigns from the contract negotiation stage through content creation and publication. WHE acts in an agent capacity for influencers and collects a management fee of approximately 20% of the value of an influencer's contract with a brand. Revenue is recognized net of the 80% of the contract that is collected by the influencer and is recognized when performance obligations of the contract are met. Performance obligations are complete when milestones and deliverables of contracts are delivered to the client.

Below are the significant components of a typical agreement pertaining to talent management revenue:

- Total gross contracts range from \$500-\$100,000.
- The Company collects fixed fees in the amount of 20 to 25% of the gross contract amount, ranging from \$100 to \$25,000 in net revenue per contract.
- The campaign is created and made live by the influencer within the timeframe specified in the contract.
- Campaigns are promoted per the contract and the customer is provided a link to the live deliverables on the influencer's social media channels.
- Most billing for contracts occur 100% at execution of the performance obligation. Net payment terms vary by client.

During 2023, WHE Agency ceased operations (see Note 12 – Discontinued Operations).

### **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.

#### **E-Commerce Revenue**

The Company's e-commerce businesses are housed under Creatd Ventures, and currently consists of four majority-owned e-commerce companies, Camp (previously Plant Camp), Dune Glow Remedy ("Dune"), Basis, and Brave. The Company generates revenue through the sale of Camp, Dune, Basis, and Brave's consumer products through its e-commerce distribution channels. The Company satisfies its performance obligation upon shipment of product to its customers and recognizes shipping and handling costs as a fulfillment cost. Customers have 30 days from receipt of an item to return unopened, unused, or damaged items for a full refund for Camp, Dune, and Basis, and 7 days from receipt of purchase for Brave. All returns are processed within the relevant recording period and accounted for as a reduction in revenue. The Company runs discounts from time to time to promote sales, improve market penetration, and increase customer retention. Any discounts are run as coupon codes applied at the time of transaction and accounted for as a reduction in gross revenue. The Company assesses variable consideration using the most likely amount method.

During 2023, Camp and Dune ceased operations and Basis and Brave were acquired by a third party (see Note 12 – Discontinued Operations).

#### *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, 2023 and 2022, the Company had deferred revenue of \$266,037 and \$275,017, 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, 2023 and 2022, the Company recorded \$22,540 and \$32,500, respectively as a credit loss.

#### *Inventory*

Inventories are stated at the lower of cost (first-in, first-out basis) or net realizable value. Inventories are periodically evaluated to identify obsolete or otherwise impaired products and are written off when management determines usage is not probable. The Company estimates the balance of excess and obsolete inventory by analyzing inventory by age using last used and original purchase date and existing sales pipeline for which the inventory could be used. The inventory balance presented in the accompanying consolidated balance sheets consists solely of finished goods that are ready for sale. As of December 31, 2023 and 2022, the Company had a valuation allowance of \$0 and \$48,580 respectively. During the years ended December 31, 2023 and 2022 the Company recorded \$0 and \$399,058 respectively for product obsolescence.

#### *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, 2023 and 2022, 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, 2023 and 2022:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Series E preferred	218	218
Options	144,827	8,827
Warrants	1,972,602	32,524
Convertible notes	452,775	55,647
<b>Totals</b>	<b>2,570,422</b>	<b>97,216</b>

#### *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, 2023 and 2022, the Company recognized a deemed dividend of \$32,554,410 and \$3,187,906 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, 2023, the Company had an accumulated deficit of \$217.7 million, a net loss of \$39.0 million and net cash used in operating activities of \$3.2 million 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, 2023	December 31, 2022
Computer Equipment	\$ 466,397	\$ 447,860
Furniture and Fixtures	184,524	184,524
Leasehold Improvements	47,616	47,616
	698,537	680,000
Less: Accumulated Depreciation	(614,394)	(467,455)
	<u>\$ 84,143</u>	<u>\$ 212,545</u>

Depreciation expense was \$146,938 and \$102,643 for the years ended December 31, 2023 and 2022, respectively.

#### Note 5 – Notes Payable

Notes payable as of December 31, 2023 and December 31, 2022 is as follows:

	Outstanding Principal as of		Interest Rate	Maturity Date
	December 31, 2023	December 31, 2022		
The April 2020 PPP Loan Agreement*	\$ 198,577	\$ 198,577	5%	April 2022
First Denver Bodega LLC Loan	-	38,014	5%	March 2025
The Third May 2022 Loan Agreement	-	9,409	-%	November 2022
The Fourth May 2022 Loan Agreement	-	31,701	-%	November 2022
The Second June 2022 Loan agreement	-	39,500	-%	October 2022
The First August 2022 Loan Agreement	-	130,615	14%	July 2023
The Second August 2022 Loan Agreement	-	387,950	-%	January 2023
The First September 2022 Loan Agreement	-	73,236	-%	September 2023
The Second September 2022 Loan Agreement*	453,625	763,625	-%	December 2023
The Third September 2022 Loan Agreement*	2,964	256,964	-%	October 2023
The November 2022 Loan	-	68,211	-%	June 2023
The April 2023 Loan Agreement*	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
	<u>1,414,488</u>	<u>1,997,802</u>		
Less: Debt Discount	(257,361)	(314,108)		
	<u>1,157,127</u>	<u>1,683,694</u>		
Less: Current Debt	(1,127,101)	(1,461,520)		
Less: Debt from Discontinued Operations	-	(184,160)		
Total Long-Term Debt	<u>\$ 30,026</u>	<u>\$ 38,014</u>		

\* Note: was in default as of December 31, 2023

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, 2023, 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.

*Denver Bodega LLC Notes Payable*

On March 7, 2022, the Company acquired five note payable agreements from the acquisition of Denver Bodega LLC. See Note 11. The total liabilities of these notes amounted to \$293,888. During the year ended December 31, 2022, the Company repaid \$255,874.

On May 30, 2023, the holder of the remaining note agreed to convert the note into Common Stock at a price of \$0.06 per share.

*The Third May 2022 Loan Agreement*

On May 25, 2022, the Company entered into a loan agreement (the “Third May 2022 Loan Agreement”) with a lender (the “Third May 2022 Lender”), whereby the Third May 2022 Lender issued the Company a promissory note of \$27,604 (the “Third May 2022 Note”). Pursuant to the Third May 2022 Loan Agreement, the Third May 2022 Note has a flat interest fee of \$3,704, for an effective interest rate of 20%. The maturity date of the Third May 2022 Note is November 23, 2022 (the “Third May 2022 Maturity Date”). The Company is required to make monthly payments of \$3,067.

During the year ended December 31, 2023, the Company repaid this note in full.

*The Fourth May 2022 Loan Agreement*

On May 26, 2022, the Company entered into a loan agreement (the “Fourth May 2022 Loan Agreement”) with a lender (the “Fourth May 2022 Lender”), whereby the Fourth May 2022 Lender issued the Company a promissory note of \$45,200 (the “Fourth May 2022 Note”). Pursuant to the Fourth May 2022 Loan Agreement, the Fourth May 2022 Note has a flat interest fee of \$5,200, for an effective interest rate of 17%. The maturity date of the Fourth May 2022 Note is November 23, 2022 (the “Fourth May 2022 Maturity Date”).

During the year ended December 31, 2023, the Company repaid this note in full.

*The Second June 2022 Loan Agreement*

On June 17, 2022, the Company entered into a loan agreement (the “Second June 2022 Loan Agreement”) with a lender (the “Second June 2022 Lender”), whereby the Second June 2022 Lender issued the Company a promissory note of \$104,500 (the “Second June 2022 Note”). The maturity date of the Second June 2022 Note is October 15, 2022 (the “Second June 2022 Maturity Date”).

During the year ended December 31, 2023, this note was assigned to Omega Eats, LLC as part of the Assignment and Assumption of Brave and Basis. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this entity on these consolidated financial statements.

*The First August 2022 Loan Agreement*

On August 18, 2022, the Company entered into a secured loan agreement (the “First August 2022 Loan Agreement”) with a lender (the “First August 2022 Lender”), whereby the First August 2022 Lender issued the Company a secured

promissory note of \$193,500 AUD or \$134,070 United States Dollars (the “First August 2022 Note”). Pursuant to the First August 2022 Loan Agreement, the First August 2022 Note has an effective interest rate of 14%. The maturity date of the First August 2022 Note is June 30, 2023 (the “First August 2022 Maturity Date”) at which time all outstanding principal, accrued and unpaid interest and other amounts due under the First August 2022 Loan Agreement are due. The Company has the option to extend the maturity date by 60 days. The loan is secured by the Australian research & development credit.

During the year ended December 31, 2023, the Company repaid this note in full.

*The Second August 2022 Loan Agreement*

On August 19, 2022, the Company entered into a loan agreement (the “Second August 2022 Loan Agreement”) with a lender (the “Second August 2022 Lender”), whereby the Second August 2022 Lender issued the Company a promissory note of \$923,000 (the “Second August 2022 Note”). The Company received cash proceeds of \$300,100 and rolled the remaining \$312,400 of principal from the June 2022 Loan Agreement. Pursuant to the Second August 2022 Loan Agreement, the Second August 2022 Note has a flat interest fee of \$310,500, for an effective interest rate of 167%. The maturity date of the Second August 2022 Note is January 9, 2023 (the “Second August 2022 Maturity Date”). The Company is required to make weekly payment of \$46,150. The Second August 2022 Note is secured by officers of the Company.

The Company recorded a \$310,500 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. The Company expensed \$53,285 in 2023 and \$257,215 in 2022, as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company settled the remaining balance of this loan.

*The First September 2022 Loan Agreement*

On September 1, 2022, the Company entered into a loan agreement (the “First September 2022 Loan Agreement”) with a lender (the “First September 2022 Lender”), whereby the First September 2022 Lender issued the Company a promissory note of \$87,884 (the “First September 2022 Note”). Pursuant to the First September 2022 Loan Agreement, the First September 2022 Note has an effective interest rate of 13%. The maturity date of the First September 2022 Note is September 1, 2023 (the “First September 2022 Maturity Date”).

During the year ended December 31, 2023, the First September 2022 Note was assigned to Omega Eats, LLC as part of the Assignment and Assumption of Brave and Basis. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this entity on these consolidated financial statements.

*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 “Second 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 payment 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. The Company expensed \$178,694 in 2023 and \$78,166 in 2022, as a result of the amortization of the debt discount.

As of December 31, 2023, the Loan is in default. During the years ended December 31, 2023 and 2022, the Company repaid \$310,000 and \$112,375 in principal, respectively.

*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. The Company expensed \$61,358 in 2023 and \$142,943 in 2022, as a result of the amortization of the debt discount.

As of December 31, 2023, the Loan is in default.

Subsequent to December 31, 2023, the Company settled the balance of this loan.

*The November 2022 Loan Agreement*

On November 15, 2022, the Company entered into a loan agreement (the “November 2022 Loan Agreement”) with a lender (the “November 2022 Lender”) whereby the November 2022 Lender issued the Company a promissory note of \$80,325 (the “November 2022 Note”). Pursuant to the November 2022 Loan Agreement, the November 2022 Note has a flat interest fee of \$16,975, for an effective interest rate of 21%. The maturity date of the November 2022 Note is June 3, 2023 (the “November 2022 Maturity Date”), at which time all outstanding principal, accrued and unpaid interest and other amounts due under the November 2022 Note are due. During the year ended December 31, 2023, the Company repaid this note in full.

*The April 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 default 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.

The April 2023 Lender was also issued 1,300 warrants with an exercise price of \$100. These warrants have a relative fair value of \$54,329. See Note 9 – Stockholders’ Equity for further detail on warrant issuances.

As of December 31, 2023, the Loan is in default.

*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”).

As of December 31, 2023, the Loan is in default. The Company recorded a \$500 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. The Company expensed \$500 in 2023 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company repaid \$10,500 in principal.

*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 \$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. The Company expensed \$30,000 in 2023 as a result of the amortization of the debt discount.

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, commencing on December 11, 2023 and continuing on the 11<sup>th</sup> day of each month thereafter (each, a “Monthly Payment Date”) until paid in full, not later than July 11, 2024 (the “Maturity Date”).

The First July 2023 Lender was also issued 4,500 shares of common stock with a relative fair value of \$106,139. See Note 9 – Stockholders’ Equity for further detail on warrant and stock issuances.

During the year ended December 31, 2023, the Company repaid \$23,571 towards the balance of the loan. This note was in default as of December 31, 2023.

*The Third July 2023 Loan Agreement*

On July 31, 2023, the Company entered into a loan agreement (the “Third July 2023 Loan Agreement”) with a lender (the “Third July 2023 Lender”), whereby the Third July 2023 Lender issued the Company a promissory note of \$261,250 (the “Third July 2023 Note”). The maturity date of the Third July 2023 Note is April 10, 2024 (the “Third July 2023 Maturity Date”). In conjunction with the Third July 2023 Note, the Company also issued 13,063 warrants with a relative fair value of \$117,514 and 4,000 shares of common stock as commitment shares with a fair value of \$23,067. See Note 9 – Stockholders’ Equity for further detail on warrant and stock issuances.

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 expensed \$34,028 in 2023 as a result of the amortization of the debt discount.

The Company will also accrue interest at the rate of 12% per annum on the outstanding balance of the note. The Principal Amount and the Interest shall be due and payable in six equal monthly payments (each, a “Monthly Payment”) of \$45,416, 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”).

*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.

During the year ended December 31, 2023, the Company repaid \$98,451 in principal.

#### 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 First September 2023 Loan Agreement accrues interest at a rate of 15% per annum, and has a default interest rate of 22%.

The Company recorded a \$6,750 debt discount relating to an original issue discount and debt issuance costs of \$5,000. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$2,469 in 2023 as a result of the amortization of the debt discount. The Principal Amount shall be due and payable in full on the Maturity Date.

During the year ended December 31, 2023, the Company repaid \$17,250 in principal and \$2,587 in interest.

#### 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 Loan 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.

#### **Note 6 – Convertible Notes Payable**

Convertible notes payable as of December 31, 2023 and December 31, 2022 is as follows:

	<b>Outstanding Principal as of December 31, 2023</b>	<b>Outstanding Principal as of December 31, 2022</b>	<b>Interest Rate</b>	<b>Conversion Price</b>	<b>Maturity Date</b>	<b>Warrants granted</b>	
						<b>Quantity</b>	<b>Exercise Price</b>
The May 2022 Convertible Loan Agreement	\$ -	\$ 50,092	11%	-(*)	May-23	-	-
The May 2022 Convertible Note Offering*	990,000	990,000	18%	\$ 1,000(*)	November- 22	8,000	\$ 1,500 – \$3,000
The July 2022 Convertible Note Offering*	1,756,159	3,750,000	18%	\$ 5.00(*)	March-23	4,300	\$ 5.00
The First October 2022 Convertible Loan Agreement	-	104,250	10%	-(*)	September- 23	-	-
The Second October 2022 Convertible	-	300,000	10%	-(*)	October-23	-	-

Loan Agreement								
The Third October 2022 Convertible Loan Agreement								
	-	866,650	10%	\$	100.00(*)	April-23	-	-
The December 2022 Convertible Loan Agreement**	250,000	750,000	-%	\$	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 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	<u>111,111</u>	<u>-</u>	-%	\$	8.00(*)	October-23	-	-
	<u>5,858,998</u>	<u>6,810,992</u>						
Less: Debt Discount	(323,887)	(1,426,728)						
Less: Debt Issuance Costs	<u>-</u>	<u>(14,665)</u>						
	<u><u>\$ 5,535,111</u></u>	<u><u>\$ 5,369,599</u></u>						

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

\* Note: was in default as of December 31, 2023

\*\* Note: went into default between the consolidated balance sheet date and the date of this filing

#### The May 2022 Convertible Loan Agreement

On May 20, 2022, the Company entered into a loan agreement (the “May 2022 Loan Agreement”) with a lender (the “May 2022 Lender”), whereby the May 2022 Lender issued the Company a promissory note of \$115,163 (the “May

2022 Note”). Pursuant to the May 2022 Loan Agreement, the May 2022 Note has an interest rate of 11%. The May 2022 Note matures on the first (12<sup>th</sup>) month anniversary of its issuance date.

Upon default the May 2022 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) at a rate equal to 75% of the average of the three lowest trading prices of the Company’s common stock during the ten trading days immediately prior to the respective conversion date.

The Company recorded a \$15,163 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. The Company expensed \$4,183 in 2023 and \$10,980 in 2022, as a result of the amortization of the debt discount.

During the year ended December 31, 2022, the Company repaid \$65,071 in principal and converted \$12,783 in principal and interest into 80 shares of the Company’s common stock.

On January 17, 2023, the May 2022 Lender converted \$51,132 in principal and interest into 228 shares of the Company’s common stock and the Company repaid the remaining note balance in cash.

#### *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 \$.001 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.

The Company expensed \$80,299 in 2022, as a result of the amortization of the debt discount.

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. The remaining notes are in default as of December 31, 2023.

Subsequent to December 31, 2023, the Company settled this loan balance.

#### *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. The Company expensed \$0 in 2023 and \$214,981 in 2022 as a result of the amortization of the debt discount.

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 year ended December 31, 2023, the Company repaid \$1,785,686 in principal in cash and investors converted \$259,285 in principal into shares of the Company's common stock. Comparatively, in the year ended December 31, 2022, the Company repaid \$185,714 in principal.

As of December 31, 2023, the notes included in the July 2022 Convertible Note Offering were in default.

#### *The First October 2022 Loan Agreement*

On October 3, 2022, the Company entered into a loan agreement (the "First October 2022 Loan Agreement") with a lender (the "First October 2022 Lender"), whereby the First October 2022 Lender issued the Company a promissory note of \$104,250 (the "First October 2022 Note"). Pursuant to the First October 2022 Loan Agreement, the First October 2022 Note has an interest rate of 10%. The maturity date of the First October 2022 Note is September 29, 2023 (the "First October 2022 Maturity Date").

On April 1, 2023, the First October 2022 Note is convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") at a rate equal to 75% of the average of the three lowest trading prices of the Company's common stock during the ten trading days immediately prior to the respective conversion date.

The Company recorded a \$4,250 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 year ended December 31, 2023, the Company repaid the First October 2022 Note in full along with accrued interest.

#### *The Second October 2022 Loan Agreement*

On October 20, 2022, the Company entered into a loan agreement (the "Second October 2022 Loan Agreement") with a lender (the "Second October 2022 Lender"), whereby the Second October 2022 Lender issued the Company a promissory note of \$300,000 (the "Second October 2022 Note"). Pursuant to the Second October 2022 Loan Agreement, the Second October 2022 Note has an interest rate of 10%. The maturity date of the Second October 2022 Note is October 20, 2023 (the "Second October 2022 Maturity Date").

Upon default, 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 the lowest VWAP of the Company's common stock on the twenty-trading day immediately preceding the date of the respective conversion.

The Company recorded a \$45,000 debt discount relating to an original issue discount, \$409,945 relating to the fair value of 1,630 shares of common stock issued to the lender, and \$17,850 of debt issuance costs related to fees paid to vendors relating to the debt agreement. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$469,274 in 2023 and \$3,521 in 2022 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company repaid the Second October 2022 Note in full along with \$30,000 of accrued interest.

#### *The Third October 2022 Loan Agreement*

On October 24, 2022, the Company entered into a loan agreement (the "Third October 2022 Loan Agreement") with a lender (the "Third October 2022 Lender"), whereby the Third October 2022 Lender issued the Company a promissory note of \$1,666,650 (the "Third October 2022 Note"). Pursuant to the Third October 2022 Loan Agreement. The maturity date of the Third October 2022 Note is April 24, 2023 (the "Third October 2022 Maturity Date").

The Third 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 \$1,833,300 debt discount relating to a \$166,650 original issue discount and \$1,666,650 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. The Company expensed \$655,217 in 2023 and \$1,011,433 in 2022 as a result of the amortization of the debt discount.

During the year ended December 31, 2022, the lender converted \$800,000 into 8,000 shares of the Company's common stock.

During the year ended December 31, 2023, the Third October 2022 Lender converted the remaining balance of \$866,650 into 8,667 shares of the Company's common stock.

#### *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 December 2022 Note is April 24, 2023 (the "December 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. The Company expensed \$642,857 in 2023 and \$107,143 in 2022 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the December 2022 Lender converted \$500,000 into 5,000 shares of the Company's common stock.

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.

As of the date of this filing, this note is in default.

*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 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$847,500 in 2023 as a result of the amortization of the debt discount.

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 and the conversion price was lowered to \$12.50.

As of the date of this filing, this note is in default.

*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 August 1, 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 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$1,387,500 in 2023 as a result of the amortization of the debt discount.

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.

As of the date of this filing, this note is in default.

*The March 2023 Loan Agreement*

On March 31, 2023, the Company entered into a loan agreement (the “March 2023 Loan Agreement”) with a lender (the “March 2023 Lender”), whereby the March 2023 Lender issued the Company a promissory note of \$129,250 (the “March 2023 Note”). Pursuant to the March 2023 Loan Agreement, the March 2023 Note has an interest rate of 10%. The maturity date of the March 2023 Note is March 31, 2024 (the “March 2023 Maturity Date”).

On October 1, 2023, the March 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 average of the lowest three trading prices of the Company’s common stock on the ten-trading day immediately preceding the date of the respective conversion.

The Company recorded a \$4,250 debt discount relating to debt issuance costs. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$4,250 in 2023 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company repaid the March 2023 Note in full along with \$12,925 of accrued interest and \$25,377 of prepayment penalties.

*The April 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 2023 Maturity Date”).

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.

The Company recorded a \$83,065 debt discount relating to a \$5,000 original issue discount and \$78,065 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$58,710 in 2023 as a result of the amortization of the debt discount.

*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 with a relative fair value of \$90,349 and 750 restricted shares of the Company’s common stock with a relative fair value of \$16,090.

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 \$37.50 per share.

The Company recorded a \$275,000 debt discount relating to a \$60,000 original issue discount and \$215,000 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$91,667 in 2023 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company repaid \$61,122 in principal.

*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 23, 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 \$61,363 debt discount relating to an \$11,250 original issue discount and \$50,113 relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$61,363 in 2023 as a result of the amortization of the debt discount.

During the year ended December 31, 2023, the Company repaid this note in full.

*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 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 24, 2024 (the “July 2023 Maturity Date”).

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 \$143,000 debt discount relating to the fair value of embedded derivative components of the note. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$59,583 in 2023 as a result of the amortization of the debt discount.

*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 October 2023 Lender was also issued 10,000 shares of the Company’s common stock with a relative fair value of \$46,512. The October 2023 Note is convertible into common stock at a conversion price of \$8.00 per share.

The Company recorded a \$111,111 debt discount relating to an original issue discount, issuance costs, and derivative liability. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost. The Company expensed \$18,519 in 2023 as a result of the amortization of the debt discount.

**Note 7 – Related Party**

*Officer compensation*

During the year ended December 31, 2023 and 2022, the Company paid \$166,018 and \$172,091, 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.

#### **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, 2023 and 2022.

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, 2023 and 2022.

	Years Ended December 31, 2023 and 2022			Total
	Level 1	Level 2	Level 3	
Derivative liabilities as January 1, 2022	\$ -	\$ -	\$ -	\$ -
Addition	-	-	100,532	100,532
Changes in fair value	-	-	(3,729)	(3,729)
Extinguishment	-	-	(96,803)	(96,803)
Derivative liabilities as December 31, 2022	-	-	-	-
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

#### **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. During the year ended December 31, 2022, investors converted 50 shares of the Company’s Series E Convertible Preferred Stock into 25 shares of the Company’s common stock.

##### *Common Stock*

During the year ended December 31, 2022, the Company issued 615 shares of its restricted common stock to settle outstanding vendor liabilities of \$138,125. In connection with this transaction the Company also recorded a loss on settlement of vendor liabilities of \$265,717.

On January 6, 2022, the Company issued 18 shares of its restricted common stock to consultants in exchange for services at a fair value of \$19,736.

On February 24, 2022, the Company issued 100 shares of its restricted common stock to consultants in exchange for four months of services at a fair value of \$69,000. These shares were recorded as common stock issued for prepaid services and will be expensed over the life of the consulting contract to share based payments. During the nine months ended September 30, 2022 the Company recorded \$69,000 to share based payments.

On March 1, 2022, the Company entered into securities purchase agreements with twenty-eight accredited investors whereby, at the closing, such investors purchased from the Company an aggregate of 2,803 shares of the Company's common stock and (ii) 2,803 warrants to purchase shares of common stock, for an aggregate purchase price of \$2,452,550. Such warrants are exercisable for a term of five-years from the date of issuance, at an exercise price of \$875 per share. The Company has recorded \$40,000 to stock issuance costs, which are part of Additional Paid-in Capital.

On March 7, 2022, the Company entered into a securities purchase agreement (the "Purchase Agreement") with thirteen accredited investors resulting in the raise of \$2,659,750 in gross proceeds to the Company. Pursuant to the terms of the Purchase Agreement, the Company agreed to sell in a registered direct offering an aggregate of 3,040 shares of the Company's common stock together with warrants to purchase an aggregate of 3,040 shares of Common Stock at an exercise price of \$875 per share. The warrants are immediately exercisable and will expire on March 9, 2027. The Company has recorded \$75,000 to stock issuance costs, which are part of Additional Paid-in Capital.

During the three months ended March 31, 2022, the Company issued 15 shares of its restricted common stock to consultants in exchange for services at a fair value of \$8,364.

On April 5, 2022 the Company issued 370 shares of its restricted common stock to officers of the company in exchange for services at a fair value of \$192,400.

On June 24, 2022, the Company issued 100 shares of its restricted common stock to consultants in exchange for four months of services at a fair value of \$37,200. These shares were recorded as common stock issued for prepaid services and will be expensed over the life of the consulting contract to share based payments. During the nine months ended September 30, 2022 the Company recorded \$2,405 to share based payments.

During the three months ended June 30, 2022, the Company issued 59 shares of its restricted common stock to consultants in exchange for services at a fair value of \$24,001.

On September 15, 2022, the Company entered into a securities purchase agreement with five accredited investors resulting in the raise of \$796,000 in gross proceeds to the Company. Pursuant to the terms of the Purchase Agreement, the Company agreed to sell in a registered direct offering an aggregate of 8,000 shares of the Company's common stock together with warrants to purchase an aggregate of 8,000 shares of Common Stock at an exercise price of \$100 per share. The warrants are immediately exercisable and will expire on September 15, 2027. The Company has recorded \$75,000 to stock issuance costs, which are part of Additional Paid-in Capital.

During the three months ended September 30, 2022, the Company issued 100 shares of its restricted common stock to consultants in exchange for prepaid services at a fair value of \$34,900.

During the three months ended September 30, 2022, the Company issued 214 shares of its restricted common stock to consultants in exchange for services at a fair value of \$22,892.

During the three months ended December 31, 2022, the Company issued 223 shares of its restricted common stock to consultants in exchange for services at a fair value of \$44,894.

During the year ended December 31, 2022, the company repurchased 176 shares of common stock for \$16,050.

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.

### Stock Options

The assumptions used for options granted during the twelve months ended December 31, 2023 and 2022, are as follows:

	<b>December 31, 2023</b>
Exercise Price	15
Expected dividends	0%
Expected volatility	180.97%
Risk free interest rate	4.40%
Expected life of option	5 years

	<b>December 31, 2022</b>
Exercise Price	550 - 950
Expected dividends	0%
Expected volatility	165.38% - 166.48%
Risk free interest rate	2.69% - 2.95%
Expected life of option	5 years

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

	<b>Options</b>	<b>Weighted Average Exercise Price</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
Balance – December 31, 2021 – outstanding	5,805	3,535.00	4.71
Granted	3,880	690.00	5.00
Exercised	-	-	-
Forfeited/Cancelled	(868)	6,780.00	-
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
Balance – December 31, 2023 – exercisable	<u>7,555</u>	<u>2,230.38</u>	<u>3.27</u>

<b>Option Outstanding</b>			<b>Option Exercisable</b>		
<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Weighted Average Exercise Price</b>	<b>Number Exercisable</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
\$ 137.45	144,817	9.31	2,230.38	7,555	3.27

Stock-based compensation for stock options has been recorded in the consolidated statements of operations and totaled \$3,757,514, for the year ended December 31, 2022.

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.

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.

During the year ended December 31, 2023, the Company issued 136,000 stock options with an exercise price of \$15.00, a vesting date of August 1, 2024, and an expiration date of September 9, 2028.

As of December 31, 2023, the Company had exceeded its authorized share count on a fully diluted basis due to certain provisions in its outstanding convertible debt. Consequently, stock options and other equity-based awards that were previously classified as equity have been reclassified as a liability in accordance with ASC 718. Under the provisions of ASC 718-10-25-15, awards that cannot be settled in shares due to an insufficient number of authorized shares must be accounted for as a liability until the authorized share count is increased.

The Company has remeasured the fair value of the liability-classified stock options as of December 31, 2023, and recorded a Stock Compensation Liability of \$449,372 on its consolidated balance sheets.

#### *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, 2023 and 2022, are as follows:

	<b>December 31, 2023</b>
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

	<b>December 31, 2022</b>
Exercise Price	100 - 3,000
Expected dividends	0%
Expected volatility	164.34% - 175.30%
Risk free interest rate	2.81% - 3.75%
Expected life of warrants	5-5.5 years

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

	<b>Warrant</b>	<b>Weighted Average Exercise Price</b>
Balance – December 31, 2021 – outstanding	11,319	2,490.00
Granted	44,921	1,035.00
Exercised	(19,249)	2,590.00
Forfeited/Cancelled	(4,467)	2,365.00
Balance – December 31, 2022 – outstanding	<u>32,524</u>	<u>1,471.05</u>
Granted	1,983,234	4.89
Exercised	(42,018)	36.39
Forfeited/Cancelled	(1,138)	0.00
Balance – December 31, 2023 – outstanding	<u>1,972,602</u>	<u>17.92</u>
Balance – December 31, 2023 – exercisable	<u>1,972,602</u>	<u>17.92</u>

<b>Warrants Outstanding</b>			<b>Warrants Exercisable</b>		
<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Weighted Average Exercise Price</b>	<b>Number Exercisable</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>
17.92	1,972,602	4.15	17.92	1,972,602	4.15

During the year ended December 31, 2022, the company granted warrant holders 10,494 warrants to exercise existing warrants. A deemed dividend of \$3,187,906 was recorded to the Statements of Operations and Comprehensive Loss. In addition, deemed dividends for the year ended December, 31, 2022 of \$1,028,622 were in relation to the trigger of down round provision in outstanding warrants.

During the year ended December 31, 2022, a total of 13,425 warrants were issued with convertible notes.

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.

As of December 31, 2023, the Company had exceeded its authorized share count on a fully diluted basis. Due to the insufficient number of authorized shares available to settle outstanding warrants, the Company determined that all outstanding warrants should be accounted for as derivative liabilities in accordance with ASC 815 – Derivatives and Hedging.

The fair value of the warrants were remeasured as of December 31, 2023, and a Derivative Liability of \$6,370,621 was recorded on the consolidated balance sheet.

## **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.

Subsequent to December 31, 2023, the Company has settled this matter. See Note 15 for additional detail on subsequent settlement.

#### *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. As of December 31, 2023, there was \$990,000 in outstanding principal, which is included in convertible notes net of debt discount and issuance costs on the consolidated balance sheets and \$297,814 in outstanding interest, which is included within accounts payable and accrued liabilities on the consolidated balance sheets.

Subsequent to December 31, 2023, the Company has settled this matter. See Note 15.

### 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, 6<sup>th</sup> Floor, New York, NY, 10003. The current lease term is 7 years commencing May 1, 2022. The total amount remaining under this lease is \$2,436,374.

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, 2023, 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, 2023 and 2022, the Company recorded \$464,183 and \$590,100 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:

	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Operating lease cost	\$ 464,183	\$ 398,498
Short term lease cost	-	191,602
<b>Total net lease cost</b>	<b>\$ 464,183</b>	<b>\$ 590,100</b>

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

	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating lease payments	323,292	206,944
Weighted average remaining lease term (in years):	6.25	6.02
Weighted average discount rate:	12.50%	12.50%

Operating right-of-use assets are summarized below.

	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Office Lease	\$ 2,412,221	\$ 2,412,221
Less accumulated amortization	(489,109)	(357,956)
<b>Right-of-use, net</b>	<b>\$ 1,923,112</b>	<b>\$ 2,054,265</b>

Operating lease liabilities are summarized below

	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Office Lease	\$ 2,087,423	\$ 2,404,526
Less: current portion	(532,689)	326,908

Long term portion	\$	1,554,734	\$	2,077,618
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Total future minimum payments required under the lease as of December 31, are as follows:

<b>For the Twelve Months Ended December 31,</b>	<b>Operating Leases</b>
2024	\$ 532,689
2025	517,231
2026	532,424
2027	548,073
2028	564,191
Thereafter	189,821
<b>Total</b>	<b>2,884,429</b>
Less imputed interest	(797,006)
<b>PV of Payments</b>	<b>\$ 2,087,423</b>

#### 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, 2023, 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**

#### *Denver Bodega, LLC D/B/A Basis*

On March 7, 2022, the Company entered into a Membership Interest Purchase (the “Agreement”) with Henry Springer and Kyle Nowak (collectively the “Sellers”), whereby the Company purchased a majority stake in Denver Bodega, LLC, a Colorado limited liability company whose product is Basis, a direct-to-consumer functional beverage brand that makes high-electrolyte mixes meant to aid hydration. Pursuant to the Agreement, Creatd acquired all of the issued and outstanding membership interests of Denver Bodega, LLC for consideration of one dollar (\$1.00), as well as the Company’s payoff, assumption, or satisfaction of certain debts and liabilities.

The following sets forth the components of the purchase price:

Purchase price:

Cash paid to seller	\$ 1
Total purchase price	<u>\$ 1</u>

Assets acquired:

Cash	\$ 44,977
Accounts Receivable	2,676
Inventory	<u>194,365</u>
Total assets acquired	<u>242,018</u>

Liabilities assumed:

Accounts payable and accrued expenses	127,116
Notes payable	293,888
Total liabilities assumed	<u>421,004</u>

Net liabilities acquired	<u>(178,986)</u>
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Excess purchase price	<u>\$ 178,987</u>
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The following table provides a summary of the preliminary allocation of the excess purchase price.

Goodwill	\$ 12,691
Trade Names & Trademarks	19,970
Know-How and Intellectual Property	107,633
Customer Relationships	38,693
Excess purchase price	<u>\$ 178,987</u>

The goodwill represents the assembled workforce, acquired capabilities, and future economic benefits resulting from the acquisition. The Company used 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. The goodwill is non-tax-deductible and non-amortizable.

During 2023, Denver Bodega was acquired by Omega Eats, LLC. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this entity on these consolidated financial statements.

*Orbit Media, LLC*

On August 1, 2022 the Company entered into a Membership Interest Purchase (the “Agreement”) with Zachary Shenkman, Wuseok Jung, Wesley Petry, Nicholas Scibilia, Gary Rettig, Brandon Fallin (collectively the “Sellers”), whereby the Company purchased a majority stake in Orbit Media LLC, a New York limited liability company whose product is an app-based stock trading platform designed to empower a new generation of investors, providing users with a like-minded community as well as access to tools, content, and other resources to learn, train, and excel in the financial markets. Pursuant to the Agreement, Creatd acquired fifty one percent (51%) of the issued and outstanding membership interests of Orbit Media LLC for consideration of forty-four thousand dollars (\$44,000) in cash and 116 shares of the Company’s Common Stock. This transaction was considered to be an acquisition of in-process research and development with no alternative future use. Orbit Media, LLC is part of the Company’s consolidated subsidiaries as of December 31, 2022.

On December 6, 2023, the Company spun-out Orbit Media, LLC, retaining a 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.

*Brave Foods, LLC*

On September 13, 2022, the Company acquired 100% of the membership interests of Brave Foods, LLC, a Maine limited liability company for \$150,000. Brave is a plant-based food company that provides convenient and healthy breakfast food products.

The following sets forth the components of the purchase price:

Purchase price:

Cash paid to seller	\$ 150,000
Total purchase price	<u>\$ 150,000</u>

Assets acquired:

Cash	\$ 73,344
Inventory	<u>46,375</u>
Total assets acquired	<u>119,719</u>

Liabilities assumed:

Accounts payable and accrued expenses	1,315
Notes payable	<u>75,000</u>
Total liabilities assumed	<u>76,315</u>

Net assets acquired	43,404
Excess purchase price	<u>\$ 106,596</u>

The following table provides a summary of the preliminary allocation of the excess purchase price.

Goodwill	\$ 46,460
Trade Names & Trademarks	16,705
Know-How and Intellectual Property	16,704
Website	16,704

Customer Relationships	10,023
Excess purchase price	<u>\$ 106,596</u>

The goodwill represents the assembled workforce, acquired capabilities, and future economic benefits resulting from the acquisition. The Company used 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. The goodwill is non-tax-deductible and non-amortizable.

During 2023, Brave Foods, LLC was acquired by Omega Eats, LLC. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this entity on these consolidated financial statements.

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

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net revenue	\$ 662,987	\$ 2,473,147
Cost of revenue	884,565	3,476,118
<b>Gross loss</b>	<b>(221,578)</b>	<b>(1,002,971)</b>
<b>Operating expenses</b>		
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
<b>Total operating expenses</b>	<b>889,046</b>	<b>7,904,255</b>
<b>Loss from operations</b>	<b>(1,110,624)</b>	<b>(8,907,226)</b>
<b>Other income (expenses)</b>		
Other income	-	98
Interest expense	(7,830)	(3,981)
Accretion of debt discount and issuance cost	-	(7,087)
Settlement of vendor liabilities	183,908	-
<b>Other income (expenses), net</b>	<b>176,078</b>	<b>(10,970)</b>
<b>Loss before income tax provision</b>	<b>(934,546)</b>	<b>(8,918,196)</b>
<b>Income tax provision</b>	<b>-</b>	<b>-</b>
<b>Net Loss</b>	<b>(934,546)</b>	<b>(8,918,196)</b>
Non-controlling interest in net loss	-	3,335,603
<b>Net Loss attributable to Creatd, Inc.</b>	<b>\$ (934,546)</b>	<b>\$ (5,582,593)</b>

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 – Segment Information

The Company operates in four reportable segments: Creatd Labs, Creatd Ventures, Created Studios, and Creatd Partners. The Company's segments were determined based on the economic characteristics of the Company's products and services, internal organizational structure, the manner in which operations are managed and the criteria used by the Chief Operating Decision Maker (CODM) to evaluate performance, which is generally the segment's operating losses.

<b>Operations of:</b>	<b>Products and services provided:</b>
Creatd Labs	Creatd Labs is the segment focused on development initiatives. Creatd Labs houses the Company's proprietary technology, including its flagship platform, Vocal, as well as oversees the Company's content creation framework, and management of its digital communities. Creatd Labs derives revenues from Vocal creator subscriptions, platform processing fees and technology licensing fees.
Creatd Ventures	Creatd Ventures builds, develops, and scales e-commerce brands. This segment generates revenues through product sales of its two majority-owned direct-to-consumer brands, Camp and Dune Glow Remedy.
Creatd Partners	Creatd Partners fosters relationships between brands and creators through its suite of agency services, including content marketing (Vocal for Brands), performance marketing (Seller's Choice), and influencer marketing (WHE Agency). Creatd Partners derives revenues in the form of brand fees and talent management commissions.
Created Studios	Created Studios harnesses Creatd, Inc.'s technology and data analytics to innovate and create new digital platforms. By leveraging existing technology and first-party data, the Company tailors its digital content offerings to meet evolving market demands, ensuring a competitive edge. This strategic integration of technology and data underscores its commitment to driving growth and sustaining its market position.

The following tables present certain financial information related to the Company's reportable segments and Corporate. Please note that the segment information provided for 2022 includes activity from Discontinued Operations. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this entity on these consolidated financial statements.

**As of December 31, 2023**

	<b>Creatd Labs</b>	<b>Creatd Ventures</b>	<b>Creatd Studios</b>	<b>Creatd Partners</b>	<b>Corporate</b>	<b>Total</b>
Accounts receivable, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses and other current assets	-	-	-	-	-	-
Deposits and other assets	-	-	-	-	83,616	83,616
Intangible assets	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
All other assets	65,850	-	444	-	2,014,216	2,080,510
<b>Total Assets</b>	<b>\$ 65,850</b>	<b>\$ -</b>	<b>\$ 444</b>	<b>\$ -</b>	<b>\$ 2,097,832</b>	<b>\$ 2,164,126</b>
Accounts payable and accrued liabilities	\$ 1,435,902	\$ -	\$ 10,250	\$ -	\$ 8,920,782	\$ 10,366,934
Note payable, net of debt discount and issuance costs	142,299	-	-	-	984,802	1,127,101
Deferred revenue	266,037	-	-	-	-	266,037
All other Liabilities	65,808	-	-	-	15,938,457	16,004,265
<b>Total Liabilities</b>	<b>\$ 1,910,046</b>	<b>\$ -</b>	<b>\$ 10,250</b>	<b>\$ -</b>	<b>\$ 25,575,704</b>	<b>\$ 27,764,337</b>

**As of December 31, 2022**

	<b>Creatd Labs</b>	<b>Creatd Ventures</b>	<b>Creatd Studios</b>	<b>Creatd Partners</b>	<b>Corporate</b>	<b>Total</b>
Accounts receivable, net	\$ -	\$ 11,217	\$ -	\$ 228,206	\$ -	\$ 239,423
Prepaid expenses and other current assets	23,712	40,681	-	-	64,154	128,547
Deposits and other assets	629,955	2,600	-	-	164,676	797,231
Intangible assets	-	207,301	-	-	22,783	230,084
Goodwill	-	46,460	-	-	-	46,460
Inventory	30,125	374,845	-	-	-	404,970
All other assets	-	-	-	-	2,973,034	2,973,034
<b>Total Assets</b>	<b>\$ 683,792</b>	<b>\$ 683,104</b>	<b>\$ -</b>	<b>\$ 228,206</b>	<b>\$ 3,224,647</b>	<b>\$ 4,819,749</b>
Accounts payable and accrued liabilities	\$ 8,495	\$ 1,635,298	\$ -	\$ 509,931	\$ 5,411,996	\$ 7,565,720
Note payable, net of debt discount and issuance costs	130,615	184,160	-	-	1,368,919	1,683,694
Deferred revenue	275,017	-	-	24,392	-	299,409
All other Liabilities	-	-	-	-	7,774,125	7,774,125
<b>Total Liabilities</b>	<b>\$ 414,127</b>	<b>\$ 1,819,458</b>	<b>\$ -</b>	<b>\$ 534,323</b>	<b>\$ 14,555,040</b>	<b>\$ 17,322,948</b>

For the year ended December 31, 2023

	Creatd Labs	Creatd Ventures	Creatd Studios	Creatd Partners	Corporate	Total
Net revenue	\$ 1,885,584	\$ -	\$ 30,869	\$ -	\$ -	\$ 1,916,453
Cost of revenue	808,315	-	-	-	-	808,315
Gross margin	1,077,269	-	30,869	-	-	1,108,138
Compensation	286,320	-	167,808	-	2,645,157	3,099,285
Research and development	362,013	-	-	-	-	362,013
Marketing	820,778	-	-	-	17,825	838,603
Stock based compensation	-	-	-	-	20,165,067	20,165,067
Impairment of intangible assets	-	-	-	-	13,334	13,334
General and administrative	149,384	-	116,170	-	3,600,060	3,865,614
<b>Total operating expenses</b>	<b>1,618,495</b>	<b>-</b>	<b>283,978</b>	<b>-</b>	<b>26,441,443</b>	<b>28,343,916</b>
Other income	107,971	-	-	-	1,960	109,931
Interest expense	(71,314)	-	-	-	(813,378)	(884,692)
Accretion of debt discount and issuance cost	-	-	-	-	(5,671,843)	(5,671,843)
Change in derivative liability	-	-	-	-	(4,744,187)	(4,744,187)
Settlement of vendor liabilities	2,375	-	-	-	364,212	366,587
<b>Other expenses, net</b>	<b>39,032</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,863,236)</b>	<b>(10,824,204)</b>
<b>Loss from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(934,546)</b>	<b>(934,546)</b>
<b>Loss before income tax provision and equity in net loss from unconsolidated investments</b>	<b>\$ (502,194)</b>	<b>\$ -</b>	<b>\$ (253,109)</b>	<b>\$ -</b>	<b>\$ (38,239,225)</b>	<b>\$ (38,994,528)</b>

For the year ended December 31, 2022

	Creatd Labs	Creatd Ventures	Creatd Studios	Creatd Partners	Corporate	Total
Net revenue	\$ 1,616,278	\$ 1,456,593	\$ -	\$ 1,723,603	\$ -	\$ 4,796,474
Cost of revenue	2,000,970	2,807,285	-	1,300,951	-	6,109,206
Gross margin	(384,692)	(1,350,692)	-	422,652	-	(1,312,732)
Compensation	1,794,003	826,185	-	931,158	1,127,044	4,678,390
Research and development	606,211	-	-	345,203	-	951,414
Marketing	2,722,579	1,675,083	-	302,509	-	4,700,171
Stock based compensation	864,507	781,928	-	887,627	1,649,782	4,183,844
General and administrative	33,399	592,210	-	509,757	8,000,230	9,135,596
Depreciation and amortization	-	143,360	-	132,683	316,096	592,139
Impairment of goodwill	-	-	-	-	-	-
Impairment of intangibles	213,141	365,732	-	-	2,897,953	3,476,826
<b>Total operating expenses</b>	<b>6,233,840</b>	<b>4,384,498</b>	<b>-</b>	<b>3,108,937</b>	<b>13,991,105</b>	<b>27,718,380</b>

Interest (expense) income, net	(33,938)	298	-	-	(787,411)	(821,051)
All other expenses	-	-	-	-	(5,824,152)	(5,824,152)
<b>Other expenses, net</b>	<b>(33,938)</b>	<b>298</b>	<b>-</b>	<b>-</b>	<b>(6,611,563)</b>	<b>(6,645,203)</b>
<b>Loss before income tax provision and equity in net loss from unconsolidated investments</b>						
	<u><u><b>\$(6,652,470)</b></u></u>	<u><u><b>\$(5,734,892)</b></u></u>	<u><u><b>\$ -</b></u></u>	<u><u><b>\$(2,686,285)</b></u></u>	<u><u><b>\$ (20,602,668)</b></u></u>	<u><u><b>\$ (35,676,315)</b></u></u>

#### Note 14 –Income Taxes

Components of deferred tax assets are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Net deferred tax assets – Non-current:</b>		
Depreciation	\$ (146,938)	\$ (24,850)
Amortization	-	(876,459)
Stock based compensation	20,165,067	5,545,450
Expected income tax benefit from NOL carry-forwards	5,810,345	20,744,537
Less valuation allowance	<u><u>(25,828,474)</u></u>	<u><u>(25,388,679)</u></u>
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:

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

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, 2023 and 2022. Accordingly, management applied a full valuation allowance against net deferred tax assets as of December 31, 2023 and 2022. The valuation allowance for 2023 was \$(25,828,474), in comparison to a valuation allowance in 2022 of \$(25,388,679), an increase in valuation allowance of \$439,795.

As of December 31, 2023, the Company had approximately \$80.1 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 15 – Subsequent Events**

##### Reverse Stock Split

On January 22, 2024, the Company filed a certificate of amendment to its amended and restated articles of incorporation with the Secretary of State of the State of Nevada to effectuate a one-for-five hundred (1:500) reverse stock split of its common stock without any change to its par value (the "January 2024 Reverse Stock Split"). The Amendment became effective on January 24, 2024. No fractional shares were issued in connection with the reverse stock split as all fractional shares were rounded up to the next whole share. All share and per share amounts of its common stock listed in the consolidated financial statements have been adjusted to give effect to the January 2024 Reverse Stock Split.

##### Equity Line of Credit

Subsequent to December 31, 2023, the Company drew down twice from its outstanding Equity Line of Credit for total combined proceeds of \$111,600.

##### Promissory Notes

Subsequent to December 31, 2023, the Company entered into 25 promissory notes with 9 investors for net proceeds of \$885,019. The Company issued 411,230 warrants with these notes. The company restructured 3 notes with 1 investor, issuing a new note for \$117,614.

##### Note Conversions

Subsequent to December 31, 2023, 10 conversions totaling \$1,041,487 in balances from 6 notes converted into 1,272,835 shares of the Company's common stock.

Subsequent to December 31, 2023, 9 conversions totaling \$3,934,287 in balances from 9 notes converted into 3,939 shares of the Company's Series F Preferred stock.

Subsequent to December 31, 2023, 8 conversions totaling \$408,912 in balances from 8 notes converted into 644 shares of the Company's Series F Preferred stock.

*Note Extensions*

Subsequent to December 31, 2023, 8 lenders extended 15 notes and received \$237,514 in additional principal, 150 shares of Series F Preferred Stock, 6,500 common shares and 397,464 warrants as consideration for the extensions. Additionally, 1 lender executed stand-down letters for the conversion of 2 notes in exchange for a total of \$83,994 in fees.

*Consultant Shares*

Subsequent to December 31, 2023, the Company issued 35,000 shares to 4 consultants.

*PIPE*

Subsequent to December 31, 2023, the Company issued 143,809 shares of its common stock and 390,859 warrants to purchase its common stock in exchange for \$110,000.

*Creation of Series F Preferred*

Subsequent to December 31, 2023, The Company has designated 5,500,000 shares of Series F Convertible Preferred stock and has 3,238 shares issued and outstanding as of January 21, 2025.

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.

*Conversion of Warrants and Notes into Series F Preferred*

14 note and warrant holders converted \$3,934,287 worth of notes and exchanged 1,531,354 warrants into 7,863 shares of Series F Preferred. Each share of Series F Preferred converts into 200 shares of the Company's common stock.

*Conversion of Series F Preferred into Common Stock*

Subsequent to December 31, 2023, 6 holders converted shares of Series F Preferred stock into 1,088,000 shares of common stock.

*Creation of Series G Preferred*

Subsequent to December 31, 2023, The Company has designated 500,000 shares of Series G Convertible Preferred stock and has 862 shares issued and outstanding as of January 21, 2025.

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.

*Conversion of Warrants and Notes into Series G Preferred*

Subsequent to December 31, 2023, 6 note, warrant and payable holders converted \$1,311,129 worth of notes and payables into 1,776 shares of Series G Preferred. Each share of Series G Preferred converts into 750 shares of the Company's common stock.

*Purchase of Series G Preferred*

Subsequent to December 31, 2023, the Company issued 318 shares of its Preferred Series G stock in exchange for \$235,000, 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.

*Creation of Series H Preferred*

Subsequent to December 31, 2023, the Company has designated 50,000 shares of Series H Convertible Preferred stock and has 3,798 shares issued and outstanding as of January 21, 2025.

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.

#### *Conversion of Payables into Common Stock*

Subsequent to December 31, 2023, 11 current and former employees, officers, directors, and consultants of the Company converted \$926,914 in net payables for services rendered into 1,384,594 shares of the Company’s common stock. In consideration for this conversion, those who were converted were also awarded 743,257 warrants to purchase the Company’s common stock at a price of \$2.52 per share, 219,535 warrants to purchase the Company’s common stock at a price of \$2.04 per share, 216,704 warrants to purchase the Company’s common stock at a price of \$1.56 per share, and 89,107 warrants to purchase the Company’s common stock at \$0.78 per share.

#### *Rescission of Payables*

Subsequent to December 31, 2023, 11 current and former employees, officers, directors, and consultants of the Company rescinded 1,384,594 of their common shares, with a value of \$1,471,335 earned in exchange for services rendered to the Company. The rescission of the common shares made in exchange for services rendered resulted in \$1,170,821 being added to the Company’s accounts payables.

#### *Conversion of Payables into Series H Preferred*

Subsequent to December 31, 2023, 8 current and former employees, officers, directors, and consultants of the Company converted \$379,405 in net payables for services rendered into 3,798 shares of the Company’s Series H Preferred stock.

#### *Options Issuances*

Subsequent to December 31, 2023, the Company issued 5,178,751 options to purchase its common stock to officers, employees, and directors, as part of the Creadt 2024 Omnibus Securities and Incentive Plan (“Options Plan”). The

options have a 10-year term and an exercise price of \$0.30. The Options Plan was approved at the Company's 2024 annual shareholder meeting. The shares vested upon the approval of the issuance.

#### *Increase in Shares Authorized*

Subsequent to December 31, 2023, the Company voted to increase its authorized shares to three billion and twenty million (3,020,000,000) shares of capital stock, of which three billion (3,000,000,000) 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.

#### *Vocal Reverse Split*

Subsequent to December 31, 2023, on August 8, 2024, Vocal, Inc. conducted a reverse stock split at a ratio of 1:1000.

#### *Resignation of Erica Wagner*

Subsequent to December 31, 2023, on December 2, 2024 Erica Wagner resigned as a board member of Creatd, Inc.

#### *Resignation of Robert Tal*

Subsequent to December 31, 2023, Robert Tal resigned as the Chief Information Officer of Creatd, Inc. Mr. Tal is transitioning focus to his full time position as COO of Vocal, a subsidiary of Creatd.

#### *Related Party Notes*

Subsequent to December 31, 2023, the Company entered into and/or made payments on 8 loans with CEO Jeremy Frommer for total proceeds of \$159,000. As additional consideration, Mr. Frommer was awarded 111,487 warrants to purchase common stock.

#### *Settlement of Lind Global v Creatd, Inc.*

Subsequent to December 31, 2023, 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.

#### *Settlement of Skube v. WHE Agency Inc., et al*

Subsequent to December 31, 2023, 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.

#### *Environmental Health Advocates Inc v. Creatd, et al*

Subsequent to December 31, 2023, a complaint against Creatd, Inc., Amazon.com Inc., and Does 1 through 100 was filed on February 23, 2024, 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.

#### *Sale of CEOBLOC to Fuse*

Subsequent to December 31, 2023, on August 27, 2024, the Company sold its 100% ownership interest in CEOBLOC, LLC, a Delaware-based forum for corporate governance critique, to Fuse, LLC, in exchange for \$1.00. CEOBLOC was deemed non-core to Creatd's operations and had minimal revenue in the first half of 2024. The sale allowed Creatd to eliminate associated costs and avoid further investment.. FUSE Investments acquired the membership interests free of liens, with both parties fulfilling standard closing requirements.

#### *Vocal Equity Grants*

Subsequent to December 31, 2023, on April 23, 2024, Vocal, Inc. granted 54,024 shares of Preferred Stock to Key Drivers involved with operations of Vocal.

On June 27, 2024, Vocal, Inc. granted an additional 41,557 shares of Preferred Stock to Key Drivers involved with operations of Vocal.

On August 9, 2024, Vocal, Inc. ratified the grant made on June 27, 2024. The Company agreed to the cancellation of 4,648 shares of Vocal common stock held by the Company. Vocal then cancelled 9,018 shares of its Preferred Stock held by Key Drivers.

On August 9, 2024, the Company agreed to the cancellation of an additional 5,578 shares of Vocal common stock held by the Company. Vocal then issued 5,578 Preferred Shares with 5,578 common shares underlying it to Key Drivers involved with operations of Vocal.

On October 21, 2024, the Company agreed to the cancellation of 15,340 shares of Vocal common stock held by the Company. Vocal then issued 15,340 Preferred Shares with 15,340 common shares underlying it to Key Drivers involved with the operations of Vocal.

#### *OG Collection, Inc. Authorized Shares and Preferred Issuance*

Subsequent to December 31, 2023, on April 23, 2024, OG Collection, Inc. issued and granted 674,074 shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On June 27, 2024, OG Collection, Inc. issued and granted an additional 518,519 shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On August 9, 2024, the OG Collection, Inc. amended its Articles of Incorporation, increasing its authorized shares from 2,000,000, all of which was Common Stock, to 1,050,000,000, of which 1,000,000,000 shares became Common Stock and 50,000,000 shares became Preferred Stock.

On August 9, 2024, the OG Collection, Inc. ratified the grant made on June 27, 2024. The Company agreed to the cancellation of 270,000 shares of OG Collection common stock held by the Company. The OG Collection then cancelled 289,019 shares of its Preferred Stock held by Key Drivers.

On August 12, 2024, the Company agreed to the cancellation of 30,000 shares of OG Collection Inc. common stock held by the Company. OG Collection Inc. then issued 30,000 Preferred shares underlaid by 30,000 common shares to Key Drivers involved with the operations of the OG Collection, Inc.

#### *Acquisition of 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. These shares are restricted under Rule 144 of the Securities Act, limiting resale to specific conditions

#### *Equity Exchange with 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

#### *Acquisition in 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.

#### *Equity Exchange with Geopulse Explorations, Inc.*

Subsequent to December 31, 2023, 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.

#### *Sale of Comhear Inc. Ownership Interest*

Subsequent to December 31, 2023, a buyer paid the Company \$25,000 for its ownership stake in Comhear Inc., for 119,355 shares of Comhear Inc's 2020 Preferred Stock.

#### *Investment in The Powerhouse, LLC*

Subsequent to December 31, 2023, 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, for an equivalent value of \$250,000.

*Equity Exchange with Enzylogics, Inc.*

Subsequent to December 31, 2023, the Company acquired 1% of equity in Enzylogics, Inc. a biotechnology company focused on developing in the pharmaceutical industry. As consideration for this acquisition, Enzylogics received 39,824 shares of the Company's common stock.

**Item 14 The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure:**

1. Investment Banker

2. Promoter

3. Securities Counsel

Joseph Lacosky  
Lacosky Brookman, LP  
(212) 417-8160  
[info@lucbro.com](mailto:info@lucbro.com)

4. Accountant or Auditor - the information shall clearly (i) describe if an outside accountant provides audit or review services, (ii) state the work done by the outside accountant and (iii) describe the responsibilities of the accountant and the responsibilities of management (i.e. who audits, prepares or reviews the issuer's financial statements, etc.). The information shall include the accountant's phone number and email address and a description of the accountant's licensing and qualifications to perform such duties on behalf of the issuer.

**MACK Financial Consultants.**

Provides bookkeeping services, financial statement preparation, and other financial preparation services for the Company's quarterly reviews and annual audits. Management provides MACK with all financial information, including any equity transactions, debt transactions and/or debt balances for the period, and basic bookkeeping. MACK prepares the data into workpapers to present to the auditor. Any testing done by the auditor is handled jointly by Management and MACK. The firm is run by Max Avellaneda and Chelsea Pullano.

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.

Phone number: 585-943-5824

Email: [info@mackfslc.com](mailto:info@mackfslc.com)

**Astra Audit and Advisory**

PCAOB-registered Audit Firm that provides audit and review services for the Company. Receives all financial information and workpapers from Management and MACK Financial jointly and conducts a full GAAP and PCAOB compliant Audit/Review based on the reporting period. Primary contact and auditor is Astra Partner, Alison Douglas.

Phone number: 813-441-9707  
Email: info@astraaudit.com

5. Public Relations Consultant
6. Investor Relations Consultant
7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the name, address, telephone number and email address of each advisor.

## **Item 15      Management's Discussion and Analysis or Plan of Operation.**

### *Instructions to Item 15*

Issuers that have not had revenues from operations in each of the last two fiscal years, or the last fiscal year and any interim period in the current fiscal year for which financial statements are furnished in the disclosure statement, shall provide the information in paragraphs A and C of this item. All other issuers shall provide the information in paragraphs B and C of this item.

The discussion and analysis shall focus specifically on material events and uncertainties known to management that would cause reported financial information not to be necessarily indicative of future operating results or of future financial condition.

Issuers are not required to supply forward-looking information. This is distinguished from presently known data that will impact upon future operating results, such as known future increases in costs of labor or materials. This latter data may be required to be disclosed.

#### **A.      Plan of Operation.**

1.      Describe the issuer's plan of operation for the next twelve months. This description should include such matters as:
  - i.      a discussion of how long the issuer can satisfy its cash requirements and whether it will have to raise additional funds in the next twelve months;
  - ii.      a summary of any product research and development that the issuer will perform for the term of the plan;
  - iii.      any expected purchase or sale of plant and significant equipment; and
  - iv.      any expected significant changes in the number of employees.

#### **B.      Management's Discussion and Analysis of Financial Condition and Results of Operations.**

1. *Full fiscal years.* Discuss the issuer's financial condition, changes in financial condition and results of operations for each of the last two fiscal years. This discussion should address the past and future financial condition and results of operation of the issuer, with particular emphasis on the prospects for the future. The discussion should also address those key variable and other qualitative and quantitative factors that are necessary to an understanding and evaluation of the issuer. If material, the issuer should disclose the following:

- i. Any known trends, events or uncertainties that have or are reasonably likely to have a material impact on the issuer's short-term or long-term liquidity;
- ii. Internal and external sources of liquidity;
- iii. Any material commitments for capital expenditures and the expected sources of funds for such expenditures;
- iv. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations;
- v. Any significant elements of income or loss that do not arise from the issuer's continuing operations;
- vi. The causes for any material changes from period to period in one or more line items of the issuer's financial statements; and
- vii. Any seasonal aspects that had a material effect on the financial condition or results of operation.

2. *Interim Periods.* Provide a comparable discussion that will enable the reader to assess material changes in financial condition and results of operations since the end of the last fiscal year and for the comparable interim period in the preceding year.

## **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 Jerrick 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, 2023 compared to December 31, 2022:

	December 31, 2023	December 31, 2022	Increase / (Decrease)
Current Assets	\$ 73,255	\$ 1,479,164	\$ (1,405,909)
Current Liabilities	\$ 26,179,577	\$ 15,207,316	\$ 10,972,261
Working Capital (Deficit)	\$ (26,106,322)	\$ (13,728,152)	\$ (12,378,170)

At December 31, 2023, the Company had a working capital deficit of \$26,106,322 as compared to a working capital deficit of \$13,728,152 at December 31, 2022, an increase in working capital deficit of \$12,378,170. 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, 2023, and 2022, was \$3,248,666 and \$16,805,429, respectively. The net loss for the years ended December 31, 2023, and 2022 was \$38,994,528 and \$35,676,315, respectively. This \$13.6 million reduction in net cash used in operating activities is primarily attributable to a reduction in research & development, marketing, and general and administrative expenses.

Net cash provided by investing activities for the year ended December 31, 2023, was \$231,463. This is primarily attributable to the sale of minority interest in OG Collection, Inc. This was offset by the sale and purchase of fixed assets. Comparatively, net cash provided by investing activities for the year ended December 31, 2022, was \$373,206. 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, 2023, and 2022 was \$2,418,194 and \$13,405,624, respectively. During 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. Similarly, the Company's financing activity for the year ended December 31, 2022, generated \$5,722,300 from the sale of common stock and warrants, and \$1,781,947 from the exercise of warrants. Additionally, in 2022, the Company received \$10,495,636 from loans and note issuances, the proceeds of which were partially offset by repayment of notes of \$4,368,881, whereas in 2023 the Company's proceeds from loan and note issuances were mostly offset by repayments.

### Summary of Statements of Operations for the Years Ended December 31, 2023 and 2022:

	Year Ended December 31	
	2023	2022
Revenue	\$ 1,916,453	\$ 2,323,327
Cost of revenue	\$ 808,315	\$ 2,633,088
Operating expenses	\$ (28,343,916)	\$ (19,814,276)
Loss from operations	\$ (27,235,778)	\$ (20,124,037)
Other expenses	\$ (10,824,204)	\$ (6,634,234)
Net loss	\$ (38,994,528)	\$ (35,676,315)
Loss per common share - basic and diluted	\$ (0.61)	\$ (1.66)

#### Revenue

Revenue was \$1,916,453 for the year ended December 31, 2023, as compared to \$2,323,327 for the year ended December 31, 2022. The decrease of \$406,874 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, 2023, was \$808,315 as compared to \$2,633,088 for the year ended December 31, 2022. 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 2023.

#### ***Operating Expenses***

Operating expenses for the year ended December 31, 2023, were \$28,343,916 as compared to \$19,814,276 for the year ended December 31, 2022. The increase of \$8,529,640 is attributable to an increase in stock-based compensation, primarily attributable to shares issued to employees, officers, and directors in consideration of salary cuts and other austerity measures. The \$28.3 million in operating expenses for 2023 included \$20.2 million in stock-based compensation, as compared to \$4.2 million of stock-based compensation for the year ended December 31, 2022.

This increase was offset by a series of cost-cutting measures implemented throughout the year. Most notably, marketing expenditure fell by over \$2 million and general and administrative costs were reduced by almost \$5 million.

#### ***Loss from Operations***

Loss from operations for the year ended December 31, 2023, was \$27,235,778 as compared to \$20,124,037 for the year ended December 31, 2022. The increase in loss from operations was attributable to a decrease in Vocal subscription revenue, which was partially offset by a decrease in cost of revenue, as well as an increase in stock-based compensation, partially offset by a decrease in marketing and general and administrative costs.

#### ***Other Expenses***

Other expenses for the year ended December 31, 2023, were \$10,824,204 as compared to \$6,634,234 for the year ended December 31, 2022. The increase in other expenses is attributable to an increase in accretion of debt discount and issuance costs and loss on change in derivative liability, partially offset by a gain on settlement of vendor liabilities.

#### ***Net Loss***

Net loss attributable to common shareholders for the year ended December 31, 2023, was \$71,513,503, or loss per share of \$0.61, as compared to a net loss attributable to common shareholders of \$36,509,799, or loss per share of \$1.66, for the year ended December 31, 2022. The increase in net loss is primarily attributable to the increase in operating expenses, decrease in revenues, and increase in deemed dividend and other expenses as noted above.

#### ***Off-Balance Sheet Arrangements***

As of December 31, 2023, 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, 2023 and 2022 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, 2023 and 2022, the Company recorded an impairment charge of \$13,334 and \$3,464,135 (with \$3,326,839 classified in discontinued operations), 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, 2023 and 2022, the Company has \$0 and \$22,783, respectively, intangible assets on its consolidated balance sheets. Amortization expense was \$0 and \$483,484 for the years ended December 31, 2023 and 2022, 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, 2023, the Company has no goodwill on its balance sheet. During the years ended December 31, 2023 and December 31, 2022, the Company recorded an impairment charge of \$0 and \$12,691 respectively, with the 2022 impairment charge being classified with the loss from discontinued operations.

#### 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, 2023 and 2022, the Company had deferred revenue of \$266,037 and \$275,017 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, 2023 and 2022, the Company recognized a deemed dividend of \$32,554,410 and \$3,187,906 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.

## **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 Jerrick 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.

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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	\$ 11,287,766	\$ 26,179,577	\$(14,891,811)
Working Capital (Deficit)	\$ (11,202,600)	\$ (26,106,322)	\$ 14,903,722

At December 31, 2024, the Company had a working capital deficit of \$11,202,600 as compared to a working capital deficit of \$26,106,322 at December 31, 2023, a decrease in working capital deficit of \$14,903,722. The decrease is primarily attributable to a decrease in accounts payable and accrued liabilities, as well as a decrease in derivative liabilities and notes payable.

### Net Cash

Net cash used in operating activities for the years ended December 31, 2024, and 2023, was \$431,071 and \$3,248,666, respectively. The net loss for the years ended December 31, 2024, and 2023 was \$4,670,011 and \$38,994,528, respectively. This \$2.8 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 \$496,880 and \$2,418,194, respectively. During the year ended December 31, 2024, the Company's operations were predominantly financed by the proceeds from sale of common and preferred stock and warrants of \$431,600. 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	\$ (13,772,951)	\$ (28,343,916)
Loss from operations	\$ (12,337,221)	\$ (27,235,778)
Other income (expenses)	\$ 7,667,210	\$ (10,824,204)
Net loss	\$ (4,670,011)	\$ (38,994,528)
Loss per common share - basic and diluted	\$ (13.69)	\$ (0.61)

### 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. This decrease was also driven by a decrease in Vocal-related cost of revenue related to payment of creators through reads and cash prizes offered to Challenge winners.

### ***Operating Expenses***

Operating expenses for the year ended December 31, 2024, were \$13,772,951 as compared to \$28,343,916 for the year ended December 31, 2023. The decrease of \$14,570,965 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 \$12,337,221 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 \$7,667,210 as compared to \$(10,824,204) for the year ended December 31, 2023. The increase is attributable to a decrease of other expenses such as accretion of debt discount and issuance costs as well as a gain on change in derivative liability and gain on settlement of debt.

### ***Net Loss***

Net loss attributable to common shareholders for the year ended December 31, 2024, was \$35,132,840, or loss per share of \$13.69, as compared to a net loss attributable to common shareholders of \$71,513,502, or loss per share of \$0.61, 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.

### Minority equity investments

Minority equity investments in private companies in which the Company holds a passive ownership interest and does not exercise significant influence are accounted for using the cost method in accordance with ASC 321. These investments are recorded on the consolidated balance sheets as long-term assets under *Minority investment in business*. The carrying value of such investments is initially recognized at cost and is assessed periodically for impairment or other indicators that the investment may no longer be recoverable. Fair value adjustments are not required unless observable price changes in orderly transactions for the identical or a similar investment become available.

### 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.

As of December 31, 2024 and December 31, 2023, the Company has an asset of \$5,415 and \$0 of goodwill on its balance sheet, respectively, and 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 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 or exercise of a derivative instrument, the instrument is marked to fair value at the date of conversion or exercise or cancellation and then the related fair value is reclassified to equity. Upon extinguishment or cancellation of a derivative instrument, any difference between the fair value and the settlement amount is recognized as a gain or loss under change in derivative liability on the statement of operations.

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 November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of segment profit or loss. The update also requires disclosure regarding the CODM and expands the interim segment disclosure requirements. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of ASU 2023-07 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, 2023, 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.

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.

#### *Recently Issued Accounting Standards Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09 – *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances income tax disclosure requirements by:

- Standardizing and disaggregating rate reconciliation categories.
- Requiring disclosure of income taxes paid by jurisdiction.

This ASU is effective for annual periods beginning after December 15, 2024, and may be applied on a prospective or retrospective basis. Early adoption is permitted.

The Company is currently assessing the impact of ASU 2023-09 on its income tax disclosures and reporting requirements.

## **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 Jerrick 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**

Creatd operates a diversified portfolio of businesses generating revenue across media, publishing, and aviation. Our operations include direct-to-consumer product sales, subscription memberships, advertising, licensing, and strategic investments. These businesses are supported by a shared operational infrastructure and a focus on monetizing first-party data, intellectual property, and scalable creative assets.

### **Results of Operations**

#### **Liquidity and Capital Resources**

The following table summarizes total current assets, liabilities and working capital at June 30, 2025 compared to December 31, 2024:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>Increase / (Decrease)</u>
Current Assets	\$ 1,228,740	\$ 85,166	\$ 1,143,574
Current Liabilities	\$ 12,095,086	\$ 11,287,764	\$ 807,322
Working Capital (Deficit)	\$ (10,866,346)	\$ (11,202,598)	\$ 336,252

At June 30, 2025, the Company had a working capital deficit of \$10,866,346 as compared to a working capital deficit of \$11,202,598 at December 31, 2024, a decrease in working capital deficit of \$336,252. The decrease is primarily attributable to an increase in cash due to an influx from the Company's Employee Retention Credit ("ERC") from the IRS during the six months ended June 30, 2025 partially offset by an increase in notes payable.

### **Net Cash**

Net cash used in operating activities for the six months ended June 30, 2025 was \$288,101, as compared to \$616,225 for the same period in 2024. The net loss for the six months ended June 30, 2025, and 2024 was \$3,512,156 and \$9,759,328, respectively. The reduction in net cash used in operating activities is primarily attributable to a reduction in research & development, general and administrative, and compensation expenses.

Net cash used in investing activities for the six months ended June 30, 2025, was \$(254,456), attributable to the forgiveness of a note receivable to Flewber, Inc. upon the completion of the acquisition of that entity, offset by the sale of minority interest in Flewber, Inc. for proceeds of \$100,000. Comparatively, net cash used investing activities for the six months ended June 30, 2024, was \$0.

Net cash provided by financing activities for the six months ended June 30, 2025 and 2024 was \$1,544,369 and \$413,219, respectively. During the six months ended June 30, 2025, the Company's operations were predominantly financed by the proceeds from sale of common and preferred stock. For the six months ended June 30, 2024, the Company's operations were predominantly financed by proceeds from sale of common and preferred stock and proceeds from convertible notes.

### **Summary of Statements of Operations for the Six Months Ended June 30, 2025 and 2024:**

	<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Revenue	\$ 1,295,542	\$ 807,009
Cost of revenue	\$ (596,845)	\$ 12,625
Operating expenses	\$ (5,916,285)	\$ (5,461,186)
Loss from operations	\$ (5,217,588)	\$ (4,641,552)
Other income (expenses)	\$ 1,705,432	\$ (5,117,776)
Net loss	\$ (3,512,156)	\$ (9,759,328)
Loss per common share - basic and diluted	\$ (0.38)	\$ (8.25)

#### ***Revenue***

Revenue was \$1,295,542 for the six months ended June 30, 2025, as compared to \$807,009 for the six months ended June 30, 2024. The increase of \$488,533 was primarily attributable to the acquisition of Flewber Global, Inc., partially offset by a decrease in Vocal for Brands revenue.

#### ***Cost of Revenue***

Cost of revenue for the six months ended June 30, 2025, was \$596,845 as compared to \$(12,625) for the six months ended June 30, 2024. The Company's negative cost of revenue for the six months ended June 30, 2024 is attributable

to a downward adjustment to the liability associated with unpaid balances in users' Vocal Wallets. This adjustment was driven by a shift in user behavior and platform trends, including the frequency of welcome bonuses and a reduction of the number of challenges and challenge winners on Vocal, that materially impacted the estimated portion of wallet balances expected to be withdrawn. While the Company had previously adopted a weighted average methodology to estimate this liability based on historical payout activity, updated data revealed that a lower percentage of users were meeting the necessary thresholds to access their balances. This resulted in a lower liability estimate and corresponding negative cost of revenue during the period. The change reflects a revised estimate based on updated trends and was accounted for prospectively in accordance with applicable guidance. Without this adjustment, cost of revenue for the six months ended June 30, 2024 would have been approximately \$103,000. The additional increase in cost of revenue outside of this adjustment is primarily attributable to the acquisition of Flewber Global, Inc.

### ***Operating Expenses***

Operating expenses for the six months ended June 30, 2025, were \$5,916,285 as compared to \$5,461,186 for the six months ended June 30, 2024. The increase of \$455,099 is primarily attributable to the acquisition of Flewber Global, Inc., as well as a one-time consulting charge related to the application for and receipt of the Company's ERC funds in the second quarter.

### ***Loss from Operations***

Loss from operations for the six months ended June 30, 2025, was \$5,217,588 as compared to \$4,641,552 for the six months ended June 30, 2024. The increase in loss from operations was primarily attributable to the decrease in gross margin and increase in operating expenses as the Company integrated the operations of Flewber Global, Inc. and began to seek out growth strategies and efficiencies.

### ***Other Income/Expenses***

Other income (expenses) for the six months ended June 30, 2025, were \$1,705,432 as compared to \$(5,117,776) for the six months ended June 30, 2024. The increase is attributable to a decrease of other expenses such as accretion of debt discount and issuance costs, the elimination of inducement expense related to the trigger of price protection in warrants, and the receipt of the ERC from the IRS during the six months ended June 30, 2025, offset by a decrease in gain on change in derivative liability.

### ***Net Loss***

Net loss attributable to common shareholders for the six months ended June 30, 2025, was \$5,044,959, or loss per share of \$0.38, as compared to a net loss attributable to common shareholders of \$17,869,582, or loss per share of \$8.25, for the six months ended June 30, 2024. The decrease in net loss is primarily attributable to the increase in other income, decrease in other expenses, as noted above and decrease in deemed dividend.

### ***Off-Balance Sheet Arrangements***

As of June 30, 2025, 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.

The Company also uses estimates in determining the liability associated with unpaid balances in user accounts (“Vocal Wallets”) on its platform. These balances represent amounts earned by users for content views, bonuses, and contest winnings. However, due to various platform-specific contingencies—such as minimum withdrawal thresholds, third-party processor access, and account compliance requirements—not all users will be able to withdraw their full balances. The Company applies a weighted average methodology based on historical payout rates to estimate the proportion of wallet balances likely to be paid out. This estimate is updated each reporting period to reflect new trends in user behavior and platform data. In the six months ended June 30, 2024, updated data supported a downward revision of the estimated liability in the amount of approximately \$115,000, which was recognized as a change in estimate and accounted for prospectively, being recorded to cost of revenue on the condensed consolidated statements of operations and comprehensive loss.

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 June 30, 2025 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.

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 June 30, 2025 and December 31, 2024, the Company has \$7,683,050 and \$103,550, respectively, intangible assets on its consolidated balance sheets. The breakdown of these assets, net of amortization, was as follows:

Asset Description	Amount
FAA Part 135 Operating Certificate	1,526,267
App	142,557
Trademark / Tradename	1,382,333
Licensing agreements / Vendor and supplier contracts	414,700
Knowhow	2,094,847
Customer list / Relationships	2,122,346
<b>Total Intangible Assets</b>	<b>7,683,050</b>

A total of \$7,824,367 in intangible assets was acquired as part of the acquisition of Flewber Global, Inc., which closed February 27, 2025. The breakdown of these assets was as follows:

Asset Description	Amount
FAA Part 135 Operating Certificate	1,526,267
App	126,100
Trademark / Tradename	1,430,000
Licensing agreements / Vendor and supplier contracts	429,000
Knowhow	2,131,000
Customer list / Relationships	2,182,000
<b>Total Acquired Intangible Assets</b>	<b>7,824,367</b>

See *Note 10 - Acquisitions* for further details on the acquisition of Flewber Global, Inc.

Amortization expense was \$244,867 and \$41,986 for the six months ended June 30 2025 and 2024, respectively.

#### Minority equity investments

Minority equity investments in private companies in which the Company holds a passive ownership interest and does not exercise significant influence are accounted for using the cost method in accordance with ASC 321. These investments are recorded on the consolidated balance sheets as long-term assets under *Minority investment in business*. The carrying value of such investments is initially recognized at cost and is assessed periodically for impairment or other indicators that the investment may no longer be recoverable. Fair value adjustments are not required unless observable price changes in orderly transactions for the identical or a similar investment become available.

### 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.

As of June 30, 2025 and December 31, 2024 the Company has an asset of \$8,073,026 and \$5,415 of goodwill on its consolidated balance sheet, respectively, and 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 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 or exercise of a derivative instrument, the instrument is marked to fair value at the date of conversion or exercise or cancellation and then the related fair value is reclassified to equity. Upon extinguishment or cancellation of a derivative instrument, any difference between the fair value and the settlement amount is recognized as a gain or loss under change in derivative liability on the statement of operations.

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 June 30, 2025 and December 31, 2024, the Company had deferred revenue of \$427,987 and \$146,950, 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 November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker (“CODM”) and included within each reported measure of segment profit or loss. The update also requires disclosure regarding the CODM and expands the interim segment disclosure requirements. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of ASU 2023-07 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, 2023, 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.

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.

### *Recently Issued Accounting Standards Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09 – *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances income tax disclosure requirements by:

- Standardizing and disaggregating rate reconciliation categories.
- Requiring disclosure of income taxes paid by jurisdiction.

This ASU is effective for annual periods beginning after December 15, 2024, and may be applied on a prospective or retrospective basis. Early adoption is permitted.

The Company is currently assessing the impact of ASU 2023-09 on its income tax disclosures and reporting requirements.

C. Off-Balance Sheet Arrangements.

1. In a separately-captioned section, discuss the issuer's off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the issuer's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. The disclosure shall include the items specified in paragraphs C(1)(i), (ii), (iii) and (iv) of this Item 15 to the extent necessary to an understanding of such arrangements and effect and shall also include such other information that the issuer believes is necessary for such an understanding.

**None.**

- i. The nature and business purpose to the issuer of such off-balance sheet arrangements;
- ii. The importance to the issuer of such off-balance sheet arrangements in respect of its liquidity, capital resources, market risk support, credit risk support or other benefits;
- iii. The amounts of revenues, expenses and cash flows of the issuer arising from such arrangements; the nature and amounts of any interests retained, securities issued and other indebtedness incurred by the issuer in connection with such arrangements; and the nature and amounts of any other obligations or liabilities (including contingent obligations or liabilities) of the issuer arising from such arrangements that are or are reasonably likely to become material and the triggering events or circumstances that could cause them to arise; and
- iv. Any known event, demand, commitment, trend or uncertainty that will result in or is reasonably likely to result in the termination, or material reduction in availability to the issuer, of its off-balance sheet arrangements that provide material benefits to it, and the course of action that the issuer has taken or proposes to take in response to any such circumstances.

2. As used in paragraph C of this Item 15, the term off-balance sheet arrangement means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with the issuer is a party, under which the issuer has:

- i. Any obligation under a guarantee contract that has any of the characteristics identified in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 460-10, Guarantees; formerly FIN 45;
- ii. A retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets;
- iii. Any obligation, including a contingent obligation, under a contract that would be accounted for as a derivative instrument, except that it is both

indexed to the issuer's own stock and classified in stockholders' equity in the issuer's statement of financial position, and therefore excluded from the scope of FASB ASC 815, Derivatives and hedging; formerly FAS 133; or

- iv. Any obligation, including a contingent obligation, arising out of a variable interest (as referenced in FASB ASC 810, Consolidation; formerly FIN 46R ) in an unconsolidated entity that is held by, and material to, the issuer, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, the issuer.

*Instructions to paragraph C of Item 15*

- i. No obligation to make disclosure under paragraph C of this Item 15 shall arise in respect of an off-balance sheet arrangement until a definitive agreement that is unconditionally binding or subject only to customary closing conditions exists or, if there is no such agreement, when settlement of the transaction occurs.
- ii. Issuers should aggregate off-balance sheet arrangements in groups or categories that provide material information in an efficient and understandable manner and should avoid repetition and disclosure of immaterial information. Effects that are common or similar with respect to a number of off-balance sheet arrangements must be analyzed in the aggregate to the extent the aggregation increases understanding. Distinctions in arrangements and their effects must be discussed to the extent the information is material, but the discussion should avoid repetition and disclosure of immaterial information.
- iii. For purposes of paragraph C of this Item 15 only, contingent liabilities arising out of litigation, arbitration or regulatory actions are not considered to be off-balance sheet arrangements.
- iv. Generally, the disclosure required by paragraph C of this Item 15 shall cover the most recent fiscal year. However, the discussion should address changes from the previous year where such discussion is necessary to an understanding of the disclosure.

In satisfying the requirements of paragraph C of this Item 15, the discussion of off-balance sheet arrangements need not repeat information provided in the footnotes to the financial statements, provided that such discussion clearly cross-references to specific information in the relevant footnotes and integrates the substance of the footnotes into such discussion in a manner designed to inform readers of the significance of the information that is not included within the body of such discussion.

## Part E      Issuance History

### **Item 16      List of securities offerings and shares issued for services in the past two years.**

A. List below any events, in chronological order, that resulted in direct changes to the total shares outstanding by the issuer (1) within the two-year period ending on the last day of the issuer's most recent fiscal year and (2) since the last day of the issuer's most recent fiscal year.

The list shall include all offerings of securities, including debt convertible into equity securities, whether private or public, and shall indicate:

- (i) The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);
- (ii) Any jurisdictions where the offering was registered or qualified;
- (iii) The number of shares offered;
- (iv) The number of shares sold;
- (v) The price at which the shares were offered, and the amount actually paid to the issuer;
- (vi) The trading status of the shares, whether they are restricted or unrestricted; and
- (vii) Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

The list shall also include all shares or any other securities or options to acquire such securities issued for services in the past two fiscal years and any interim periods, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities.

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however,* that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than five percent (5%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

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.
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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.
1/17/2023	Issuance	227	Common	\$350.00	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	\$315.00	No	Punch Inc; Tom Punch	M&A	Restricted	N/A

2/8/2023	Issuance	3,326	Common	\$310.00	No	Chelsea Pullano	Services	Restricted	N/A
2/8/2023	Issuance	1,155	Common	\$310.00	No	Robby Tal	Services	Restricted	N/A
2/8/2023	Issuance	21,385	Common	\$310.00	No	Jeremy Frommer	Services	Restricted	N/A
2/8/2023	Issuance	11,790	Common	\$310.00	No	Justin Maury	Services	Restricted	N/A
2/8/2023	Issuance	2,418	Common	\$310.00	No	Erica Wager	Services	Restricted	N/A
2/8/2023	Issuance	3,878	Common	\$310.00	No	Peter Majar	Services	Restricted	N/A
2/8/2023	Issuance	3,740	Common	\$310.00	No	Tom Punch	Services	Restricted	N/A
2/8/2023	Issuance	1,803	Common	\$310.00	No	Gina Callea	Services	Restricted	N/A
2/8/2023	Issuance	509	Common	\$310.00	No	Christian Johnson	Services	Restricted	N/A
2/8/2023	Issuance	221	Common	\$310.00	No	Allie Mennen	Services	Restricted	N/A
2/8/2023	Issuance	1,709	Common	\$310.00	No	Tracy Willis	Services	Restricted	N/A
2/8/2023	Issuance	1,176	Common	\$310.00	No	Brielle Jeffries	Services	Restricted	N/A
2/8/2023	Issuance	725	Common	\$310.00	No	Rachel David	Services	Restricted	N/A
2/8/2023	Issuance	851	Common	\$310.00	No	Max Avellaneda	Services	Restricted	N/A

2/8/2023	Issuance	444	Common	\$310.00	No	Blake O'Connor	Services	Restricted	N/A
2/8/2023	Issuance	406	Common	\$310.00	No	Caitlin Nightingale	Services	Restricted	N/A
2/8/2023	Issuance	396	Common	\$310.00	No	Sara Friedland	Services	Restricted	N/A
2/8/2023	Issuance	562	Common	\$310.00	No	Christopher Riggio	Services	Restricted	N/A
2/8/2023	Issuance	560	Common	\$310.00	No	Gina Bochis	Services	Restricted	N/A
2/8/2023	Issuance	360	Common	\$310.00	No	Fiona Lenz	Services	Restricted	N/A
2/8/2023	Issuance	322	Common	\$310.00	No	Briana Bazail	Services	Restricted	N/A
2/8/2023	Issuance	357	Common	\$310.00	No	Nick Scibilia	Services	Restricted	N/A
2/8/2023	Issuance	248	Common	\$310.00	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	\$294.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Warrant Exercise	Unrestricted	S-1
2/13/2023	Issuance	100	Common	\$294.00	No	Anson East Master Fund LP; Amin Nathoo	Warrant Exercise	Unrestricted	S-1
2/13/2023	Issuance	75	Common	\$294.00	No	L1 Capital Global Opportunities Master Fund; David Feldman	Warrant Exercise	Unrestricted	S-1
2/13/2023	Issuance	5,000	Common	\$294.00	No	Dorado Goose LLC; Tommy Wang	Note Conversion	Restricted	N/A
2/13/2023	Issuance	250	Common	\$294.00	No	Nicholas Scibilia	M&A	Restricted	N/A
2/13/2023	Issuance	200	Common	\$294.00	No	Tracy Willis	M&A	Restricted	N/A
2/14/2023	Issuance	169	Common	\$240.00	No	Linda Mackay	Warrant	Unrestricted	S-1

							Exercise		
2/14/2023	Issuance	21	Common	\$240.00	No	Punch Inc; Tom Punch	Services	Restricted	N/A
2/15/2023	Issuance	690	Common	\$245.00	No	Andrew Arno	Warrant Exercise	Unrestricted	S-1
2/16/2023	Issuance	1,865	Common	\$225.00	No	Joseph Reda	Warrant Exercise	Unrestricted	S-1
2/16/2023	Issuance	924	Common	\$225.00	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 Investment s 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	\$100.00	No	L1 Capital Global Opportunities Master Fund; David Feldman	Warrant Exercise	Unrestricted	S-1
3/10/2023	Issuance	804	Common	\$100.00	No	Joseph Reda	Warrant Exercise	Unrestricted	S-1
3/10/2023	Issuance	96	Common	\$100.00	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	\$65.00	No	Elizabeth Palughi	Services	Restricted	N/A
3/27/2023	Issuance	116	Common	\$65.00	No	Gladstone Corporation ; Stan Elbaum	Services	Restricted	N/A
3/27/2023	Issuance	3,091	Common	\$65.00	No	Christian Johnson	Services	Restricted	N/A
4/26/2023	Issuance	450	Common	\$57.00	No	Integra Consulting Group LLC; Jeremy Roe	Services	Restricted	N/A
4/26/2023	Issuance	200	Common	\$57.00	No	John Lupo	Services	Restricted	N/A
4/26/2023	Issuance	500	Common	\$57.00	No	Lupo Ministries; John Lupo	Services	Restricted	N/A
4/26/2023	Issuance	200	Common	\$57.00	No	Gladstone Corporation ; Stan Elbaum	Services	Restricted	N/A

5/3/2023	Issuance	2,820	Common	\$44.00	No	Coventry Enterprises LLC; Jack Bodenstein	Cash	Unrestricted	S-1
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5/3/2023	Issuance	5,459	Common	\$44.00	No	Coventry Enterprises LLC; Jack Bodenstein	Cash	Unrestricted	S-1
5/3/2023	Issuance	750	Common	\$35.00	No	FirstFire Global Opportunities Fund LLC; Eli Fireman	Loan Incentive	Restricted	N/A
5/16/2023	Issuance	1250	Common	\$35.00	No	FirstFire Global Opportunities Fund LLC; Eli Fireman	Loan Incentive	Restricted	N/A
5/30/2023	Issuance	1,139	Common	\$28.00	No	Henry Springer	Note Conversion	Restricted	N/A
5/30/2023	Issuance	463	Common	\$28.00	No	Mark DeLuca	M&A	Restricted	N/A
5/30/2023	Issuance	520	Common	\$28.00	No	Stephanie Roy Dufault	M&A	Restricted	N/A
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	\$22.00	No	Gladstone Corporation ; Stan Elbaum	Services	Restricted	N/A
6/29/2023	Issuance	1,300	Common	\$22.00	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	\$21.00	No	Quick Capital LLC; Eilon Natan	Loan Incentive	Restricted	N/A
8/28/2023	Issuance	1,047	Common	\$16.00	No	Joseph Reda	Note Conversion	Unrestricted	Rule 144
8/28/2023	Issuance	10,000	Common	\$16.00	No	Joseph Reda	Note Conversion	Unrestricted	Rule 144
9/5/2023	Issuance	200	Common	\$17.00	No	John Lupo	Services	Restricted	N/A
9/5/2023	Issuance	500	Common	\$17.00	No	Ronald Nash	Services	Restricted	N/A
9/5/2023	Issuance	2,050	Common	\$17.00	No	Integra Consulting Group LLC; Jeremy Roe	Services	Restricted	N/A
9/5/2023	Issuance	1,454	Common	\$17.00	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
9/8/2023	Issuance	2,000	Common	\$15.00	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
10/3/2023	Issuance	12,000	Common	\$13.00	No	Joseph Reda	Note Conversion	Unrestricted	Rule 144
10/6/2023	Issuance	10,000	Common	\$11.00	No	Dorado Goose LLC; Tommy Wang	Loan Incentive	Restricted	N/A
10/11/2023	Issuance	3,056	Common	\$15.00	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	Cash	Unrestricted	S-1

						Bodenstein			
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 FAmyly 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	\$11.00	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	\$8.00	No	Auctus Fund LLC; Lou Posner	Loan Incentive	Restricted	N/A
11/2/2023	Issuance	13,053	Common	\$9.00	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; Joseph Lucosky & 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	\$7.00	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	\$6.00	Yes	1800 Diagonal Lending LLC; Curt Kramer	Note Conversion	Unrestricted	Rule 144
12/5/2023	Issuance	5,172	Common	\$5.00	Yes	Joseph Reda	Note Conversion	Unrestricted	Rule 144
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	\$4.00	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	\$5.00	No	Joseph Reda	Note Conversion	Unrestricted	Rule 144

12/22/2023	Issuance	22,000	Common	\$5.00	No	FirstFire Global Opportunities Fund LLC; Eli Fireman	Loan Incentive	Restricted	N/A
1/3/2024	Issuance	9,989	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	3,554	Common	\$3.40	No	N/A	Reverse Split Rounding	Various	N/A
2/9/2024	Issuance	364	Preferred Series F	\$1,000.00	No	Andrew Arno	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	480	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	1,915	Preferred Series F	\$1,000.00	No	Anson Investments Master Fund LP; Amin Nathoo	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	142	Preferred Series F	\$1,000.00	No	Brio Capital Master Fund Ltd.; Shaye Hirsch	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	20	Preferred Series F	\$1,000.00	No	Daniel Ripp	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	2,253	Preferred Series F	\$1,000.00	No	Dorado Goose LLC; Tommy Wang	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	595	Preferred Series F	\$1,000.00	No	Gregory Castaldo	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Dustin Nathaniel Satloff 06/01/93	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Jean Satloff Trust	Conversion into Preferred	Restricted	N/A

						08/07/96			
2/9/2024	Issuance	30	Preferred Series F	\$1,000.00	No	James Satloff & Emily Satloff JTEN	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Emily U Satloff FAmily Trust 03/25/93	Conversion into Preferred	Restricted	N/A

2/9/2024	Issuance	198	Preferred Series F	\$1,000.00	No	Jonathan Schechter	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	1,216	Preferred Series F	\$1,000.00	No	Joseph Reda	Conversion into Preferred	Restricted	N/A
2/9/2024	Issuance	410	Preferred Series F	\$1,000.00	No	L1 Capital Global Opportunities Master Fund; David Feldman	Conversion into Preferred	Restricted	N/A
2/12/2024	Issuance	16,424	Common	\$5.00	No	Joseph Reda	Note Conversion	Unrestricted	Rule 144
2/28/2024	Issuance	18,000	Common	\$4.90	No	MACK Financial Solutions LLC; Chelsea Pullano	Payable Conversion	Restricted	N/A
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 Lupo	Services	Restricted	N/A
3/13/2024	Issuance	6,000	Common	\$5.00	No	James Satloff & Emily Satloff JTEN; James Satloff	Loan Incentive	Restricted	N/A
3/13/2024	Issuance	6,000	Common	\$5.00	No	Theodore Jean Satloff Trust; James Satloff	Loan Incentive	Restricted	N/A
3/13/2024	Issuance	6,000	Common	\$5.00	No	Dustin Nathaniel Satloff Trust; James Satloff	Loan Incentive	Restricted	N/A
3/13/2024	Issuance	6,000	Common	\$5.00	No	Emily U Satloff Family Trust; James Satloff	Loan Incentive	Restricted	N/A
3/13/24	Issuance	150	Preferred Series F	\$1,000.00	No	Lind Global Macro Fund LP; Jeff Easton	Loan Incentive	Restricted	N/A
3/14/2024	Issuance	15,000	Common	\$8.00	No	Network 1 Financial Securities, Inc.; Damon Testaverde	Services	Restricted	N/A
3/14/24	Cancellation	-30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Dustin Nathaniel Satloff 06/01/93	Conversion into Common	Restricted	N/A
3/14/24	Cancellation	-30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Jean Satloff Trust 08/07/96	Conversion into Common	Restricted	N/A

3/14/24	Cancellation	-30	Preferred	\$1,000.00	No	James Satloff	Conversion	Restricted	N/A
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			Series F			& Emily Satloff JTEN	into Common		
3/14/24	Cancellation	-30	Preferred Series F	\$1,000.00	No	James Satloff TTEE Emily U Satloff FAmily Trust 03/25/93	Conversion into Common	Restricted	N/A
3/15/2024	Issuance	1,287	Common	\$3.50	Yes	John Lupo	Note Conversion	Restricted	N/A
3/15/2024	Issuance	16,000	Common	\$5.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion of Preferred to Common	Restricted	N/A
3/15/2024	Issuance	64,000	Common	\$5.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion of Preferred to Common	Restricted	N/A
3/15/2024	Issuance	80,000	Common	\$5.00	No	Joseph Reda	Conversion of Preferred to Common	Restricted	N/A
3/15/2024	Issuance	39,600	Common	\$5.00	No	Jonathan Schechter	Conversion of Preferred to Common	Restricted	N/A
3/15/2024	Issuance	40,000	Common	\$5.00	No	Gregory Castaldo	Conversion of Preferred to Common	Restricted	N/A
3/15/24	Cancellation	-400	Preferred Series F	\$1,000.00	No	Joseph Reda	Conversion into Common	Restricted	N/A
3/15/24	Cancellation	-320	Preferred Series F	\$1,000.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
3/15/24	Cancellation	-200	Preferred Series F	\$1,000.00	No	Gregory Castaldo	Conversion into Common	Restricted	N/A
3/15/24	Cancellation	-198	Preferred Series F	\$1,000.00	No	Jonathan Schechter	Conversion into Common	Restricted	N/A
3/15/24	Cancellation	-80	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
3/18/2024	Issuance	72,800	Common	\$5.00	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
3/18/24	Cancellation	-364	Preferred Series F	\$1,000.00	No	Andrew Arno	Conversion into Common	Restricted	N/A
3/19/2024	Issuance	5,000	Common	\$8.00	No	Auctus Fund LLC; Lou Posner	Note Conversion	Unrestricted	S-1

3/20/2024	Issuance	24,000	Common	\$5.00	No	James Satloff	Conversion of Preferred to Common	Restricted	N/A
3/20/24	Cancellation	-120	Preferred Series F	\$1,000.00	No	James Satloff	Conversion into Common	Restricted	N/A
3/22/2024	Issuance	33,895	Common	\$5.00	No	MACK Financial Solutions LLC; Chelsea Pullano	Services	Restricted	N/A

3/25/2024	Issuance	3,000	Common	\$5.57	No	Quick Capital LLC; Eilon Natan	Loan Incentive	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
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
4/22/2024	Issuance	11,436	Common	\$1.81	No	Gina Callea	Services	Restricted	N/A
5/17/2024	Rescission	-10,000	Common	\$2.30	No	Brian McLain	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
6/25/24	Cancellation	-816	Preferred Series F	\$1,000.00	No	Joseph Reda	Conversion into Common	Restricted	N/A
6/25/24	Cancellation	-410	Preferred Series F	\$1,000.00	No	L1 Capital Global Opportunities Master Fund; David Feldman	Conversion into Common	Restricted	N/A
6/25/24	Cancellation	-142	Preferred Series F	\$1,000.00	No	Brio Capital Master Fund Ltd.; Shaye Hirsch	Conversion into 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

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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
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 Investment s 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
6/27/24	Cancellation	-760	Preferred Series F	\$1,000.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
6/27/24	Cancellation	-395	Preferred Series F	\$1,000.00	No	Gregory Castaldo	Conversion into Common	Restricted	N/A
6/27/24	Cancellation	-190	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Common	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
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 Investment s Master Fund LP; Amin Nathoo	Conversion of Preferred to Common	Unrestricted	S-1
7/25/2024	Cancellation	-400	Preferred Series F	\$1,000.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
7/25/2024	Cancellation	-100	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
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 Investment s Master Fund LP; Amin Nathoo	Conversion of Preferred to Common	Unrestricted	S-1
7/31/2024	Issuance	45,399	Common	\$1.47	No	Justin Maury	Payable Conversion	Restricted	N/A
7/31/2024	Issuance	54,549	Common	\$1.47	No	Jeremy Frommer	Payable Conversion	Restricted	N/A

7/31/2024	Issuance	46,169	Common	\$1.47	No	Robert Tal	Payable Conversion	Restricted	N/A
7/31/2024	Issuance	52,201	Common	\$1.47	No	Peter Majar	Payable Conversion	Restricted	N/A
7/31/2024	Issuance	27,471	Common	\$1.47	No	Erica Wagner	Payable Conversion	Restricted	N/A

7/31/2024	Issuance	14,937	Common	\$1.47	No	Aya Abitbul	Payable Conversion	Restricted	N/A
7/31/2024	Issuance	9,613	Common	\$1.47	No	MACK Financial Solutions; Chelsea Pullano	Payable Conversion	Restricted	N/A
7/31/2024	Cancellation	-228	Preferred Series F	\$1,000.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
7/31/2024	Cancellation	-57	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
8/1/2024	Issuance	4,000	Common	\$5.00	No	Daniel Ripp	Conversion of Preferred to Common	Restricted	N/A
8/1/2024	Cancellation	-20	Preferred Series F	\$1,000.00	No	Daniel Ripp	Conversion into 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	21,676	Common	\$0.84	No	Geopulse Exploration , Inc.; Marcus Laun	Shares Issued for Acquisition	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 Series G	\$750.00	No	Joseph Reda	Cash	Restricted	N/A
8/28/2024	Issuance	134	Preferred Series G	\$750.00	No	Christian Johnson	Services	Restricted	N/A
8/30/2024	Issuance	62	Preferred Series G	\$750.00	No	Joseph Reda	Note Conversion	Restricted	N/A
8/30/2024	Issuance	62	Preferred Series G	\$750.00	No	Richard Molinsky	Note Conversion	Restricted	N/A
9/3/2024	Issuance	435	Preferred Series G	\$750.00	No	Dorado Goose LLC; Tommy Wang	Note Conversion	Restricted	N/A
9/6/2024	Issuance	34	Preferred Series G	\$750.00	No	Dorado Goose LLC; Tommy Wang	Cash	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 Series G	\$750.00	No	Joseph Reda	Cash	Restricted	N/A

9/20/2024	Issuance	34	Preferred Series G	\$750.00	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	-45,399	Common	\$0.42	No	Justin Maury	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-54,549	Common	\$0.42	No	Jeremy Frommer	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-46,169	Common	\$0.42	No	Robert Tal	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-52,201	Common	\$0.42	No	Peter Majar	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-27,471	Common	\$0.42	No	Erica Wagner	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-14,937	Common	\$0.42	No	Aya Abitbul	Cancellation of Payable Conversion	N/A	N/A
9/30/2024	Cancellation	-9,613	Common	\$0.42	No	MACK Financial Solutions; Chelsea Pullano	Cancellation of Payable Conversion	N/A	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	-121,618	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
9/30/2024	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
9/30/2024	Cancellation	-92,000	Common	\$5.00	N/A	Anson Investment s Master Fund LP; Amin Nathoo	Recission of Preferred Conversion to Common	N/A	N/A
9/30/24	Issuance	115	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Recission of Preferred Conversion to Common	Restricted	N/A

9/30/24	Issuance	460	Preferred Series F	\$1,000.00	No	Anson Investment's Master Fund LP; Amin Nathoo	Recission of Preferred Conversion to Common	Restricted	N/A
10/2/24	Issuance	140	Preferred Series H	\$100.00	No	Christopher Riggio	Payable Conversion	Restricted	N/A
10/2/24	Issuance	224	Preferred Series H	\$100.00	No	Aya Abitbul	Payable Conversion	Restricted	N/A
10/2/24	Issuance	331	Preferred Series H	\$100.00	No	Erica Wagner	Payable Conversion	Restricted	N/A
10/2/24	Issuance	563	Preferred Series H	\$100.00	No	MACK Financial Solutions; Chelsea	Payable Conversion	Restricted	N/A

						Pullano			
10/2/24	Issuance	630	Preferred Series H	\$100.00	No	Peter Majar	Payable Conversion	Restricted	N/A
10/2/24	Issuance	632	Preferred Series H	\$100.00	No	Robert Tal	Payable Conversion	Restricted	N/A
10/2/24	Issuance	636	Preferred Series H	\$100.00	No	Justin Maury	Payable Conversion	Restricted	N/A
10/2/24	Issuance	642	Preferred Series H	\$100.00	No	Jeremy Frommer	Payable Conversion	Restricted	N/A
10/7/24	Issuance	14	Preferred Series G	\$750.00	No	Richard Molinsky	Cash	Restricted	N/A
11/6/2024	Issuance	150,000	Common	\$0.36	Yes	Coventry Enterprises LLC; Jack Bodenstein	Note Conversion	Unrestricted	S-1
11/7/2024	Issuance	107,689	Common	\$0.72	No	Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic	Services	Restricted	N/A
11/11/2024	Issuance	333,333	Common	\$1.00	No	ThePowerhouse LLC; Samuel Bernstein	Shares issued for acquisition	Restricted	N/A
11/12/2024	Issuance	185,000	Common	\$0.79	No	Jessica Skube	Payable Conversion	Restricted	N/A
11/18/2024	Issuance	13,333	Common	\$0.90	No	Richard Molinsky	Cash	Restricted	N/A
11/18/2024	Issuance	13,333	Common	\$0.90	No	Leonard Schiller	Cash	Restricted	N/A
11/18/2024	Issuance	34	Preferred Series G	\$750.00	No	Dorado Goose LLC; Tommy Wang	Cash	Restricted	N/A

11/20/2024	Issuance	67	Preferred Series G	\$750.00	No	Gregory Castaldo	Cash	Restricted	N/A
11/21/24	Issuance	133	Preferred Series G	\$750.00	No	Gregory Castaldo	Note Conversion	Restricted	N/A
11/25/2024	Issuance	48,458	Common	\$0.83	No	Brio Financial Group; David Briones	Payable Conversion	Restricted	N/A
11/25/2024	Issuance	388,889	Common	\$0.83	No	Lucosky Brookman; Joseph Lucosky & Seth Brookman	Payable Conversion	Restricted	N/A
11/25/24	Issuance	108	Preferred Series G	\$750.00	No	Brio Financial Group; David Briones	Payable Conversion	Restricted	N/A
11/25/24	Issuance	867	Preferred Series G	\$750.00	No	Lucosky Brookman; Joseph Lucosky & Seth Brookman	Payable Conversion	Restricted	N/A
11/26/2024	Issuance	39,824	Common	\$0.83	No	Enzylotics Inc; Harry Zhabilov	Shares issued for acquisition	Restricted	N/A
12/2/2024	Issuance	57,635	Common	\$0.17	Yes	Coventry Enterprises LLC; Jack Bodenstein	Note Conversion	Unrestricted	S-1
12/10/2024	Issuance	37,500	Common	\$0.61	No	FirstFire Global Opportunities Fund LLC; Eli	Cash	Restricted	N/A

						Fireman			
12/10/2024	Issuance	62,500	Common	\$0.61	No	Quick Capital LLC; Eilon Natan	Cash	Restricted	N/A
12/18/2024	Issuance	5,198	Common	\$0.40	No	Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic	Services	Restricted	N/A
12/23/2024	Issuance	800	Common	\$0.40	No	Lindy Tsang	Payable Conversion	Restricted	N/A
12/23/2024	Issuance	12,600	Common	\$0.40	No	Rachael Simari	Payable Conversion	Restricted	N/A
1/2/25	Issuance	33,600	Common	\$5.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion of Preferred to Common	Unrestricted	S-1
1/2/25	Issuance	133,400	Common	\$5.00	No	Anson Investments Master Fund LP; Amin	Conversion of Preferred to Common	Unrestricted	S-1

						Nathoo			
1/2/2025	Issuance	800	Common	\$0.33	No	Kaylie Varney	Payable Conversion	Restricted	N/A
1/2/25	Cancellation	-168	Preferred Series F	\$1,000.00	No	Anson East Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
1/2/25	Cancellation	-667	Preferred Series F	\$1,000.00	No	Anson Investment s Master Fund LP; Amin Nathoo	Conversion into Common	Restricted	N/A
1/6/25	Issuance	48,645	Common	\$0.46	No	Brio Financial Group LLC; David Briones	Services	Restricted	N/A
1/8/2025	Issuance	34	Preferred Series G	\$750.00	No	Joseph Reda	Cash	Restricted	N/A
1/14/2025	Issuance	34	Preferred Series G	\$750.00	No	ProActive Capital Partners, LP; Jeff Ramson	Cash	Restricted	N/A
1/17/2025	Issuance	10,000	Common	\$0.58	No	Kyra Smith	Payable Conversion	Restricted	N/A
1/22/2025	Issuance	34	Preferred Series G	\$750.00	No	Gregory Castaldo	Cash	Restricted	N/A
1/22/2025	Issuance	34	Preferred Series G	\$750.00	No	Joseph Reda	Cash	Restricted	N/A
1/22/2025	Issuance	34	Preferred Series G	\$750.00	No	SEG Opportunity Fund, LLC; Joseph Reda	Cash	Restricted	N/A
1/22/2025	Issuance	34	Preferred Series G	\$750.00	No	Richard Molinsky	Cash	Restricted	N/A
1/22/2025	Issuance	234	Preferred Series G	\$750.00	No	SEG Opportunity Fund, LLC; Joseph Reda	Cash	Restricted	N/A
1/22/2025	Issuance	34	Preferred Series G	\$750.00	No	Timothy Tyler Berry	Cash	Restricted	N/A

1/23/2025	Issuance	67	Preferred Series G	\$750.00	No	Unicorn Capital Partners LLC, Andrew W Haag	Cash	Restricted	N/A
1/23/2025	Issuance	34	Preferred Series G	\$750.00	No	Leonard R. Warner Jr.	Cash	Restricted	N/A

1/23/2025	Issuance	67	Preferred Series G	\$750.00	No	Sixth Borough Capital Fund; Robert Keyser, Jr.	Cash	Restricted	N/A
1/23/2025	Issuance	34	Preferred Series G	\$750.00	No	William York Richardson	Cash	Restricted	N/A
1/25/2025	Issuance	134	Preferred Series G	\$750.00	No	Robert Forster	Cash	Restricted	N/A
1/30/2025	Issuance	34	Preferred Series G	\$750.00	No	Sergio Sokol	Cash	Restricted	N/A
2/2/2025	Issuance	100	Preferred Series G	\$750.00	No	Carmit Cohen	Cash	Restricted	N/A
2/4/2025	Issuance	25,000	Common	\$1.00	No	The Williams & Jerri Owen Family Trust; Bill Owen	Cash	Restricted	N/A
2/4/2025	Issuance	22,500	Common	\$1.00	No	Yossef Hayoun	Cash	Restricted	N/A
2/4/2025	Issuance	30,000	Common	\$1.00	No	Michael Luftman	Cash	Restricted	N/A
2/4/2025	Issuance	20,000	Common	\$1.00	No	Robert Silverman	Cash	Restricted	N/A
2/4/2025	Issuance	30,000	Common	\$1.00	No	Stephen Cohen	Cash	Restricted	N/A
2/4/2025	Issuance	25,000	Common	\$1.00	No	Bearcliff Trading Corporation, Graham Saunders	Cash	Restricted	N/A
2/4/2025	Issuance	25,000	Common	\$1.00	No	Sushant Nagpal	Cash	Restricted	N/A
2/4/2025	Issuance	25,000	Common	\$1.00	No	Stephen Isaac York	Cash	Restricted	N/A
2/4/2025	Issuance	25,000	Common	\$1.00	No	Ryan Walsh	Cash	Restricted	N/A
2/4/2025	Issuance	67	Preferred Series G	\$750.00	No	Iroquois Master Fund Ltd; Richard Abe	Cash	Restricted	N/A
2/4/2025	Issuance	40	Preferred Series G	\$750.00	No	Iroquois Capital Investment Group LLC; Richard Abbe	Cash	Restricted	N/A
2/6/2025	Issuance	3,240	Common	\$1.00	No	Gary Weiss	Cash	Restricted	N/A
2/6/2025	Issuance	5,400	Common	\$1.00	No	Daniel Aranbaev	Cash	Restricted	N/A
2/6/2025	Issuance	25,000	Common	\$1.00	No	Ory Moussaieff	Cash	Restricted	N/A
2/6/25	Issuance	125,000	Common	\$1.05	No	Newbridge Securities Corporation; Chad Chamion	Services	Restricted	N/A
2/6/2025	Issuance	54	Preferred Series	\$750.00	No	Unterberg Legacy Capital, LLC; James Satloff	Cash	Restricted	N/A

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2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Atul Sabharwal	Cash	Restricted	N/A
2/6/2025	Issuance	40	Preferred Series G	\$750.00	No	Jaisun Garcha	Cash	Restricted	N/A
2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Harbir Toor	Cash	Restricted	N/A
2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Erez Abikzer	Cash	Restricted	N/A
2/6/2025	Issuance	174	Preferred Series G	\$750.00	No	Yakov Herman	Cash	Restricted	N/A
2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Amiram Moshe	Cash	Restricted	N/A
2/6/2025	Issuance	67	Preferred Series G	\$750.00	No	Comverj US Holdings, Inc., Leigh Hughes	Cash	Restricted	N/A
2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Jacob Elul	Cash	Restricted	N/A
2/6/2025	Issuance	34	Preferred Series G	\$750.00	No	Avi Sharon	Cash	Restricted	N/A
2/6/2025	Issuance	35	Preferred Series G	\$750.00	No	28 Ventures LLC; Nicholas Lin	Cash	Restricted	N/A
2/7/25	Issuance	442	Common	\$1.20	No	James Satloff & Emily Satloff JTN; James Satloff	Loan Incentive	Restricted	N/A
2/7/25	Issuance	442	Common	\$1.20	No	Theodore Jean Satloff Trust; James Satloff	Loan Incentive	Restricted	N/A
2/7/25	Issuance	442	Common	\$1.20	No	Dustin Nathaniel Satloff Trust; James Satloff	Loan Incentive	Restricted	N/A
2/7/25	Issuance	442	Common	\$1.20	No	Emily U Satloff Family Trust; James Satloff	Loan Incentive	Restricted	N/A
2/12/25	Issuance	898,000	Common	\$0.51	No	Jeremy Frommer	Warrant Exercise	Restricted	N/A
2/13/25	Issuance	442,000	Common	\$0.44	No	MACK Financial Solutions; Chelsea Pullano	Warrant Exercise	Restricted	N/A
2/14/25	Issuance	908,800	Common	\$0.51	No	Justin Maury	Warrant	Restricted	N/A

							Exercise		
2/14/25	Issuance	916,800	Common	\$0.51	No	Peter Majar	Warrant Exercise	Restricted	N/A
2/14/25	Issuance	420,000	Common	\$0.51	No	Aya Abitbul	Warrant Exercise	Restricted	N/A
2/14/25	Issuance	456,000	Common	\$0.51	No	Chris Riggio	Warrant Exercise	Restricted	N/A
2/14/2025	Issuance	34	Preferred Series G	\$750.00	No	ProActive Capital Partners, LP; Jeff Ramson	Cash	Restricted	N/A
2/18/2025	Issuance	15,000	Common	\$1.00	No	Daniel R. Reefer	Cash	Restricted	N/A
2/26/25	Issuance	454,800	Common	\$0.51	No	Robert Tal	Warrant Exercise	Restricted	N/A

2/27/25	Issuance	100,000	Common	\$0.90	No	Bearcliff Trading Corporation, Graham Saunders	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	5,400	Common	\$0.90	No	Daniel Aranbaev	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	15,000	Common	\$0.90	No	Daniel R. Reefer	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	3,240	Common	\$0.90	No	Gary Weiss	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	30,000	Common	\$0.90	No	Michael Luftman	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	25,000	Common	\$0.90	No	Ory Moussaieff	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	20,000	Common	\$0.90	No	Robert Silverman	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	100,000	Common	\$0.90	No	Ryan Walsh	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	25,000	Common	\$0.90	No	Shawn Nagpal	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	30,000	Common	\$0.90	No	Stephen Cohen	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	75,000	Common	\$0.90	No	Stephen Isaac York	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	105,000	Common	\$0.90	No	William Owen	Shares issued for acquisition	Restricted	N/A

2/27/25	Issuance	22,500	Common	\$0.90	No	Yossef Hayoun	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	500,000	Common	\$0.90	No	Marc Sellouk	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	667	Preferred Series G	\$750.00	No	Joseph Reda	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	667	Preferred Series G	\$750.00	No	Gregory Castaldo	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	2,000	Preferred Series G	\$750.00	No	SEG Opportunity Fund, LLC; Joseph Reda	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	134	Preferred Series G	\$750.00	No	Timothy Tyler Berry	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	267	Preferred Series G	\$750.00	No	Robert Forster	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	200	Preferred Series G	\$750.00	No	Unicorn Capital Partners LLC; Andrew W Haag	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	267	Preferred Series G	\$750.00	No	Leonard R. Warner Jr.	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	534	Preferred Series G	\$750.00	No	Sixth Borough Capital Fund; Robert Keyser, Jr.	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	534	Preferred Series G	\$750.00	No	Unterberg Legacy Capital, LLC; James Satloff	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	267	Preferred Series G	\$750.00	No	Sergio Sokol	Shares issued for acquisition	Restricted	N/A

2/27/25	Issuance	134	Preferred Series G	\$750.00	No	Atul Sabharwal	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	400	Preferred Series G	\$750.00	No	Jaisun Garcha	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	134	Preferred Series G	\$750.00	No	Harbir Toor	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	667	Preferred Series G	\$750.00	No	Carmit Cohen	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	667	Preferred Series G	\$750.00	No	Iroquois Master Fund Ltd; Richard Abe	Shares issued for acquisition	Restricted	N/A

2/27/25	Issuance	400	Preferred Series G	\$750.00	No	Iroquois Capital Investment Group LLC; Richard Abbe	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	80	Preferred Series G	\$750.00	No	Erez Abikzer	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	67	Preferred Series G	\$750.00	No	William York Richardson	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	347	Preferred Series G	\$750.00	No	Yakov Herman	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	134	Preferred Series G	\$750.00	No	Amira m Moshe	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	267	Preferred Series G	\$750.00	No	Comverj US Holdings, Inc., Leigh Hughes	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	160	Preferred Series G	\$750.00	No	Jacob Elul	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	134	Preferred Series G	\$750.00	No	Avi Sharon	Shares issued for acquisition	Restricted	N/A
2/27/25	Issuance	347	Preferred Series G	\$750.00	No	28 Ventures LLC; Nicholas Lin	Shares issued for acquisition	Restricted	N/A
3/4/25	Issuance	4,125	Common	\$0.75	No	Victor Macaulley	Payable Conversion	Restricted	N/A
4/22/25	Issuance	640	Preferred Series G	\$750.00	No	Albert Malekan	Payable Conversion	Restricted	N/A
5/6/25	Cancellation	-39,824	Common	\$0.32	No	Enzylotics Inc; Harry Zhabilov	Shares issued for acquisition	N/A	N/A
5/6/25	Issuance	90,000	Common	\$0.32	No	Mineralrite Corporation, James Burgauer	Shares issued for acquisition	Restricted	N/A
6/23/25	Issuance	2,000	Common	\$2.00	No	Bryan Paul	Warrant Exercise	Restricted	N/A
6/23/25	Issuance	267	Preferred Series G	\$750.00	No	ByBre LLC; Breanna Reda	Services	Restricted	N/A
6/25/25	Issuance	215,800	Common	\$0.34	No	Marc Sellouk	Payable Conversion	Restricted	N/A
6/25/25	Issuance	156,200	Common	\$0.34	No	Thane Gevas	Payable Conversion	Restricted	N/A
6/27/25	Issuance	3,000	Preferred Series I	\$100.00	No	Airhub, Inc.; Jeff Ramson	Shares issued for acquisition	Restricted	N/A
6/27/25	Issuance	12,500	Preferred Series I	\$100.00	No	PCG Advisory, Inc; Jeff Ramson	Shares issued for	Restricted	N/A

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6/27/25	Issuance	5,000	Preferred Series I	\$100.00	No	PRISM Media Holdings Inc; Jeff Ramson	Shares issued for acquisition	Restricted	N/A
6/27/25	Issuance	2,500	Preferred Series I	\$100.00	No	PRISM MediaWire Inc; Jeff Ramson	Shares issued for acquisition	Restricted	N/A
6/30/2025	Issuance	468,832	Common	\$0.40	No	Marc Sellouk	Services	Restricted	N/A
6/30/25	Issuance	200,000	Common	\$0.40	No	Jeremy Frommer	Warrent Exercise	Restricted	N/A
6/30/2025	Issuance	14,812	Preferred Series I	\$100.00	No	Marc Sellouk	Services	Restricted	N/A

B. List below and describe any issuance of Promissory Notes, Convertible Notes, or Convertible Debentures. In responding to this item, please provide the date of execution of the Note or the Agreement, a description of the reason for the issuance, the outstanding balance and any interest accrued. Provide the maturity dates for each Note or Agreement, their conversion terms, names of beneficial owners or holders and the exact class of security such Notes or Agreement may be converted to. Also, specify if the Note is Secured or Unsecured and whether or not it is in Default.

Date of Note Issuance	Outstanding Balance as of 6/30/25 (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
1/13/23	\$0	6/13/2023	\$200	750 Series F Preferred	0	Dorado Goose, LLC; Tommy Wang	Loan
2/1/23	\$0	6/13/2023	\$200	1,250 Series F Preferred	0	Dorado Goose, LLC; Tommy Wang	Loan
3/31/23	\$0	3/31/2024	65% of the average of the lowest three trading prices of the Company's common stock on the ten-trading day immediately preceding the date of the respective conversion.	0	0	1800 Diagonal Lending LLC; Curt Kramer	Loan
4/24/23	\$0	4/24/2024	\$0.78	147,071 common shares	0	1800 Diagonal Lending LLC; Curt Kramer	Loan
5/16/23	\$0	7/27/2024	\$1.20	231,815 common shares	0	FirstFire Global Opportunities Fund; Eli Fireman	Loan
5/24/23	\$0	2/28/2024	\$0	0	0	1800 Diagonal Lending LLC; Curt Kramer	Loan
6/23/23	\$0	12/23/23	\$5.00	0	0	Jeremy Frommer	Loan
7/27/23	\$0	7/27/2024	Variable	0	0	1800 Diagonal Lending LLC; Curt Kramer	Loan
9/27/23	\$0	4/30/2024	\$0.78	34,838 common shares	0	1800 Diagonal Lending LLC; Curt Kramer	Loan
7/31/23	\$0	4/30/24	\$1.20	275,000 common shares	0	Quick Capital, LLC; Eilon Natan	Loan
7/11/23	\$0	7/11/2024	Variable, converted in tranches at different rates	497,186 common shares	0	Coventry Enterprises, LLC; Jack	Loan

						Bodenstein	
10/31/23	\$0	10/31/2024	Variable, converted in tranches at different rates	86,924 common shares	0	Auctus Fund, LLC; Lou Posner	Loan
2/20/24	\$0	12/31/2024	\$750	67 Preferred G Shares	0	Dorado Goose, LLC; Tommy Wang	Loan
3/11/24	\$0	12/31/2024	\$750	134 Preferred G Shares	0	Dorado Goose, LLC; Tommy Wang	Loan
3/13/24	\$1,281,725	9/21/2025	\$8.50	0	150,791	Lind Macro Fund; Jeff Easton	Loan
3/22/24	\$0	12/31/2024	\$750	100 Preferred G Shares	0	Dorado Goose, LLC; Tommy Wang	Loan
4/2/24	\$0	10/2/2024	\$750	133 Preferred G Shares	0	Gregory Castaldo	Loan
4/2/24	\$0	10/2/2024	\$750	38 Preferred G Shares	0	Joseph Reda	Loan
4/2/24	\$0	10/2/2024	\$750	38 Preferred G Shares	0	Richard Molinsky	Loan
4/2/24	\$91,843	4/2/2025	\$0.26	0	357,366 common shares	Unterberg Legacy LLC	Loan
4/12/24	\$0	12/31/2024	\$750	67 Preferred G Shares	0	Dorado Goose, LLC; Tommy Wang	Loan
11/22/24	\$31,817	3/22/25	\$1.00	0	30,000 common shares	Unterberg Legacy Capital, LLC; James Satloff	Loan
4/30/20	\$0	4/1/22	N/A	0	0	Customers Bank; Lyle Cunningham	Loan
9/22/22	\$0	12/1/23	N/A	0	0	Cloudfund LLC; David Glass	Loan
9/22/22	\$0	10/1/23	N/A	0	0	AKF Inc dba FundKite; Alex Shvarts	Loan
4/20/23	\$52,372	4/1/23	N/A	0	0	Arthur Rosen	Loan
6/30/23	\$0	9/1/23	N/A	1,287 common shares	0	John Luppo	Loan
8/23/23	\$0	2/1/25	N/A	0	0	Stripe; Patrick Collison	Loan
9/28/23	\$0	6/1/24	N/A	0	0	Radium Capital; Roy Smith	Loan
4/5/24	\$0	2/1/25	N/A	0	0	1800 Diagonal; Curt Kramer	Loan
5/3/24	\$0	5/1/25	N/A	0	0	Lendocity; Aurelija Sciuks	Loan

5/31/24	\$0	5/1/25	N/A	0	0	<a href="#">Bill.com</a> ; René Lacerte	Loan
8/20/24	\$0	2/1/25	N/A	0	0	<a href="#">Pipe.com</a> ; Luke Voiles	Loan
10/24/24	\$0	4/1/26	N/A	0	0	Stripe; Patrick Collison	Loan
12/30/24	\$0	3/1/25	N/A	0	0	Jeremy Frommer	Loan
2/4/25	\$52,750	12/31/25	N/A	0	0	Robert Gilbert	Loan
6/13/20	\$60,290	6/13/50	N/A	0	0	US Small Business Administration; James E. Rivera	
2/27/25	\$361,176	2/27/26	N/A	0	0	Marc Sellouk	Loan
6/1/25	\$38,198	12/1/2026	N/A	0	0	Stripe; Patrick Collison	Loan
6/4/2025	\$12,500	6/30/2025	N/A	0	0	Aya Abitbul	Loan
6/4/2025	\$12,500	6/30/2025	N/A	0	0	Jeremy Frommer	Loan
6/13/2025	\$100,000	2/15/2026	N/A	0	0	Joseph Reda	Loan

## Part F Exhibits

The following exhibits must be either described in or attached to the disclosure statement:

### **Item 17 Material Contracts.**

A. Every material contract, not made in the ordinary course of business, that will be performed after the disclosure statement is posted through [www.OTCIQ.com](#) or was entered into not more than two years before such posting. Also include the following contracts:

- 1) Any contract to which directors, officers, promoters, voting trustees, security holders named in the disclosure statement, or the Designated Advisor for Disclosure are parties other than contracts involving only the purchase or sale of current assets having a determinable market price, at such market price;

- 2) Any contract upon which the issuer's business is substantially dependent, including but not limited to contracts with principal customers, principal suppliers, and franchise agreements;
- 3) Any contract for the purchase or sale of any property, plant or equipment for consideration exceeding 15 percent of such assets of the issuer; or
- 4) Any material lease under which a part of the property described in the disclosure statement is held by the issuer.

### **Lease of 2020 Cirrus Vision Jet**

The Exclusive Aircraft Dry Lease Agreement dated September 9, 2025, is between SEG Jets LLC (Lessor) and Ponderosa Air LLC (Lessee), a wholly owned subsidiary of Fly Flyte, Inc. It provides for the exclusive dry lease of a 2020 Cirrus Vision Jet (SF50, N25MG) for 24 months, beginning upon aircraft delivery and purchase completion. The Lessee, a certified Part 135 operator, assumes full operational control and all associated costs, including crew, fuel, maintenance, insurance, and hangar fees, while paying a monthly rent of \$23,777.77, plus an equal security deposit. The agreement grants Ponderosa Air a Right of First Refusal to extend the lease or match any third-party purchase offer. SEG Jets retains the right to sell the aircraft with 90 days' notice. The aircraft must be maintained to FAA Part 135 standards, insured for no less than \$5 million, and returned in airworthy condition per detailed redelivery requirements. The lease is governed by New York law and constitutes a "true lease" for tax purposes .

B. Any management contract or any compensatory plan, contract or arrangement, including but not limited to plans relating to options, warrants or rights, pension, retirement or deferred compensation or bonus, incentive or profit sharing (or if not set forth in any formal document, a written description thereof) in which any director or any executive officer of the issuer participates shall be deemed material and shall be included; and any other management contract or any other compensatory plan, contract, or arrangement in which any other executive officer of the issuer participates shall be filed unless immaterial in amount or significance.

C. The following management contracts or compensatory plans need not be included:

- 1) Ordinary purchase and sales agency agreements;
- 2) Agreements with managers of stores in a chain organization or similar organization;
- 3) Contracts providing for labor or salesmen's bonuses or payments to a class of security holders, as such; and
- 4) Any compensatory plan that is available to employees, officers or directors generally and provides for the same method of allocation of benefits between management and non-management participants

N/A

**Item 18      Articles of Incorporation and Bylaws.**

- A.      A complete copy of the issuer's articles of incorporation or in the event that the issuer is not a corporation, the issuer's certificate of organization. Whenever amendments to the articles of incorporation or certificate of organization are filed, a complete copy of the articles of incorporation or certificate of organization as amended shall be filed.
- B.      A complete copy of the issuer's bylaws. Whenever amendments to the bylaws are filed, a complete copy of the bylaws as amended shall be filed.



ROSS MILLER  
Secretary of State  
204 North Carson Street, Suite 4  
Carson City, Nevada 89701-4520  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)



\*040104\*

Filed in the office of

Ross Miller  
Secretary of State  
State of Nevada

Document Number

**20140775515-47**

Filing Date and Time

**11/24/2014 11:32 AM**

Entity Number

**E0592722014-1**

## Articles of Incorporation (PURSUANT TO NRS CHAPTER 78)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Name of Corporation:	Jerrick Ventures, Inc.		
2. Registered Agent for Service of Process: (check only one box)	<input checked="" type="checkbox"/> Commercial Registered Agent: Vcorp Services, LLC Name <input type="checkbox"/> Noncommercial Registered Agent (name and address below) <b>OR</b> <input type="checkbox"/> Office or Position with Entity (name and address below)		
	Name of Noncommercial Registered Agent <b>OR</b> Name of Title of Office or Other Position with Entity		
	Street Address	City	Nevada Zip Code
	Mailing Address (if different from street address)	City	Nevada Zip Code
3. Authorized Stock: (number of shares corporation is authorized to issue)	Number of shares with par value: 100,000,000	Par value per share: \$ 0.001	Number of shares without par value: 0
4. Names and Addresses of the Board of Directors/Trustees: (each Director/Trustee must be a natural person at least 18 years of age; attach additional page if more than two directors/trustees)	1) <i>Jeremy Frommer</i> Name 202 S. Dean Street Street Address City Englewood NJ 07631 State Zip Code 2) <i>Rick Schwartz</i> Name 202 S. Dean Street Street Address City Englewood NJ 07631 State Zip Code		
5. Purpose: (optional; required only if Benefit Corporation status selected)	The purpose of the corporation shall be:		6. Benefit Corporation: (see instructions) <input type="checkbox"/> Yes
7. Name, Address and Signature of Incorporator: (attach additional page if more than one incorporator)	I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.  <i>Lawrence Metelitsa</i> Name 101 Wood Ave S 5th fl, Iselin NJ 08830 Address City State Zip Code  <i>X</i> <i>Lawrence Metelitsa</i> Incorporator Signature		
8. Certificate of Acceptance of Appointment of Registered Agent:	I hereby accept appointment as Registered Agent for the above named Entity.  <i>X</i> <i>✓</i> Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity Date <i>11/24/14</i>		

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 78 Articles  
Revised: 11-13-13

Articles of Incorporation

4. Names and Addresses of the Board of Directors/Trustees continued

Sam Bernstein      202 S Dean Street      Englewood      NJ      07631

**ARTICLES OF INCORPORATION OF  
JERRICK VENTURES, INC.**

**ARTICLE I  
NAME OF CORPORATION**

The name of the Corporation is Jerrick Ventures, Inc.

**ARTICLE II  
REGISTERED OFFICE AND RESIDENT AGENT**

The address of the Corporation's registered office in the state of Nevada is 1645 Village Center Circle, Ste. 170, Las Vegas, Nevada 89134, and the Corporation's resident agent at such address is Vcorp Services, LLC.

**ARTICLE III  
DURATION**

The Corporation shall have perpetual existence.

**ARTICLE IV  
PURPOSE**

The purpose of the Corporation is to engage in any activity within the purposes for which corporations may be incorporated and organized under Chapter 78 of the Nevada Revised Statutes, and to do all other things incidental thereto which are not forbidden by law or by these Articles of Incorporation.

**ARTICLE V  
POWERS**

The Corporation has been formed pursuant to Chapter 78 of the Nevada Revised Statutes. The powers of the Corporation shall be those powers granted under the Nevada Revised Statutes, including Sections 78.060 and 78.070 thereof. In addition, the Corporation shall have the following specific powers:

(a) to elect or appoint officers and agents of the Corporation and to fix their compensation; (b) to act as an agent for any individual, association, partnership, corporation or other legal entity; (c) to receive, acquire, hold, exercise rights arising out of the ownership or possession of, sell, or otherwise dispose of, shares or other interests in, or obligations of, individuals, associations, partnerships, corporations, governments or other legal entities; (d) to receive, acquire, hold, pledge, transfer, or otherwise dispose of shares of the Corporation in accordance with Chapter 78 of the Nevada Revised Statutes; and (e) to make gifts or contributions for the public welfare or for charitable, scientific or educational purposes.

**ARTICLE VI  
CAPITAL STOCK**

**A. CLASSES OF STOCK**

The Corporation is authorized to issue two classes of stock to be designated, respectively, common stock and blank check preferred stock. The total number of shares which the Corporation is authorized to issue is 100,000,000 shares. 90,000,000 shares shall be common stock, par value of \$0.001 (the "Common Stock"). 10,000,000 shares shall be blank check preferred stock, par value of \$0.001 (the "Preferred Stock" or "Blank Check Preferred Stock").

**B. ISSUANCE OF PREFERRED STOCK**

The Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby expressly authorized to provide for the issue of all or any of the shares of the Blank Check Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full

or limited, or no voting powers, and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such shares and as may be permitted by the Nevada Revised Statutes. The Board of Directors is also expressly authorized to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

#### C. RIGHTS, PREFERENCES, PRIVILEGES AND RESTRICTIONS OF COMMON STOCK.

1. Dividend Rights. Subject to the prior or equal rights of holders of all classes of stock at the time outstanding having prior or equal rights as to dividends, the holders of the Common Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. Voting Rights. Each holder of the common stock shall be entitled to one vote for each share of common stock standing in his, her or its name on the books of the Corporation.

3. Stock Rights and Options. The Corporation shall have the power to create and issue rights, warrants or options entitling the holders thereof to purchase from the Corporation any shares of its capital stock of any class or classes, upon such terms and conditions and at such time and prices as the board of directors or a committee thereof may approve, which terms and conditions shall be incorporated in an instrument or instruments evidencing such rights, warrants or options. In the absence of fraud, the judgment of the board of directors or a committee thereof as to the adequacy of consideration for the issuance of such rights, warrants or options and the sufficiency thereof shall be conclusive.

#### ARTICLE VII PLACE OF MEETINGS; CORPORATE BOOKS

Subject to the laws of the State of Nevada, the stockholders and the directors shall have power to hold their meetings and to maintain the books of the Corporation outside the state of Nevada, at such place or places as may from time to time be designated in the Corporation's Bylaws or by appropriate resolution.

#### ARTICLE VIII AMENDMENT OF ARTICLES

The provisions of these Articles of Incorporation may be amended, altered or repealed from time to time to the extent and in the manner prescribed by the laws of the state of Nevada, and additional provisions authorized by such laws as are then in force may be added. All rights herein conferred on the directors, officers and stockholders are granted subject to this reservation.

#### ARTICLE IX LIMITED LIABILITY OF OFFICERS AND DIRECTORS

To the fullest extent permitted by applicable law, the officers and directors of the Corporation shall not be personally liable to the Corporation or its stockholders for damages for breach of fiduciary duty as a director or officer; provided, however, this limitation on personal liability shall not apply to acts or omissions which involve intentional misconduct, fraud, knowing violation of law, or unlawful distribution prohibited by Section 78.300 of the Nevada Revised Statutes.

# SECRETARY OF STATE



## CORPORATE CHARTER

I, ROSS MILLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that **JERRICK VENTURES, INC.**, did on November 24, 2014, file in this office the original Articles of Incorporation; that said Articles of Incorporation are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on November 24, 2014.

A handwritten signature of Ross Miller.

ROSS MILLER  
Secretary of State

Certified By: Stephen Loff  
Certificate Number: C20141124-1604  
You may verify this certificate  
online at <http://www.nvsos.gov/>



ROSS MILLER  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)  
[www.nvsilverflume.gov](http://www.nvsilverflume.gov)

## Instructions for Initial List/Annual List and State Business License Application

**ATTENTION:** You may now file your Initial/Annual List and State Business License online at [www.nvsilverflume.gov](http://www.nvsilverflume.gov)

**IMPORTANT: READ ALL INSTRUCTIONS CAREFULLY BEFORE COMPLETING FORM.**

TYPE or PRINT the following information on the Initial List and Registered Agent Form:

1. The **NAME** and **ENTITY NUMBER** of the entity **EXACTLY** as it is registered with this office.
2. The **FILING PERIOD** is the month and year of filing TO the month and year 12 months from that date. Example: if the entity date was 1/12/99 the filing period would be 1/1999 to 1/2000.
3. The names and addresses as required on the list should be entered in the boxes provided on the form.
4. If qualified for a statutory exemption from the State Business License, enter the applicable code in the area provided. If claiming exemption, a Declaration of Eligibility for State Business License Exemption must accompany initial list. Entities claiming exemption cannot file online.
5. The **SIGNATURE**, including the signers title and date signed **MUST** be included in the areas provided at the bottom of the form. Signature may be that of an officer or equivalent or that of another person authorized by the entity to sign the list.
6. Completed **FORM**, **FEES** and applicable **PENALTIES** must be returned to the Secretary of State. Pursuant to NRS 225.085, all Initial and Annual Lists must be in the care, custody and control of the Secretary of State by the close of the business on the due date. Lists received after the due date will be returned unfiled, and will require any associated fees and penalties as a result of being late. Trackable delivery methods such as Express Mail, Federal Express, UPS Overnight may be acceptable if the package was guaranteed to be delivered on or before the due date yet failed to be timely delivered.

**FILING FEES:** The annual filing fee for corporations will be based on the amount represented by the total number of shares provided for in the articles. See fee schedule or contact our office. Annual lists for nonprofit corporations without shares are \$25.00. Nonprofit corporations and corporations sole are not required to maintain a State Business License or pay the additional fee.

**ADDITIONAL FORMS** may be obtained on our website at [www.nvsos.gov](http://www.nvsos.gov) or by calling 775-684-5708.

**FILE STAMPED COPIES:** To receive one file stamped copy, please mark the appropriate check box on the list. Additional copies require \$2.00 per page and appropriate order instructions.

**CERTIFIED COPIES:** To order a certified copy, enclose an additional \$30.00 and appropriate instructions. A copy fee of \$2.00 per page is required for each copy generated when ordering 2 or more certified copies.

**EXPEDITE FEE:** Filing may be expedited for an additional \$125.00 fee for 24-hour service, \$500.00 for 2-hour service and \$1000.00 for 1-hour service.

Filing may be submitted at the office of the Secretary of State or by mail at the following addresses:

**MAIN OFFICE:**

*Regular and Expedited Filings*

Secretary of State  
Status Division  
202 North Carson Street  
Carson City NV 89701-4201  
Phone: 775-684-5708  
Fax: 775-684-7123

**SATELLITE OFFICE:**

*Expedited Filings Only*

Secretary of State – Las Vegas  
Commercial Recordings Division  
555 East Washington Ave, Suite 5200  
Las Vegas NV 89101  
Phone: 702-486-2880  
Fax: 702-486-2888

**(PROFIT) INITIAL/ANNUAL LIST OF OFFICERS, DIRECTORS AND STATE  
BUSINESS LICENSE APPLICATION OF:**

JERRICK VENTURES, INC.

ENTITY NUMBER



E0592722014-1

NAME OF CORPORATION

NOV, 2014

TO

NOV, 2015. Due by Dec 31, 2014

USE BLACK INK ONLY - DO NOT HIGHLIGHT



100101

**\*\*YOU MAY FILE THIS FORM ONLINE AT [www.nvsilverflume.gov](http://www.nvsilverflume.gov)\*\***

Return one file stamped copy. (If filing not accompanied by order instructions, file stamped copy will be sent to registered agent.)

**IMPORTANT: Read instructions before completing and returning this form.**

1. Print or type names and addresses, either residence or business, for all officers and directors. A President, Secretary, Treasurer, or equivalent of and all Directors must be named. There must be at least one director. An **Officer** must sign the form. **FORM WILL BE RETURNED IF UNSIGNED.**

2. If there are additional officers, attach a list of them to this form.

3. Return completed form with the filing fee of \$125.00 filing fee. Annual list fee is based upon the current total authorized stock as explained in the Annual List Fee Schedule For Profit Corporation. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.

4. State business license fee is \$200.00. Effective 2/1/2010, \$100.00 must be added for failure to file form by deadline.

5. Make your check payable to the Secretary of State.

6. **Ordering Copies:** If requested above, one file stamped copy will be returned at no additional charge. To receive a certified copy, enclose an additional \$30.00 per certification. A **copy fee of \$2.00 per page** is required for **each additional copy** generated when ordering 2 or more file stamped or certified copies. Appropriate instructions must accompany your order.

7. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, Nevada 89701-4201, (775) 684-5708.

8. Form must be in the possession of the Secretary of State on or before the last day of the first month following the incorporation/initial registration date. (Postmark date is not accepted as receipt date.) Forms

received after due date will be returned for additional fees and penalties. Failure to include initial list and business license fees will result in rejection of filing.

FILING FEE: \$125.00

BUSINESS LICENSE FEE: \$200.00

LATE PENALTY: \$100.00 (if filing late)

ABOVE SPACE IS FOR OFFICE USE ONLY

**CHECK ONLY IF APPLICABLE AND ENTER EXEMPTION CODE IN BOX BELOW**

Pursuant to NRS Chapter 76, this entity is exempt from the business license fee. Exemption code:

**NRS 76.020 Exemption Codes**

001 - Governmental Entity

005 - Motion Picture Company

006 - NRS 680B.020 Insurance Co.

**NOTE: If claiming an exemption, a notarized Declaration of Eligibility form must be attached. Failure to attach the Declaration of Eligibility will result in rejection, which could result in late fees.**

This corporation is a publicly traded corporation. The Central Index Key number is:

This publicly traded corporation is not required to have a Central Index Key number.

NAME

TITLE(S)

**PRESIDENT (OR EQUIVALENT OF)**

ADDRESS

CITY

STATE ZIP CODE

NAME

TITLE(S)

**SECRETARY (OR EQUIVALENT OF)**

ADDRESS

CITY

STATE ZIP CODE

NAME

TITLE(S)

**TREASURER (OR EQUIVALENT OF)**

ADDRESS

CITY

STATE ZIP CODE

NAME

TITLE(S)

**DIRECTOR**

ADDRESS

CITY

STATE ZIP CODE

None of the officers or directors identified in the list of officers has been identified with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful act.

I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X

Title

Date

**Signature of Officer or**

**Other Authorized Signature**

Nevada Secretary of State Initial List Profit

Revised: 7-31-13



ROSS MILLER  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

ATTACH FORM ONLY IF CLAIMING A  
STATE BUSINESS LICENSE EXEMPTION



\*270102\*

## Declaration of Eligibility for State Business License Exemption

(This form must be notarized)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

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This form must accompany the List of Officers only if claiming exemption from the State Business License. Please provide the information requested only for the exemption for which you claim eligibility. Failure to provide the requested information or to notarize this document will result in a rejected filing, which could result in late fees.

Entity Name:

NV Business  
I.D. Number:

### 001 - Governmental Entity

This entity is an incorporated or unincorporated agency or instrumentality of the United States government or any state government; a corporation wholly owned by the United States government; or county, city, district, or other political subdivision of a state.

### 002 - 501(c) Nonprofit Entity

This entity is qualified as a 501(c) Nonprofit Entity pursuant to Title 26 U.S.C. Section 501(c). Please provide the Internal Revenue Service (IRS) issued **Federal Employer Identification Number (FEIN)**

### 005 - Motion Picture Company

Is the primary purpose of this entity to create or produce motion pictures, as defined in NRS 231.020?  Yes  No

If yes to above question, does the creation or production of motion pictures occur in Nevada?  Yes  No

If so, please provide Nevada Film Office registration number:

### 006 - NRS 680B.020 Insurance Company

Are the activities of this entity regulated through a license or certificate of authority granted by the Division of Insurance pursuant to NRS Title 57?

Yes  No

If yes, provide license or certificate of authority number

I declare under penalty of perjury, as a representative authorized by statute to file on behalf of the above named entity, that the declarations indicated above are true and correct.

X

Signature

Title

Date

State of \_\_\_\_\_ County of \_\_\_\_\_

Subscribed and sworn to before me the \_\_\_\_\_ 20 \_\_\_\_\_

by \_\_\_\_\_

(Print name of Signer)

Notary Signature \_\_\_\_\_



\*140105\*



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

**Articles of Merger**  
(PURSUANT TO NRS 92A.200)  
Page 1

Filed in the office of  
*Barbara K. Cegavske*  
Barbara K. Cegavske  
Secretary of State  
State of Nevada

Document Number  
**20160077681-98**  
Filing Date and Time  
**02/22/2016 10:37 AM**  
Entity Number  
**C33679-1999**

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**Articles of Merger**  
**(Pursuant to NRS Chapter 92A)**

**1) Name and jurisdiction of organization of each constituent entity (NRS 92A.200):**

If there are more than four merging entities, check box and attach an 8 1/2" x 11" blank sheet containing the required information for each additional entity from article one.

Jerrick Ventures, Inc.

Name of merging entity

Nevada

Corporation

Jurisdiction

Entity type \*

Name of merging entity

Jurisdiction

Entity type \*

Name of merging entity

Jurisdiction

Entity type \*

Name of merging entity

Jurisdiction

Entity type \*

and,

Great Plains Holdings, Inc.

Name of surviving entity

Nevada

Corporation

Jurisdiction

Entity type \*

\* Corporation, non-profit corporation, limited partnership, limited-liability company or business trust.

**Filing Fee: \$350.00**

*This form must be accompanied by appropriate fees.*



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

## Articles of Merger

(PURSUANT TO NRS 92A.200)

### Page 2

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**2) Forwarding address where copies of process may be sent by the Secretary of State of Nevada (if a foreign entity is the survivor in the merger - NRS 92A.190):**

Attn: Jeremy Frommer

c/o: 202 S Dean Street  
Englewood, NJ 07631

**3) Choose one:**

The undersigned declares that a plan of merger has been adopted by each constituent entity (NRS 92A.200).

The undersigned declares that a plan of merger has been adopted by the parent domestic entity (NRS 92A.180).

**4) Owner's approval (NRS 92A.200) (options a, b or c must be used, as applicable, for each entity):**

If there are more than four merging entities, check box and attach an 8 1/2" x 11" blank sheet containing the required information for each additional entity from the appropriate section of article four.

**(a) Owner's approval was not required from**

Jerrick Ventures, Inc.

Name of **merging** entity, if applicable

and, or;

Great Plains Holdings, Inc.

Name of **surviving** entity, if applicable



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
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## Articles of Merger

(PURSUANT TO NRS 92A.200)

Page 3

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(b) The plan was approved by the required consent of the owners of \*:

Name of **merging** entity, if applicable

and, or,

Name of **surviving** entity, if applicable

\* Unless otherwise provided in the certificate of trust or governing instrument of a business trust, a merger must be approved by all the trustees and beneficial owners of each business trust that is a constituent entity in the merger.



**BARBARA K. CEGAVSKE**  
**Secretary of State**  
**202 North Carson Street**  
**Carson City, Nevada 89701-4201**  
**(775) 684-5708**  
**Website: [www.nvsos.gov](http://www.nvsos.gov)**

## **Articles of Merger**

(PURSUANT TO NRS 92A.200)

**Page 4**

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(c) Approval of plan of merger for Nevada non-profit corporation (NRS 92A.160):

The plan of merger has been approved by the directors of the corporation and by each public officer or other person whose approval of the plan of merger is required by the articles of incorporation of the domestic corporation.

Name of **merging** entity, if applicable

and, or;

Name of **surviving** entity, if applicable



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
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## Articles of Merger

(PURSUANT TO NRS 92A.200)

Page 5

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5) Amendments, if any, to the articles or certificate of the surviving entity. Provide article numbers, if available. (NRS 92A.200)\*:

### ARTICLE I - NAME

The name of the corporation is JERRICK MEDIA HOLDINGS, INC. (the "Corporation").

6) Location of Plan of Merger (check a or b):

(a) The entire plan of merger is attached;

or,

(b) The entire plan of merger is on file at the registered office of the surviving corporation, limited-liability company or business trust, or at the records office address if a limited partnership, or other place of business of the surviving entity (NRS 92A.200).

7) Effective date and time of filing: (optional) (must not be later than 90 days after the certificate is filed)

Date: February 28, 2016

Time: 12:01 AM

\* Amended and restated articles may be attached as an exhibit or integrated into the articles of merger. Please entitle them "Restated" or "Amended and Restated," accordingly. The form to accompany restated articles prescribed by the secretary of state must accompany the amended and/or restated articles. Pursuant to NRS 92A.180 (merger of subsidiary into parent - Nevada parent owning 90% or more of subsidiary), the articles of merger may not contain amendments to the constituent documents of the surviving entity except that the name of the surviving entity may be changed.



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
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## Articles of Merger

(PURSUANT TO NRS 92A.200)

Page 6

USE BLACK INK ONLY - DO NOT HIGHLIGHT

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8) Signatures - Must be signed by: An officer of each Nevada corporation; All general partners of each Nevada limited partnership; All general partners of each Nevada limited-liability limited partnership; A manager of each Nevada limited-liability company with managers or one member if there are no managers; A trustee of each Nevada business trust (NRS 92A.230)\*

If there are more than four merging entities, check box and attach an 8 1/2" x 11" blank sheet containing the required information for each additional entity from article eight.

Jerrick Ventures, Inc.

Name of merging entity

**X**  
Signature

Chief Executive Officer

2/18/2016

Title

Date

Name of merging entity

**X**  
Signature

Title

Date

Name of merging entity

**X**  
Signature

Title

Date

Name of merging entity

**X**  
Signature

Title

Date

and,

Great Plains Holdings, Inc.

Name of surviving entity

**X**  
Signature

Chief Executive Officer

2/18/2016

Title

Date

\* The articles of merger must be signed by each foreign constituent entity in the manner provided by the law governing it (NRS 92A.230). Additional signature blocks may be added to this page or as an attachment, as needed.

**IMPORTANT:** Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

*This form must be accompanied by appropriate fees.*

# SECRETARY OF STATE



## NEVADA STATE BUSINESS LICENSE

**JERRICK MEDIA HOLDINGS, INC.**  
Nevada Business Identification # NV19991476928

**Expiration Date: December 31, 2016**

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on February 22, 2016

A handwritten signature in black ink that appears to read "Barbara K. Cegavske".

BARBARA K. CEGAVSKE  
Secretary of State

**You may verify this license at [www.nvsos.gov](http://www.nvsos.gov) under the Nevada Business Search.**

**License must be cancelled on or before its expiration date if business activity ceases.  
Failure to do so will result in late fees or penalties which by law cannot be waived.**

# STATE OF NEVADA

**BARBARA K. CEGAVSKE**

Secretary of State

**KIMBERLEY PERONDI**

Deputy Secretary for  
Commercial Recordings



## OFFICE OF THE SECRETARY OF STATE

Commercial Recordings Division

202 N. Carson Street

Carson City, NV 89701

Telephone (775) 684-5708

Fax (775) 684-7138

North Las Vegas City Hall

2250 Las Vegas Blvd North, Suite 400

North Las Vegas, NV 89030

Telephone (702) 486-2880

Fax (702) 486-2888

## Business Entity - Filing Acknowledgement

09/09/2020

**Work Order Item Number:** W2020090901425-810556

**Filing Number:** 20200902040

**Filing Type:** Amendment After Issuance of Stock

**Filing Date/Time:** 9/9/2020 2:44:00 PM

**Filing Page(s):** 3

### Indexed Entity Information:

**Entity ID:** C33679-1999

**Entity Name:** JERRICK MEDIA HOLDINGS, INC.

**Entity Status:** Active

**Expiration Date:** None

Commercial Registered Agent

NVRA SERVICES, INC.

120 HWY 50 STE 1, Dayton, NV 89403, USA

The attached document(s) were filed with the Nevada Secretary of State, Commercial Recording Division. The filing date and time have been affixed to each document, indicating the date and time of filing. A filing number is also affixed and can be used to reference this document in the future.

Respectfully,

A handwritten signature in black ink that reads "Barbara K. Cegavske".

BARBARA K. CEGAVSKE  
Secretary of State



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

Filed in the Office of <i>Barbara K. Cegavske</i>	Business Number <b>C33679-1999</b>
Filing Number <b>20200902040</b>	
Filed On <b>9/9/2020 2:44:00 PM</b>	
Number of Pages <b>3</b>	

## Profit Corporation:

**Certificate of Amendment** (PURSUANT TO NRS 78.380 & 78.385/78.390)

## Certificate to Accompany Restated Articles or Amended and Restated Articles (PURSUANT TO NRS 78.403)

## Officer's Statement (PURSUANT TO NRS 80.030)

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

1. Entity information:	<p>Name of entity as on file with the Nevada Secretary of State: <b>Jerrick Media Holdings, Inc.</b></p> <p>Entity or Nevada Business Identification Number (NVID): <b>NV19991476928</b></p>								
2. Restated or Amended and Restated Articles: (Select one)  (If amending and restating only, complete section 1,2 3, 5 and 6)	<p><input type="checkbox"/> Certificate to Accompany Restated Articles or Amended and Restated Articles  <input type="checkbox"/> Restated Articles - No amendments; articles are restated only and are signed by an officer of the corporation who has been authorized to execute the certificate by resolution of the board of directors adopted on: _____  The certificate correctly sets forth the text of the articles or certificate as amended to the date of the certificate.</p> <p><input type="checkbox"/> Amended and Restated Articles</p> <p>* Restated or Amended and Restated Articles must be included with this filing type.</p>								
3. Type of Amendment Filing Being Completed: (Select only one box)  (If amending, complete section 1, 3, 5 and 6.)	<p><input type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.380 - Before Issuance of Stock)  The undersigned declare that they constitute at least two-thirds of the following:  (Check only one box) <input type="checkbox"/> incorporators <input type="checkbox"/> board of directors  The undersigned affirmatively declare that to the date of this certificate, no stock of the corporation has been issued</p>								
	<p><input checked="" type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)  The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: <b>69.74%</b></p> <p><input type="checkbox"/> Officer's Statement (foreign qualified entities only) -  Name in home state, if using a modified name in Nevada:  <input type="text"/></p> <p>Jurisdiction of formation: <input type="text"/></p> <p>Changes to takes the following effect:</p> <table> <tr> <td><input type="checkbox"/> The entity name has been amended.</td> <td><input type="checkbox"/> Dissolution</td> </tr> <tr> <td><input type="checkbox"/> The purpose of the entity has been amended.</td> <td><input type="checkbox"/> Merger</td> </tr> <tr> <td><input type="checkbox"/> The authorized shares have been amended.</td> <td><input type="checkbox"/> Conversion</td> </tr> <tr> <td><input type="checkbox"/> Other: (specify changes) <input type="text"/></td> <td></td> </tr> </table> <p>* Officer's Statement must be submitted with either a certified copy of or a certificate evidencing the filing of any document, amendatory or otherwise, relating to the original articles in the place of the corporations creation.</p>	<input type="checkbox"/> The entity name has been amended.	<input type="checkbox"/> Dissolution	<input type="checkbox"/> The purpose of the entity has been amended.	<input type="checkbox"/> Merger	<input type="checkbox"/> The authorized shares have been amended.	<input type="checkbox"/> Conversion	<input type="checkbox"/> Other: (specify changes) <input type="text"/>	
<input type="checkbox"/> The entity name has been amended.	<input type="checkbox"/> Dissolution								
<input type="checkbox"/> The purpose of the entity has been amended.	<input type="checkbox"/> Merger								
<input type="checkbox"/> The authorized shares have been amended.	<input type="checkbox"/> Conversion								
<input type="checkbox"/> Other: (specify changes) <input type="text"/>									

This form must be accompanied by appropriate fees.



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

**Profit Corporation:**  
**Certificate of Amendment** (PURSUANT TO NRS 78.380 & 78.385/78.390)  
**Certificate to Accompany Restated Articles or Amended and Restated Articles** (PURSUANT TO NRS 78.403)  
**Officer's Statement** (PURSUANT TO NRS 80.030)

<b>4. Effective Date and Time:</b> (Optional)	Date: <input type="text" value="09/10/2020"/> Time: <input type="text" value="4:05 pm EDT"/> (must not be later than 90 days after the certificate is filed)	
<b>5. Information Being Changed:</b> (Domestic corporations only)	Changes to takes the following effect: <input checked="" type="checkbox"/> The entity name has been amended. <input type="checkbox"/> The registered agent has been changed. (attach Certificate of Acceptance from new registered agent) <input type="checkbox"/> The purpose of the entity has been amended. <input type="checkbox"/> The authorized shares have been amended. <input type="checkbox"/> The directors, managers or general partners have been amended. <input type="checkbox"/> IRS tax language has been added. <input type="checkbox"/> Articles have been added. <input type="checkbox"/> Articles have been deleted. <input type="checkbox"/> Other.  The articles have been amended as follows: (provide article numbers, if available) Article I is hereby amended as follows: The name of the corporation is Creatd, Inc. (the "Corporation"). (attach additional page(s) if necessary)	
<b>6. Signature:</b> (Required)	<input checked="" type="checkbox"/>  Signature of Officer or Authorized Signer	<input type="text" value="Chief Financial Officer"/> Title
	<input checked="" type="checkbox"/> _____ Signature of Officer or Authorized Signer	<input type="text"/> Title
<b>Please include any required or optional information in space below:</b> (attach additional page(s) if necessary)		

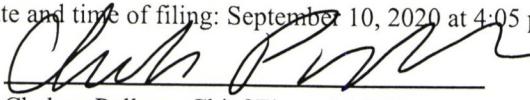
**CERTIFICATE OF AMENDMENT**

TO ARTICLES OF INCORPORATION FOR NEVADA PROFIT CORPORATIONS  
(Pursuant to NRS 78.385 and 78.390 — After Issuance of Stock)

1. Name of Corporation: Jerrick Media Holdings, Inc.
2. The Articles of Incorporation have been amended as follows:  
Article I is hereby amended to read as follows:

"The name of the corporation is Creatd, Inc. (the "Corporation")."

3. The vote by which the shareholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the Articles of Incorporation have voted in favor of the amendment is: 69.74%.
4. Effective date and time of filing: September 10, 2020 at 4:05 p.m. Eastern Daylight Time.

5. Signature:   
Chelsea Pullano, Chief Financial Officer

**FRANCISCO V. AGUILAR**  
Secretary of State

**STATE OF NEVADA**



**GABRIEL DI CHIARA**  
Chief Deputy

**OFFICE OF THE  
SECRETARY OF STATE**

*Commercial Recordings Division*  
202 N. Carson Street  
Carson City, NV 89701  
Telephone (775) 684-5708  
Fax (775) 684-7138  
*North Las Vegas City Hall*  
2250 Las Vegas Blvd North, Suite 400  
North Las Vegas, NV 89030  
Telephone (702) 486-2880  
Fax (702) 486-2888

**Business Entity - Filing Acknowledgement**

01/26/2023

**Work Order Item Number:** W2023012600863-2658323

**Filing Number:** 20232907313

**Filing Type:** Amendment After Issuance of Stock

**Filing Date/Time:** 1/26/2023 8:00:00 AM

**Filing Page(s):** 1

**Indexed Entity Information:**

**Entity ID:** C33679-1999      **Entity Name:** Creatd, Inc.

**Entity Status:** Default      **Expiration Date:** None

Commercial Registered Agent  
NVRA SERVICES, INC.  
120 HWY 50 STE 1, Dayton, NV 89403, USA

The attached document(s) were filed with the Nevada Secretary of State, Commercial Recording Division. The filing date and time have been affixed to each document, indicating the date and time of filing. A filing number is also affixed and can be used to reference this document in the future.

Respectfully,

A handwritten signature in black ink that reads "FV Aguilar".

FRANCISCO V. AGUILAR  
Secretary of State



BARBARA K. CEGAVSKE  
Secretary of State  
202 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

Filed in the Office of <i>FH Aguirre</i>	Business Number <b>C33679-1999</b>
Secretary of State	Filing Number <b>20232907313</b>
State Of Nevada	Filed On <b>1/26/2023 8:00:00 AM</b>
	Number of Pages <b>1</b>

## Certificate of Amendment

(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

### Certificate of Amendment to Articles of Incorporation For Nevada Profit Corporations (Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Creatd, Inc.

2. The articles have been amended as follows: (provide article numbers, if available)

The amount of common stock, par value \$0.001 per share, which the Corporation shall have the authority to issue is one billion five hundred million (1,500,000,000) shares. The amount of preferred stock, par value \$0.001 per share, which the Corporation shall have the authority to issue is twenty million (20,000,000) shares, which remains the same.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation\* have voted in favor of the amendment is:

4. Effective date and time of filing: (optional) Date:  Time:

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

Signature of Officer

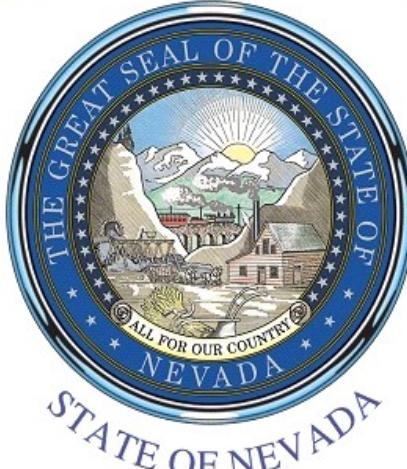
\*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

**IMPORTANT:** Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

*This form must be accompanied by appropriate fees.*

Nevada Secretary of State Amend Profit-After  
Revised: 1-5-15

# SECRETARY OF STATE



## NEVADA STATE BUSINESS LICENSE

**Creatd, Inc.**

**Nevada Business Identification # NV19991476928**

**Expiration Date: 12/31/2022**

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

**License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.**



Certificate Number: B202301263341031

You may verify this certificate  
online at <http://www.nvsos.gov>

IN WITNESS WHEREOF, I have hereunto set my  
hand and affixed the Great Seal of State, at my  
office on 01/26/2023.

FRANCISCO V. AGUILAR  
Secretary of State

**FRANCISCO V. AGUILAR**  
Secretary of State

**STATE OF NEVADA**



**DEPUTY BAKKEDAHL**  
Deputy Secretary for  
Commercial Recordings

**OFFICE OF THE  
SECRETARY OF STATE**

*Commercial Recordings Division*  
401 N. Carson Street  
Carson City, NV 89701  
Telephone (775) 684-5708  
Fax (775) 684-7138  
  
*North Las Vegas City Hall*  
2250 Las Vegas Blvd North, Suite 400  
North Las Vegas, NV 89030  
Telephone (702) 486-2880  
Fax (702) 486-2888

**Business Entity - Filing Acknowledgement**

08/15/2024

**Work Order Item Number:** W2024081500760-3869391

**Filing Number:** 20244255713

**Filing Type:** Amendment After Issuance of Stock

**Filing Date/Time:** 8/14/2024 10:00:00 AM

**Filing Page(s):** 2

**Indexed Entity Information:**

**Entity ID:** C33679-1999      **Entity Name:** Creatd, Inc.

**Entity Status:** Active      **Expiration Date:** None

Commercial Registered Agent

VCORP SERVICES, LLC

701 S. CARSON STREET, SUITE 200, Carson City, NV 89701, USA

The attached document(s) were filed with the Nevada Secretary of State, Commercial Recording Division. The filing date and time have been affixed to each document, indicating the date and time of filing. A filing number is also affixed and can be used to reference this document in the future.

Respectfully,

A handwritten signature in black ink, appearing to read "FVAguilar".

FRANCISCO V. AGUILAR  
Secretary of State

Page 1 of 1

**FRANCISCO V. AGUILAR**  
Secretary of State

**DEPUTY BAKKEDAHL**  
Deputy Secretary for  
Commercial Recordings

**STATE OF NEVADA**



**OFFICE OF THE  
SECRETARY OF STATE**

*Commercial Recordings Division*

401 N. Carson Street  
Carson City, NV 89701  
Telephone (775) 684-5708  
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North Las Vegas City Hall  
2250 Las Vegas Blvd North, Suite 400  
North Las Vegas, NV 89030  
Telephone (702) 486-2880  
Fax (702) 486-2888

**Certified Copy**

8/15/2024 11:25:46 AM

**Work Order Number:** W2024081500760  
**Reference Number:** 20244255757  
**Through Date:** 8/15/2024 11:25:46 AM  
**Corporate Name:** Creatd, Inc.

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number	Description	Number of Pages
20244255713	Amendment After Issuance of Stock	2



Certified By: Jessica Holmes

Certificate Number: B202408154881690

You may verify this certificate

online at <https://www.nvsilverflume.gov/home>

Respectfully,

A handwritten signature in black ink that reads "FV Aguilar".

FRANCISCO V. AGUILAR  
Nevada Secretary of State



FRANCISCO V. AGUILAR  
Secretary of State  
401 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

Filed in the Office of <i>FVAgular</i>	Business Number <b>C33679-1999</b>
Secretary of State	Filing Number <b>20244255713</b>
State Of Nevada	Filed On <b>8/14/2024 10:00:00 AM</b>
	Number of Pages <b>2</b>

## Profit Corporation:

**Certificate of Amendment** (PURSUANT TO NRS 78.380 & 78.385/78.390)

## Certificate to Accompany Restated Articles or Amended and Restated Articles (PURSUANT TO NRS 78.403) Officer's Statement (PURSUANT TO NRS 80.030)

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

1. Entity information:	<p>Name of entity as on file with the Nevada Secretary of State: <b>Creatd, Inc.</b></p> <p>Entity or Nevada Business Identification Number (NVID): <b>C33679-1999</b></p>
2. Restated or Amended and Restated Articles: (Select one)  (If amending and restating only, complete section 1,2 3, 5 and 6)	<p><input type="checkbox"/> Certificate to Accompany Restated Articles or Amended and Restated Articles <input type="checkbox"/> Restated Articles - No amendments; articles are restated only and are signed by an officer of the corporation who has been authorized to execute the certificate by resolution of the board of directors adopted on: _____ The certificate correctly sets forth the text of the articles or certificate as amended to the date of the certificate.</p> <p><input checked="" type="checkbox"/> Amended and Restated Articles</p> <p>* Restated or Amended and Restated Articles must be included with this filing type.</p>
3. Type of Amendment Filing Being Completed: (Select only one box)  (If amending, complete section 1, 3, 5 and 6.)	<p><input type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.380 - Before Issuance of Stock) The undersigned declare that they constitute at least two-thirds of the following: (Check only one box) <input type="checkbox"/> incorporators <input type="checkbox"/> board of directors The undersigned affirmatively declare that to the date of this certificate, no stock of the corporation has been issued</p> <p><input checked="" type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock) The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: <b>94.59%</b> Or <input type="checkbox"/> No action by stockholders is required, name change only.</p>
	<p><input type="checkbox"/> Officer's Statement (foreign qualified entities only) - Name in home state, if using a modified name in Nevada: _____</p> <p>Jurisdiction of formation: _____</p> <p>Changes to takes the following effect:</p> <p><input type="checkbox"/> The entity name has been amended. <input type="checkbox"/> Dissolution <input type="checkbox"/> The purpose of the entity has been amended. <input type="checkbox"/> Merger <input type="checkbox"/> The authorized shares have been amended. <input type="checkbox"/> Conversion <input type="checkbox"/> Other: (specify changes) _____</p> <p>* Officer's Statement must be submitted with either a certified copy of or a certificate evidencing the filing of any document, amendatory or otherwise, relating to the original articles in the place of the corporations creation.</p>

This form must be accompanied by appropriate fees.

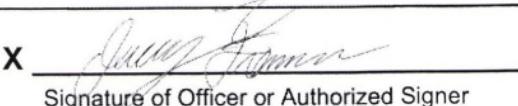


FRANCISCO V. AGUILAR  
Secretary of State  
401 North Carson Street  
Carson City, Nevada 89701-4201  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)

### Profit Corporation:

**Certificate of Amendment** (PURSUANT TO NRS 78.380 & 78.385/78.390)

### Certificate to Accompany Restated Articles or Amended and Restated Articles (PURSUANT TO NRS 78.403) Officer's Statement (PURSUANT TO NRS 80.030)

<b>4. Effective Date and Time:</b> (Optional)	Date: <input type="text"/> Time: <input type="text"/> (must not be later than 90 days after the certificate is filed)
<b>5. Information Being Changed:</b> (Domestic corporations only)	<p>Changes to takes the following effect:</p> <p><input type="checkbox"/> The entity name has been amended. <input type="checkbox"/> The registered agent has been changed. (attach Certificate of Acceptance from new registered agent) <input type="checkbox"/> The purpose of the entity has been amended. <input checked="" type="checkbox"/> The authorized shares have been amended. <input type="checkbox"/> The directors, managers or general partners have been amended. <input type="checkbox"/> IRS tax language has been added. <input type="checkbox"/> Articles have been added. <input type="checkbox"/> Articles have been deleted. <input type="checkbox"/> Other.</p> <p>The articles have been amended as follows: (provide article numbers, if available)</p> <p>Article VI shall be restated as listed below.</p> <p>(attach additional page(s) if necessary)</p>
<b>6. Signature:</b> (Required)	<p><input checked="" type="checkbox"/>  Signature of Officer or Authorized Signer</p> <p><input checked="" type="checkbox"/> _____ Signature of Officer or Authorized Signer</p> <p><b>Jeremy Frommer, CEO</b> Title _____ Title _____</p> <p>*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.</p>
<p><b>Please include any required or optional information in space below:</b> (attach additional page(s) if necessary)</p>	

Article VI: The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is 3,020,000,000 of which 20,000,000 shares shall be preferred stock, par value \$0.001 per share, and 3,000,000,000 shares shall be common stock, par value \$0.001 per share.

# SECRETARY OF STATE



STATE OF NEVADA

## NEVADA STATE BUSINESS LICENSE

**Creatd, Inc.**

**Nevada Business Identification # NV19991476928**

**Expiration Date: 12/31/2024**

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

**License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.**



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on 08/15/2024.

*FVAguilar*

Certificate Number: B202408154881635

You may verify this certificate  
online at <https://www.nvsilverflume.gov/home>

FRANCISCO V. AGUILAR  
Secretary of State

## EX-3.1 2 ea121671ex3-1\_jerrickmedia.htm AMENDED AND RESTATED BYLAWS

Exhibit 3.1

**AMENDED AND RESTATED  
BYLAWS  
*of*  
CREATD, INC.**

**FORMERLY JERRICK MEDIA HOLDINGS, INC.**

(hereinafter called the "Corporation")

**ARTICLE I  
OFFICES**

Section 1.1 Registered Office. The registered office of the corporation shall be established and maintained at the office of NVRA Services, Inc., 120 Highway 50, Suite 1, in the City of Dayton, County of Lyon, in the State of Nevada; NVRA Services, Inc. shall be the registered agent of the corporation in charge thereof. The registered office and registered agent may be changed from time to time by action of the board of directors of the Corporation (the "Board of Directors") and the appropriate filing by the corporation in the office of the Secretary of State of the State of Nevada.

Section 1.2. Principal Office. The principal office for the transaction of the business of the Corporation shall be at 2050 Center Avenue, Suite 640, Fort Lee, New Jersey 07024. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another.

Section 1.3 Other Offices. The Corporation may also have offices at such other places, both within and without the State of Nevada, as the Board of Directors may from time to time determine.

**ARTICLE II  
MEETINGS OF STOCKHOLDERS**

Section 2.1 Annual Meetings. The Annual Meeting of stockholders of the Corporation ("Stockholders") for purposes of the Nevada Revised Statutes ("NRS") 78.330 shall be held on such date and at such time as shall be designated from time to time by the Board of Directors. The election of directors and any other proper business may be transacted at the Annual Meeting of Stockholders.

Section 2.2 Special Meetings. A Special meeting of the stockholders (a "Special Meeting") for any purpose or purposes may be called by the president of the Corporation, the Board of Directors or a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as provided in a resolution of the Board of Directors or in these amended and restated bylaws ("Bylaws"), include the power to call such meetings. Such request shall state the purpose or purposes of the proposed meeting. Unless otherwise prescribed by law, the articles of incorporation of the Corporation, as amended and restated from time to time (the "Articles of Incorporation") or these Bylaws, a Special Meeting may not be called by any other person or persons. No business may be transacted at any Special Meeting other than such business as may be designated in the notice (or any supplement thereto) calling such meeting.

Section 2.3 Place of Meetings. The president, the Board of Directors, or a committee of the Board of Directors, as the case may be, may designate the time and place, either within or without the State of Nevada, for any Annual Meeting or for any Special communications or other available technology in accordance with Section 2.17.r a committee of the Board of Directors. The Board of Directors may, in its sole discretion, determine that any meeting of the stockholders shall be held by means of electronic communication. Section 2.4 Notice. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and hour of the meeting, the means of electronic communication, if any, and, in the case of a Special Meeting, the purpose or purposes for which the meeting is called. Unless otherwise required by law, written notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to notice of and to vote at such meeting, and shall be delivered in accordance with NRS 78.370.

**Section 2.5 Adjournments.** Any meeting of the stockholders may be adjourned from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than sixty (60) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting in accordance with the requirements of Section 2.4 hereof shall be given to each stockholder of record (including the new record date) entitled to notice of and to vote at the meeting.

**Section 2.6 Quorum.** Unless otherwise required by applicable law or the Articles of Incorporation, the holders of a majority of the Corporation's capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, in the manner provided in Section 2.5 hereof, until a quorum shall be present or represented.

**Section 2.7 Voting.**

(a) Unless otherwise required by law, the Articles of Incorporation or these Bylaws, any question brought before any meeting of the stockholders, other than the election of directors, shall be decided by the vote of the holders of a majority of the votes cast on a matter at the meeting at which a quorum is present. Directors shall be elected by a plurality of the votes cast at the election. Broker non-votes and abstentions are considered for purposes of establishing a quorum but not considered as votes cast for or against a proposal or director nominee.

(b) Unless otherwise provided in the Articles of Incorporation, and subject to Section 2.11(a), each stockholder represented at a meeting of the stockholders shall be entitled to cast one (1) vote for each share of the capital stock entitled to vote thereat held by such stockholder. Such votes may be cast in person or by proxy as provided in Section 2.8. The Board of Directors, in its discretion, or the officer of the Corporation presiding at a meeting of the stockholders, in such officer's discretion, may require that any votes cast at such meeting shall be cast by written ballot.

**Section 2.8 Proxies.** Each stockholder entitled to vote at a meeting of the stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder as proxy, but no such proxy shall be voted upon after six months from its date of creation, unless such proxy provides for a longer period, which may not exceed seven years from the date of its creation. Without limiting the manner in which a stockholder may authorize another person or persons to act for such stockholder as proxy, the following shall constitute a valid means by which a stockholder may grant such authority:

(i) A stockholder may execute a writing authorizing another person or persons to act for such stockholder as proxy. Execution may be accomplished by the stockholder or such stockholder's authorized officer, director, employee or agent signing such writing or causing such person's signature to be affixed to such writing by any reasonable means, including, but not limited to, by facsimile signature.

(ii) A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of an electronic record to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive the transmission, provided that any such electronic record must either set forth or be submitted with information from which it can be determined that the electronic record was authorized by the stockholder. If it is determined that such electronic record is valid, the inspectors or, if there are no inspectors, such other persons making that determination shall specify the information on which they relied.

Any copy, facsimile or other electronic telecommunication or other reliable reproduction of the writing or electronic record authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or electronic record for any and all purposes for which the original writing or electronic record could be used; provided, however, that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or electronic record.

## Section 2.9 Consent of Stockholders in Lieu of Meeting.

(a) Unless otherwise provided in the Articles of Incorporation, any action required or permitted to be taken at any Annual or Special Meeting of Stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation's principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the stockholders are recorded, to the attention of the Secretary of the Corporation. Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this Section 2.9 to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation by delivery to the Corporation's principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the stockholders are recorded, to the attention of the Secretary of the Corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation as provided above in this Section 2.9.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be less than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary of the Corporation, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation's principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the stockholders are recorded, to the attention of the Secretary of the Corporation. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

(c) In the event of the delivery, in the manner provided by this Section 2.9, to the Corporation of the requisite written consent or consents to take corporate action and/or any related revocation or revocations, the Corporation shall engage independent inspectors of elections for the purpose of performing promptly a ministerial review of the validity of the consents and revocations. For the purpose of permitting the inspectors to perform such review, no action by written consent without a meeting shall be effective until such date as the independent inspectors certify to the Corporation that the consents delivered to the Corporation in accordance with this Section 2.9 represent at least a minimum number of votes that would be necessary to take the corporate action. Nothing contained in this Section 2.9(c) shall in any way be construed to suggest or imply that the board of directors or any stockholder shall not be entitled to contest the validity of any consent or revocation thereof, whether before or after such certification by the independent inspectors, or to take any other action (including, without limitation, the commencement, prosecution, or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

**Section 2.10 List of Stockholders Entitled to Vote.** The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days but not more than sixty (60) days, before every meeting of the stockholders, a complete list of the stockholders of record entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder of record and the number of shares registered in the name of each stockholder of record. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting (i) either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held or (ii) during ordinary business hours, at the principal place of business of the Corporation. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. Except as otherwise required by law, such list shall be the only evidence as to who are the stockholders entitled to vote at any meeting of the stockholders. In the event that more than one group of shares is entitled to vote as a separate voting group at the meeting, there shall be a separate listing of the stockholders of each group.

**Section 2.11 Record Date.**

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of the stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of the stockholders shall be at the close of business on the day before the day on which the first notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of the stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation's principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the stockholders are recorded, to the attention of the Secretary of the Corporation. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

**Section 2.12 Stock Ledger.** The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 2.10 or the books of the Corporation, or to vote in person or by proxy at any meeting of the stockholders.

**Section 2.13 Conduct of Meetings.** Meetings of stockholders shall be presided over by the chairman of the Board of Directors (the "Chairman"), or, in the absence of the Chairman, by the vice chairman of the Board of Directors, if any, or if there be no vice chairman or in the absence of the vice chairman, by the chief executive officer, if any, or if there be no chief executive officer or in the absence of the chief executive officer, by the president, or, in the absence of the president, or, in the absence of any of the foregoing persons, by a chairman designated by the Board of Directors, or by a chairman chosen at the meeting by the stockholders entitled to cast a majority of the votes which all stockholders present in person or by proxy are entitled to cast. The individual acting as chairman of the meeting may delegate any or all of his or her authority and responsibilities as such to any director or officer of the Corporation present in person at the meeting. The secretary, or in the absence of the secretary an assistant secretary, shall act as secretary of the meeting, but in the absence of the secretary and any assistant secretary the chairman of the meeting may appoint any person to act as secretary of the meeting. The order of business at each such meeting shall be as determined by the chairman of the meeting. The chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting, including, without limitation, (i) the establishment of procedures for the maintenance of order and safety, (ii) the establishment of an agenda or order of business for the meeting, (iii) limitation on participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies and such other persons as the chairman of the meeting shall permit, (iv) limitation on the time allotted for consideration of each agenda item and for questions or comments by meeting participants, (v) restrictions on entry to such meeting after the time prescribed for the

commencement thereof, and (vi) the opening and closing of the voting polls. The Board of Directors, in its discretion, or the chairman of the meeting, in his or her discretion, may require that any votes cast at such meeting shall be cast by written ballot.

Section 2.14 Inspectors of Election. In advance of any meeting of the stockholders, the Board of Directors, by resolution, the Chairman or the president shall appoint one or more inspectors to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of the stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by applicable law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath to faithfully execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspector or inspectors may (i) ascertain the number of shares outstanding and the voting power of each; (ii) determine the number of shares represented at a meeting and the validity of proxies or ballots; (iii) count all votes and ballots; (iv) determine any challenges made to any determination made by the inspector(s); and (v) certify the determination of the number of shares represented at the meeting and the count of all votes and ballots.

Section 2.15 Nature of Business at Meetings of Stockholders. Only such business (other than nominations for election to the Board of Directors and the election of directors, which must comply with the provisions of Section 2.16) may be transacted at an Annual Meeting of Stockholders as is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the Annual Meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the Annual Meeting by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 2.15 and on the record date for the determination of stockholders entitled to notice of and to vote at such Annual Meeting and (ii) who complies with the notice procedures set forth in this Section 2.15.

In addition to any other applicable requirements, for business to be properly brought before an Annual Meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or be mailed and received at the principal executive offices of the Corporation not less than ninety (90) days nor more than one-hundred and twenty (120) days prior to the anniversary date of the immediately preceding Annual Meeting of Stockholders; provided, however, that in the event that the Annual Meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the Annual Meeting was mailed or such public disclosure of the date of the Annual Meeting was made, whichever first occurs. In no event shall the adjournment or postponement of an Annual Meeting, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

To be in proper written form, a stockholder's notice to the Secretary must set forth the following information: (a) as to each matter such stockholder proposes to bring before the Annual Meeting, a brief description of the business desired to be brought before the Annual Meeting and the reasons for conducting such business at the Annual Meeting, and (b) as to the stockholder giving notice and the beneficial owner, if any, on whose behalf the proposal is being made, (i) the name and address of such person, (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with the proposal of such business and any material interest of such person or any affiliates or associates of such person, in such business, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person, (iv) a representation that the stockholder giving notice intends to appear in person or by proxy at the Annual Meeting to bring such business before the meeting; and (v) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to the proposed business to be brought by such person before the Annual Meeting pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder.

A stockholder providing notice of business proposed to be brought before an Annual Meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.15 shall be true and correct as of the record date for determining the stockholders entitled to receive notice of the Annual Meeting and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining the stockholders entitled to receive notice of the Annual Meeting.

No business shall be conducted at the Annual Meeting of Stockholders except business brought before the Annual Meeting in accordance with the procedures set forth in this Section 2.15; provided, however, that, once business has been properly brought before the Annual Meeting in accordance with such procedures, nothing in this Section 2.15 shall be deemed to preclude discussion by any stockholder of any such business. If the chairman of an Annual Meeting determines that business was not properly brought before the Annual Meeting in accordance with the foregoing procedures, the chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

Nothing contained in this Section 2.15 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

**Section 2.16 Nomination of Directors.** Only natural persons of at least 18 years of age who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the Articles of Incorporation with respect to the right of holders of preferred stock, if any, of the Corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any Annual Meeting of Stockholders, or at any Special Meeting of Stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 2.16 and on the record date for the determination of stockholders entitled to notice of and to vote at such Annual Meeting or Special Meeting and (ii) who complies with the notice procedures set forth in this Section 2.16.

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation. To be timely, a stockholder's notice to the Secretary must be delivered to or be mailed and received at the principal executive offices of the Corporation (a) in the case of an Annual Meeting, not less than ninety (90) days nor more than one-hundred and twenty (120) days prior to the anniversary date of the immediately preceding Annual Meeting of Stockholders; provided, however, that in the event that the Annual Meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the Annual Meeting was mailed or such public disclosure of the date of the Annual Meeting was made, whichever first occurs; and (b) in the case of a Special Meeting of Stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the Special Meeting was mailed or public disclosure of the date of the Special Meeting was made, whichever first occurs. In no event shall the adjournment or postponement of an Annual Meeting or a Special Meeting called for the purpose of electing directors, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

To be in proper written form, a stockholder's notice to the Secretary must set forth the following information: (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of such person and that such person is a natural person of at least 18 years of age, (ii) the principal occupation or employment of such person, (iii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; and (iv) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice, and the beneficial owner, if any, on whose behalf the nomination is being made, (i) the name and record address of the stockholder giving the notice and the name and principal place of business of such beneficial owner; (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between such person, or any affiliates or associates of such person, and any proposed nominee or any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, and any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person; (iv) a representation that the stockholder giving notice intends to appear in person or by proxy at the Annual Meeting or Special Meeting to nominate the persons named in its notice; and (v) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

A stockholder providing notice of any nomination proposed to be made at an Annual Meeting or Special Meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.16 shall be true and correct as of the record date for determining the stockholders entitled to receive notice of the Annual Meeting or Special Meeting, and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining the stockholders entitled to receive notice of such Annual Meeting or Special Meeting.

No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 2.16. If the chairman of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

Section 2.17 Meetings Through Electronic Communications. Stockholders may participate in a meeting of the stockholders by any means of electronic communications, videoconferencing, teleconferencing or other available technology permitted under the NRS (including, without limitation, a telephone conference or similar method of communication by which all individuals participating in the meeting can hear each other) and utilized by the Corporation. If any such means are utilized, the Corporation shall, to the extent required under the NRS, implement reasonable measures to (a) verify the identity of each person participating through such means as a stockholder and (b) provide the stockholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to communicate, and to read or hear the proceedings of the meeting in a substantially concurrent manner with such proceedings. Participation in a meeting pursuant to this Section 2.17 constitutes presence in person at the meeting.

### **ARTICLE III** **DIRECTORS**

Section 3.1 Number, Election and Term of Directors. The Board of Directors shall consist of not less than one nor more than nine members, the exact number of which shall be fixed from time to time by the Board of Directors. No decrease in the number of authorized directors constituting the Board of Directors of the Corporation shall shorten the term of any incumbent director. Except as provided in Section 3.2, directors shall be elected by a plurality of the votes cast at each Annual Meeting of Stockholders and each director so elected shall hold office until the next Annual Meeting of Stockholders and until such director's successor is duly elected and qualified, or until such director's earlier death, resignation or removal. Directors must be natural persons of at least 18 years of age but need not be stockholders of the Corporation or residents of the State of Nevada.

Section 3.2 Vacancies. Unless otherwise required in the Articles of Incorporation, vacancies on the Board of Directors or any committee thereof arising through death, resignation, removal, an increase in the number of directors constituting the Board of Directors or such committee or otherwise may be filled only by a majority of the remaining directors then in office, though less than a quorum, or by a sole remaining director. The directors so chosen shall, in the case of the Board of Directors, hold office until the next annual election and until their successors are duly elected and qualified, or until their earlier death, resignation or removal and, in the case of any committee of the Board of Directors, shall hold office until their successors are duly appointed by the Board of Directors or until their earlier death, resignation or removal.

Section 3.3 Duties and Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws required to be exercised or done by the stockholders.

Section 3.4 Meetings. The Board of Directors and any committee thereof may hold meetings, both regular and special, either within or without the State of Nevada. Regular meetings of the Board of Directors or any committee thereof may be held without notice at such time and at such place as may from time to time be determined by the Board of Directors or such committee, respectively. Special meetings of the Board of Directors may be called by the Chairman, if any, or the president. Special meetings of any committee of the Board of Directors may be called by the chairman of such committee, if any, the president, or any director serving on such committee. Notice thereof stating the place, date and hour of the meeting shall be given to each director (or, in the case of a committee, to each member of such committee) either by mail not less than seventy-two (72) hours before the date of the meeting, by telephone or electronic mail on twenty-four (24) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances.

**Section 3.5 Organization.** At each meeting of the Board of Directors or any committee thereof, the Chairman of the Board of Directors or the chairman of such committee, as the case may be, or, in his or her absence or if there be none, a director chosen by a majority of the directors present, shall act as chairman. Except as provided below, the Secretary of the Corporation shall act as secretary at each meeting of the Board of Directors and of each committee thereof. In case the Secretary shall be absent from any meeting of the Board of Directors or of any committee thereof, an Assistant Secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all the Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting. Notwithstanding the foregoing, the members of each committee of the Board of Directors may appoint any person to act as secretary of any meeting of such committee and the Secretary or any Assistant Secretary of the Corporation may, but need not if such committee so elects, serve in such capacity.

**Section 3.6 Resignations and Removals of Directors.** Any director of the Corporation may resign from the Board of Directors or any committee thereof at any time, by giving notice in writing to the Chairman of the Board of Directors, if any, the president or the secretary of the Corporation and, in the case of a committee, to the chairman of such committee, if any. Such resignation shall take effect at the time therein specified or, if no time is specified, immediately; and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by applicable law and subject to the rights, if any, of the holders of shares of preferred stock then outstanding, any director or the entire Board of Directors may be removed from office at any time, with or without cause, and only by the affirmative vote of the holders of at least a majority of the combined voting power of the issued and outstanding capital stock of the Corporation entitled to vote in the election of directors, voting together as a single class. Any director serving on a committee of the Board of Directors may be removed from such committee at any time by the Board of Directors.

**Section 3.7 Quorum and Voting.**

(a) Except as otherwise required or permitted by the Articles of Incorporation, the NRS or the rules and regulations of any securities exchange or quotation system on which the Corporation's securities are listed or quoted for trading, at all meetings of the Board of Directors or any committee thereof, a majority of the entire Board of Directors or a majority of the directors constituting such committee, as the case may be, shall constitute a quorum for the transaction of business and the act of a majority of the directors or committee members present at any meeting at which there is a quorum shall be the act of the Board of Directors or such committee, as applicable. If a quorum shall not be present at any meeting of the Board of Directors or any committee thereof, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting of the time and place of the adjourned meeting, until a quorum shall be present.

(b) Each director shall have one vote for any action required or permitted to be taken at any meeting of the Board or any committee thereof or without a meeting as provided herein. In accordance with NRS 78.330, all directors and classes of directors shall have the same voting rights.

**Section 3.8 Actions of the Board by Written Consent.** Unless otherwise provided in the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

**Section 3.9 Meetings by Means of Conference Telephone.** Unless otherwise provided in the Articles of Incorporation or these Bylaws, members of the Board of Directors, or any committee thereof, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.9 shall constitute presence in person at such meeting.

**Section 3.10 Committees.** The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. Each member of a committee must meet the requirements for membership, if any, imposed by applicable law and the rules and regulations of any securities exchange or quotation system on which the securities of the Corporation are listed or quoted for trading. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Subject to the rules and regulations of any securities exchange or quotation system on which the securities of the Corporation are listed or quoted for trading, in the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another qualified member of the Board of Directors to act at the meeting in the place of any absent or disqualified member. Any committee, to the extent permitted by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each committee shall keep regular minutes and report to the Board of Directors when required. Notwithstanding anything to the contrary contained in this Article III, the resolution of the Board of Directors establishing any committee of the Board of Directors and/or the charter of any such committee may establish requirements or procedures relating to the governance and/or operation of such committee that are different from, or in addition to, those set forth in these Bylaws and, to the extent that there is any inconsistency between these Bylaws and any such resolution or charter, the terms of such resolution or charter shall be controlling; provided that it complies with the NRS.

**Section 3.11 Compensation.** The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary for service as director, payable in cash or securities. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for service as committee members.

**Section 3.12 Interested Directors.** No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its directors or officers are directors or officers or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because any such director's or officer's vote is counted for such purpose if: (i) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders holding a majority of the voting power (the votes of the common or interested directors may be counted); and (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction as set forth herein.

## **ARTICLE IV** **OFFICERS**

**Section 4.1 General.** The officers of the Corporation shall consist of a chief executive officer, president, chief operating officer, chief financial officer and a secretary, each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. All officers must be natural persons and any natural person may hold two or more offices, except that in the event that the Corporation shall have more than one director, the offices of president and secretary shall be held by different persons.

**Section 4.2 Election, Qualification and Term of Office.** Each of the officers shall be elected by the Board. None of said officers need be a director. Except as hereinafter provided or subject to the express provisions of a contract authorized by the Board of Directors, each of said officers shall hold office from the date of his/her election until the next annual meeting of the Board and until his/her successor shall have been duly elected and qualified or until his or her removal or resignation.

Section 4.3 Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the president or any vice president or any other officer authorized to do so by the Board of Directors and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

Section 4.4 Removal. The Board of Directors shall have the right to remove, with or without cause, any officer of the Corporation.

Section 4.5 Resignation. Any officer may resign at any time by giving notice to the Board, the president or the secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6 Vacancies. The Board of Directors shall fill any office which becomes vacant with a successor who shall hold office for the unexpired term and until his/her successor shall have been duly elected and qualified or until his or her removal or resignation.

Section 4.7 Powers and Duties. The powers and duties of the respective corporate officers shall be determined by the Board.

Section 4.8 Salaries. The salaries of all executive officers of the Corporation shall be fixed by the Board of Directors or by such committee of the Board of Directors as may be designated from time to time by a resolution adopted by a majority of the Board of Directors.

Section 4.9 Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

## **ARTICLE V**

### **STOCK**

Section 5.1 Shares of Stock. The shares of capital stock of the Corporation shall be represented by a certificate, unless and until the Board of Directors adopts a resolution permitting shares to be uncertificated. Notwithstanding the adoption of any such resolution providing for uncertificated shares, every holder of capital stock of the Corporation theretofore represented by certificates and, upon request, every holder of uncertificated shares, shall be entitled to have a certificate for shares of capital stock of the Corporation signed by, or in the name of the Corporation by, (a) the Chairman, the chief executive officer or the president, and (b) the chief financial officer or the secretary, certifying the number of shares owned by such stockholder in the Corporation.

Section 5.2 Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 5.3 Lost Certificates. Unless otherwise provided in the Articles of Incorporation or these Bylaws, the Board of Directors may direct a new certificate or uncertificated shares be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issuance of a new certificate or uncertificated shares, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or such owner's legal representative, to identify the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate or the issuance of such new certificate or uncertificated shares.

**Section 5.4 Transfers.** Stock of the Corporation shall be transferable in the manner prescribed by applicable law and in these Bylaws. Transfers of stock shall be made only on the books of the Corporation, and in the case of certificated shares of stock, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate therefor, properly endorsed for transfer and payment of all necessary transfer taxes; or, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney lawfully constituted in writing, and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of stock, every certificate exchanged, returned or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or Assistant Secretary of the Corporation or the transfer agent thereof. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

**Section 5.5 Regulations.** The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with these Bylaws, concerning the issue, transfer and registration of certificates for shares or uncertificated shares of the stock of the Corporation.

**Section 5.6 Dividend Record Date.** Subject to compliance with NRS 78.288 and 78.300, and the Articles of Incorporation, in order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

**Section 5.7 Record Owners.** The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by law.

**Section 5.8 Transfer and Registry Agents.** The Corporation may from time to time maintain one or more transfer offices or agencies and registry offices or agencies at such place or places as may be determined from time to time by the Board of Directors.

**Section 5.9 Consideration for Shares.** The Board of Directors may authorize shares to be issued for consideration consisting of any tangible or intangible property or benefit to the Corporation including, without limitation, cash, services performed or other securities of the Corporation. When the Corporation receives the consideration for which the Board of Directors authorized the issuance of shares, such shares shall be fully paid and non-assessable (if non-assessable stock) and the stockholders shall not be liable to the Corporation or to its creditors in respect thereof.

## **ARTICLE VI** **NOTICES**

**Section 6.1 Notices.** Whenever written notice is required by the NRS, the Articles of Incorporation or these Bylaws, to be given to any director, member of a committee or stockholder, such notice may be given by mail in accordance with the NRS, and as permitted thereby, addressed to such director, member of a committee or stockholder, at such person's address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by electronic transmission (by fax, electronic mail, or posting on electronic network).

Section 6.2 Waivers of Notice. Whenever any notice is required by applicable law, the Articles of Incorporation or these Bylaws, to be given to any director, member of a committee or stockholder, a waiver thereof in writing, signed by the person or persons entitled to notice, or by transmission of an electronic record by that person, whether before or after the time stated therein, shall be deemed equivalent thereto.

Attendance of a person at a meeting, present in person or represented by proxy, shall constitute a waiver of notice of such meeting, except where the person attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any Annual or Special Meeting of Stockholders or any regular or special meeting of the directors or members of a committee of directors need be specified in any written waiver of notice unless so required by law, the Articles of Incorporation or these Bylaws.

## **ARTICLE VII** **GENERAL PROVISIONS**

Section 7.1 Dividends. Dividends upon the capital stock of the Corporation, subject to the requirements of the NRS and the provisions of the Articles of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting of the Board of Directors (or any action by written consent in lieu thereof in accordance with Section 3.8 hereof), and may be paid in cash or in property other than shares. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for purchasing any of the shares of capital stock, warrants, rights, options, bonds, debentures, notes, scrip or other securities or evidences of indebtedness of the Corporation, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 7.2 Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 7.3 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 7.4 Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Nevada". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

## **ARTICLE VIII** **INDEMNIFICATION**

Section 8.1 Power to Indemnify in Actions, Suits or Proceedings other than Those by or in the Right of the Corporation. Subject to Section 8.3 and to the fullest extent permitted by the NRS, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that such person is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 8.2 Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation. Subject to Section 8.3 and to the fullest extent permitted by the NRS, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court in which such action or suit was brought deem proper.

Section 8.3 Authorization of Indemnification. Any indemnification under this Article VIII (unless ordered by a court) shall be made by the Corporation only as permitted by the NRS and authorized in the specific case upon a determination that indemnification of the present or former director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 8.1 or Section 8.2, as the case may be. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (i) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (iv) by the stockholders. Such determination shall be made, with respect to former directors and officers, by any person or persons having the authority to act on the matter on behalf of the Corporation. To the extent, however, that a present or former director or officer of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

Section 8.4 Good Faith Defined. For purposes of any determination under Section 8.3, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person's conduct was unlawful, if such person's action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to such person by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The provisions of this Section 8.4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 8.1 or Section 8.2, as the case may be.

Section 8.5 Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 8.3, and notwithstanding the absence of any determination thereunder, any director or officer may apply to any court of competent jurisdiction in the State of Nevada for indemnification to the extent otherwise permissible under Section 8.1 or Section 8.2. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 8.1 or Section 8.2, as the case may be. Neither a contrary determination in the specific case under Section 8.3 nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 8.5 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

**Section 8.6 Expenses Payable in Advance.** Expenses (including attorneys' fees) incurred by a director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VIII. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the Corporation deems appropriate.

**Section 8.7 Nonexclusivity of Indemnification and Advancement of Expenses.** The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Articles of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in Section 8.1 and Section 8.2 shall be made to the fullest extent permitted by law. The provisions of this Article VIII shall not be deemed to preclude the indemnification of any person who is not specified in Section 8.1 or Section 8.2 but whom the Corporation has the power or obligation to indemnify under the provisions of the NRS, or otherwise.

**Section 8.8 Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article VIII.

**Section 8.9 Certain Definitions.** For purposes of this Article VIII, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors or officers, so that any person who is or was a director or officer of such constituent corporation, or is or was a director or officer of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

The term "another enterprise" as used in this Article VIII shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. For purposes of this Article VIII, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VIII.

**Section 8.10 Survival of Indemnification and Advancement of Expenses.** The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 8.11 Limitation on Indemnification. Notwithstanding anything contained in this Article VIII to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 8.5), the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors.

Section 8.12 Indemnification of Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article VIII to directors and officers of the Corporation.

## **ARTICLE IX** **MISCELLANEOUS**

Section 9.1 Acquisition of Controlling Interest Statute Opt-Out. The provisions of NRS 78.378 to 78.3793, inclusive, shall not apply to the Corporation or to an acquisition of a “controlling interest” (as defined in NRS 78.3785).

Section 9.2 Forum for Adjudication of Internal Affairs Disputes. To the fullest extent permitted by law, and unless the Corporation consents in writing to the selection of an alternative forum, the Eighth Judicial District Court of Clark County, Nevada, shall, to the fullest extent permitted by law, be the sole and exclusive forum for state law claims with respect to: (a) any derivative action or proceeding brought in the name or right of the Corporation or on its behalf, (b) any action asserting a claim for breach of any fiduciary duty owed by any director, officer, employee or agent of the Corporation to the Corporation or the Corporation’s stockholders, (c) any action arising or asserting a claim arising pursuant to any provision of NRS Chapters 78 or 92A or any provision of the Articles of Incorporation or these Bylaws or (d) any action asserting a claim governed by the internal affairs doctrine, including, without limitation, any action to interpret, apply, enforce or determine the validity of the Articles of Incorporation or these Bylaws. This exclusive forum provision would not apply to suits brought to enforce any liability or duty created by the Securities Act of 1933, as amended, or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the corporation shall be deemed to have notice of and consented to the provisions of this Section 9.2.

Section 9.3 Federal Forum for Securities Act Claims. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Section 9.3.

## **ARTICLE X** **AMENDMENTS**

Section 10.1 Amendments. These Bylaws may be altered, amended or repealed at any meeting of the Board of Directors, provided notice of the proposed change was given in the notice of the meeting not less than two days prior to the meeting. Notwithstanding the foregoing sentence, these Bylaws may be amended or repealed in any respect, and new Bylaws may be adopted, in each case by the affirmative vote of the holders of at least fifty (50%) of the outstanding voting power of the Corporation, voting together as a single class.

Section 10.2 Entire Board of Directors. As used in this Article X and in these Bylaws generally, the term “entire Board of Directors” means the total number of directors which the Corporation would have if there were no vacancies.

**Item 19 Purchases of Equity Securities by the Issuer and Affiliated Purchasers.**

A. In the following tabular format, provide the information specified in paragraph (B) of this Item 20 with respect to any purchase made by or on behalf of the issuer or any "Affiliated Purchaser" (as defined in paragraph (C) of this Item 19) of shares or other units of any class of the issuer's equity securities.

**None.**

<b>ISSUER PURCHASES OF EQUITY SECURITIES</b>				
<b>Period</b>	<b>Column (a)</b> Total Number of Shares (or Units) Purchased	<b>Column (b)</b> Average Price Paid per Share (or Unit)	<b>Column (c)</b> Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	<b>Column (d)</b> Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
<b>Month #1</b> (identify beginning and ending dates)				
<b>Month #2</b> (identify beginning and ending dates)				
<b>Month #3</b> (identify beginning and ending dates)				
<b>Total</b>				

B. The table shall include the following information for each class or series of securities for each month included in the period covered by the report:

1. The total number of shares (or units) purchased (Column (a)). Include in this column all issuer repurchases, including those made pursuant to publicly announced plans or programs and those not made pursuant to publicly announced plans or programs. Briefly disclose, by footnote to the table, the number of shares purchased other than through a publicly announced plan or program and the nature of the transaction (e.g., whether the purchases were made in open-market transactions, tender offers, in satisfaction of the company's obligations upon exercise of outstanding put options issued by the company, or other transactions).
2. The average price paid per share (or unit) (Column (b)).
3. The total number of shares (or units) purchased as part of publicly announced repurchase plans or programs (Column (c)).
4. The maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs (Column (d)).

*Instructions to paragraphs (B)(3) and (B)(4) of this Item 20:*

- a. In the table, disclose this information in the aggregate for all plans or programs publicly announced.
- b. By footnote to the table, indicate:
  - i. The date each plan or program was announced;
  - ii. The dollar amount (or share or unit amount) approved;
  - iii. The expiration date (if any) of each plan or program;
  - iv. Each plan or program that has expired during the period covered by the table; and
  - v. Each plan or program the issuer has determined to terminate prior to expiration, or under which the issuer does not intend to make further purchases.

C. For purposes of this Item 19, "Affiliated Purchaser" means:

1. A person acting, directly or indirectly, in concert with the issuer for the purpose of acquiring the issuer's securities; or
2. An affiliate who, directly or indirectly, controls the issuer's purchases of such securities, whose purchases are controlled by the issuer, or whose purchases are under common control with those of the issuer; *provided, however,* that "Affiliated Purchaser" shall not include a broker, dealer, or other person solely by reason of such broker, dealer, or other person effecting purchases on behalf of the issuer or for its account, and shall not include an officer or director of the issuer solely by

reason of that officer or director's participation in the decision to authorize purchases by or on behalf of the issuer.

## **Item 20      Issuer's Certifications.**

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).

The certifications shall follow the format below:

I, [identify the certifying individual], certify that:

1. I have reviewed this [specify either annual or quarterly disclosure statement] of [identify issuer];
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date:



Jeremy Frommer  
CEO, Creatd, Inc.

## **Section Two: Issuers' Continuing Disclosure Obligations**

Issuers are considered to have adequate current information publicly available to the extent such information is updated to reflect new developments after the publication of the initial issuer disclosure information. In general, an issuer shall provide updates to the most recent balance sheet, income statement and statement of cash flows, as required under Item 12 above, as well as disclose changes in any other of the above disclosure items no later than 45 days after the end of any fiscal quarter ("Quarterly Updates") and 90 days after the end of any fiscal year ("Annual Updates").

Issuers shall provide updates ("Current Updates") within 10 business days in the event that any of the information contained in the disclosure statement (including information contained in any prior Update) has become materially inaccurate or incomplete, or upon the occurrence of certain events described under the Current Reporting Obligations section. The specific requirements for Quarterly, Annual and Current Updates are set forth below.

Insiders, affiliates and control persons of issuers shall be aware that Rule 144 under the Securities Act requires that adequate current information be publicly available if they wish to sell any of their securities in the public secondary markets.

## ***Quarterly Reporting Obligations***

In order to be considered as having adequate current information publicly available, issuers must publish Quarterly Updates to their disclosure statements through [www.OTCIQ.com](http://www.OTCIQ.com), no later than 45 days after the end of each fiscal quarter. Quarterly Updates should contain responses to the following items, and should follow the format below.

### *Instruction relating to the preparation of Quarterly Updates:*

Issuers shall prepare a document that responds to each item and sub-item below and shall include in its response to a particular item (i) whether a particular item is not applicable or unavailable and (ii) the reason it is not applicable or unavailable.

Quarterly Updates should be published under the report name of “*Quarterly Report*” or “*Interim Financial Report*” for the appropriate fiscal quarter end.

### *Instructions relating to the preparation of interim disclosure for certain non-U.S. companies:*

Companies listed on a Qualified Foreign Exchange that are exempt from SEC registration under a rule other than Exchange Act Rule 12g3-2(b) should provide the following information:

1. Publish the company’s English-language Quarterly and Interim Reports in conjunction with the filing deadlines of the Qualified Foreign Exchange. Upload these documents via [www.OTCIQ.com](http://www.OTCIQ.com) using the reports names “Annual Report,” “Interim Report”, or “Quarterly Report” as applicable.

### **Item 1      Exact name of the issuer and the address of its principal executive offices.**

In answering this item, the issuer shall provide the information required by Items 1 and 2 of the requirements for initial disclosure in Section One of these Guidelines.

### **Item 2      Shares outstanding.**

In answering this item, the issuer shall provide the information required by Item 6 of Section One and provide updates to Item 17 of Section One of these Guidelines with respect to the fiscal quarter end.

### **Item 3      Interim financial statements.**

The issuer shall include financial statements for the most recent fiscal quarter, which quarterly financial statements shall meet the requirements of Item 12 of Section One of these Guidelines, provided, however, that (i) the issuer is not required to provide a statement of changes in stockholders’ equity, and (ii) “*Instruction to Item 12*” contained in Section One of these Guidelines should not be followed; instead, issuers should follow the Instruction set forth below rather than the Instruction contained in Item 12.

*Instruction to Item 3:* The interim financial statements required by this Item 3 may either be included in the text of the Quarterly Update under the heading of Item 3 or attached at the end of the Quarterly Update. If attached at the end of the Quarterly Update, the disclosure under this Item 3 must (i) state that the interim financial statements are attached at the end of this Quarterly Update, (ii) contain a list describing the financial statements that are attached and (iii) contain a clear cross-reference to the specific location where the information requested by this Item 3 can be found.

#### **Item 4 Management's discussion and analysis or plan of operation.**

The issuer shall provide the information required by Item 15 of Section One of these Guidelines.

#### **Item 5 Legal proceedings.**

The issuer shall provide the information required by Item 8(a)(11) of Section One of these Guidelines, to the extent not already disclosed in a prior disclosure statement.

#### **Item 6 Defaults upon senior securities.**

If there has been any material default in the payment of principal, interest, a sinking or purchase fund installment, or any other material default not cured within 30 days, with respect to any indebtedness of the issuer exceeding 5% of the total assets of the issuer, (i) identify the indebtedness and (ii) state the nature of the default, the amount of the default and the total arrearage as of a recent date.

If any material arrearage in the payment of dividends has occurred or if there has been any other material delinquency not cured within 30 days, with respect to any class of preferred stock of the issuer, give the title of the class and state the nature of the arrearage or delinquency. In the case of a default in the payment of dividends, state the amount and the total arrearage as of a recent date.

The issuer need not respond to this item with respect to any class of securities all of which is held by, or for the account of, the issuer or its totally held subsidiaries. Issuers need not repeat information that has been previously disclosed in a prior disclosure statement, although the issuer shall provide updates regarding previously reported defaults.

#### **Item 7 Other information.**

The issuer shall include here responses to any items that the issuer would be required include in a Current Update. See the Current Update section below regarding the information required to be in a Current Update.

#### **Item 8 Exhibits.**

The issuer shall either describe or attach any exhibits that are required under Items 18 and 19 of Section One, and which have not already been described or attached in any prior disclosure statement, except that the issuer must describe or attach any amendments to any previously described or attached exhibits.

## **Item 9      Certifications.**

The issuer shall include current certifications, meeting the requirements contained in Item 20 of Section One, relating to the Quarterly Update.

### ***Annual Reporting Obligations***

In order to be considered as having adequate current information publicly available, issuers must also publish Annual Updates to their initial disclosure through [www.OTCIQ.com](http://www.OTCIQ.com), no later than 90 days after the end of each fiscal year.

#### *Instruction relating to the preparation of Annual Updates:*

Issuers shall prepare a document that responds to each item and sub-item of Section One of the Guidelines and shall include in its response to a particular item (i) whether a particular item is not applicable or unavailable and (ii) the reason it is not applicable or unavailable. Each Annual Update must contain complete responses to all of the items required by Section One of these Guidelines, even if no changes have occurred since the last Annual Update.

Annual Updates should be published under the report name of “Annual Report” for the appropriate fiscal year end.

*Specific Note relating to Annual Updates:* The “Instruction to Item 12” contained in Section One of these Guidelines should not be followed with respect to Annual Updates; instead issuers should follow the instruction set forth below.

*Instructions to Item 12:* The fiscal year-end financial statements required by Item 12 may either be included in text of the Annual Update under the heading of Item 12 or attached at the end of the Annual Update. If attached at the end of the Annual Update, the disclosure under Item 12 must (i) state that the fiscal year-end financial statements are attached at the end of this Annual Update, (ii) contain a list describing the financial statements that are attached and (iii) contain a clear cross-reference to the specific location where the information requested by Item 12 can be found.

#### *Instructions relating to the preparation of Annual Updates for certain non-U.S. companies:*

Companies listed on a Qualified Foreign Exchange that are exempt from SEC registration under a rule other than Exchange Act Rule 12g3-2(b) should provide the following information:

1. Publish the company’s English-language Annual Report in conjunction with the filing deadlines of the Qualified Foreign Exchange. Upload these documents via [www.OTCIQ.com](http://www.OTCIQ.com) under the report name of “Annual Report” for the appropriate fiscal year end.
2. Annually Publish a Supplemental Report via [www.OTCIQ.com](http://www.OTCIQ.com) that contains all of the information required under the “Catch All provision” of SEC Rule 15c2-11. Such a report must be available for a period within the previous 12 months at all times. See [www.otcmarkets.com/files/Catchall.pdf](http://www.otcmarkets.com/files/Catchall.pdf).

### **3. Current Reporting Obligations**

***Important: The following is a description of events that may be material to the issuer and its securities and that shall be made publicly available by the issuer. Persons with knowledge of such events would be considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public.***

If not included in the issuer's previous public disclosure documents or if any of the following events occur after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a press release within 4 business days following their occurrence, and posting such press release through [www.OTCIQ.com](http://www.OTCIQ.com):

#### **1. Entry into a Material Definitive Agreement.**

(a) If the issuer has entered into a material definitive agreement not made in the ordinary course of business of the issuer, or into any amendment of such agreement that is material to the issuer, the issuer shall disclose the following information:

(1) the date on which the agreement was entered into or amended, the identity of the parties to the agreement or amendment and a brief description of any material relationship between the issuer or its affiliates and any of the parties, other than in respect of the material definitive agreement or amendment; and

(2) a brief description of the terms and conditions of the agreement or amendment that are material to the issuer.

(b) A "material definitive agreement" means an agreement that provides for obligations that are material to and enforceable against the issuer, or rights that are material to the issuer and enforceable by the issuer against one or more other parties to the agreement, in each case whether or not subject to conditions.

#### **2. Termination of a Material Definitive Agreement.**

(a) If a material definitive agreement which was not made in the ordinary course of business of the issuer and to which the issuer is a party is terminated otherwise than by expiration of the agreement on its stated termination date, or as a result of all parties completing their obligations under such agreement, and such termination of the agreement is material to the issuer, the issuer shall disclose the following information:

(1) the date of the termination of the material definitive agreement, the identity of the parties to the agreement and a brief description of any material relationship between the issuer or its affiliates and any of the parties other than in respect of the material definitive agreement;

(2) a brief description of the terms and conditions of the agreement that are material to the issuer;

- (3) a brief description of the material circumstances surrounding the termination; and
- (4) any material early termination penalties incurred by the issuer.

### **3. Completion of Acquisition or Disposition of Assets, Including but not Limited to Mergers.**

If the issuer or any of its majority-owned subsidiaries has completed the acquisition or disposition of a significant amount of assets, otherwise than in the ordinary course of business, the issuer shall disclose the following information:

- (a) the date of completion of the transaction;
- (b) a brief description of the assets involved;
- (c) the identity of the person(s) from whom the assets were acquired or to whom they were sold and the nature of any material relationship, other than in respect of the transaction, between such person(s) and the issuer or any of its affiliates, or any director or officer of the issuer, or any associate of any such director or officer;
- (d) the nature and amount of consideration given or received for the assets and, if any material relationship is disclosed pursuant to paragraph 3(c) above, the formula or principle followed in determining the amount of such consideration;
- (e) if the transaction being reported is an acquisition and if any material relationship is disclosed pursuant to paragraph 3(c) above, the source(s) of the funds used; and
- (f) if the issuer was a shell company, as that term is defined in paragraph 3 of Item 8.B of these Guidelines, immediately before the transaction, the information that would be required if the issuer were fulfilling its Initial Disclosure Obligations pursuant to Section One of these Guidelines, with such information reflecting the issuer and its securities upon consummation of the transaction.

The term "acquisition" includes every purchase, acquisition by lease, exchange, merger, consolidation, succession or other acquisition, except that the term does not include the construction or development of property by or for the issuer or its subsidiaries or the acquisition of materials for such purpose.

The term "disposition" includes every sale, disposition by lease, exchange, merger, consolidation, mortgage, assignment or hypothecation of assets, whether for the benefit of creditors or otherwise, abandonment, destruction, or other disposition.

### **4. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of an Issuer.**

- (a) If the issuer becomes obligated on a direct financial obligation that is material to the issuer, the issuer shall disclose the following information:

(1) the date on which the issuer becomes obligated on the direct financial obligation and a brief description of the transaction or agreement creating the obligation;

(2) the amount of the obligation, including the terms of its payment and, if applicable, a brief description of the material terms under which it may be accelerated or increased and the nature of any recourse provisions that would enable the issuer to recover from third parties; and

(3) a brief description of the other terms and conditions of the transaction or agreement that are material to the issuer.

(b) If the issuer becomes directly or contingently liable for an obligation that is material to the issuer arising out of an off-balance sheet arrangement, the issuer shall disclose the following information:

(1) the date on which the issuer becomes directly or contingently liable on the obligation and a brief description of the transaction or agreement creating the arrangement and obligation;

(2) a brief description of the nature and amount of the obligation of the issuer under the arrangement, including the material terms whereby it may become a direct obligation, if applicable, or may be accelerated or increased and the nature of any recourse provisions that would enable the issuer to recover from third parties;

(3) the maximum potential amount of future payments (undiscounted) that the issuer may be required to make, if different; and

(4) a brief description of the other terms and conditions of the obligation or arrangement that are material to the issuer.

## **5. Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.**

(a) If a triggering event causing the increase or acceleration of a direct financial obligation of the issuer occurs and the consequences of the event are material to the issuer, the issuer shall disclose the following information:

(1) the date of the triggering event and a brief description of the agreement or transaction under which the direct financial obligation was created and is increased or accelerated;

(2) a brief description of the triggering event;

(3) the amount of the direct financial obligation, as increased if applicable, and the terms of payment or acceleration that apply; and

(4) any other material obligations of the issuer that may arise, increase, be accelerated or become direct financial obligations as a result of the triggering event or the increase or acceleration of the direct financial obligation.

(b) If a triggering event occurs causing an obligation of the issuer under an off-balance sheet arrangement to increase or be accelerated, or causing a contingent obligation of the issuer under an off-balance sheet arrangement to become a direct financial obligation of the issuer, and the consequences of the event are material to the issuer, the issuer shall disclose the following information:

- (1) the date of the triggering event and a brief description of the off-balance sheet arrangement;
- (2) a brief description of the triggering event;
- (3) the nature and amount of the obligation, as increased if applicable, and the terms of payment or acceleration that apply; and
- (4) any other material obligations of the issuer that may arise, increase, be accelerated or become direct financial obligations as a result of the triggering event or the increase or acceleration of the obligation under the off-balance sheet arrangement or its becoming a direct financial obligation of the issuer.

(c) A “triggering event” is an event, including an event of default, event of acceleration or similar event, as a result of which a direct financial obligation of the issuer or an obligation of the issuer arising under an off-balance sheet arrangement is increased or becomes accelerated or as a result of which a contingent obligation of the issuer arising out of an off-balance sheet arrangement becomes a direct financial obligation of the issuer.

## **6. Costs Associated with Exit or Disposal Activities.**

If the issuer's board of directors, a committee of the board of directors or the officer or officers of the issuer authorized to take such action if board action is not required, commits the issuer to an exit or disposal plan, or otherwise disposes of a long-lived asset or terminates employees under a plan of termination described in the FASB ASC 420-10, Exit or Disposal Cost Obligations, formerly FAS 146 under which material charges will be incurred under generally accepted accounting principles applicable to the issuer, the issuer shall disclose the following information:

- (a) the date of the commitment to the course of action and a description of the course of action, including the facts and circumstances leading to the expected action and the expected completion date;
- (b) for each major type of cost associated with the course of action (for example, one-time termination benefits, contract termination costs and other associated costs), an estimate of the total amount or range of amounts expected to be incurred in connection with the action;
- (c) an estimate of the total amount or range of amounts expected to be incurred in connection with the action; and
- (d) the issuer's estimate of the amount or range of amounts of the charge that will result in future cash expenditures.

## **7. Material Impairments.**

If the issuer's board of directors, a committee of the board of directors or the officer or officers of the issuer authorized to take such action if board action is not required, concludes that a material charge for impairment to one or more of its assets, including, without limitation, impairments of securities or goodwill, is required under generally accepted accounting principles applicable to the issuer, the issuer shall disclose the following information:

- (a) the date of the conclusion that a material charge is required and a description of the impaired asset or assets and the facts and circumstances leading to the conclusion that the charge for impairment is required;
- (b) the issuer's estimate of the amount or range of amounts of the impairment charge; and
- (c) the issuer's estimate of the amount or range of amounts of the impairment charge that will result in future cash expenditures.

## **8. Sales of Equity Securities.**

If the issuer sells equity securities in a transaction that has not been previously described in any prior disclosure statement, the issuer shall provide the information required by Item 17 of Section One of these Guidelines with respect to any such securities offering(s).

## **9. Material Modification to Rights of Security Holders.**

- (a) If the constituent instruments defining the rights of the holders of any class of securities of the issuer have been materially modified, the issuer shall disclose the date of such modification and the title of the class of securities involved and briefly describe the general effect of such modification upon the rights of holders of such securities.
- (b) If the rights evidenced by any class of securities have been materially limited or qualified by the issuance or modification of any other class of securities by the issuer, the issuer shall briefly disclose the date of such issuance or modification and the general effect of such issuance or modification of such other class of securities upon the rights of the holders of the registered securities.

## **10. Changes in Issuer's Certifying Accountant.**

(a) If an independent accountant who was previously engaged as the principal accountant to audit the issuer's financial statements, or an independent accountant upon whom the principal accountant expressed reliance in its report regarding a significant subsidiary, resigns (or indicates that it declines to stand for re-appointment after completion of the current audit) or is dismissed, the issuer shall state:

- (1) Whether the former accountant resigned, declined to stand for re-election or was dismissed and the date of such resignation, refusal to stand for re-election or dismissal;
- (2) Whether the accountant's report on the financial statements for either of the past two years contained an adverse opinion or disclaimer of opinion, or was modified as to

uncertainty, audit scope, or accounting principles, and also describe the nature of each such adverse opinion, disclaimer of opinion or modification;

(3) Whether the decision to change accountants was recommended or approved by the board of directors or an audit or similar committee of the board of directors; and

(4) (A) Whether there were any disagreements with the former accountant, whether or not resolved, on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the former accountant's satisfaction, would have caused it to make reference to the subject matter of the disagreement(s) in connection with its report; or

(B) if applicable, whether the former accountant advised the issuer that:

(1) Internal controls necessary to develop reliable financial statements did not exist;

(2) Information has come to the attention of the former accountant which made the accountant unwilling to rely on management's representations, or unwilling to be associated with the financial statements prepared by management; or

(3) The scope of the audit shall be expanded significantly, or information has come to the accountant's attention that the accountant has concluded will, or if further investigated may, materially impact the fairness or reliability of a previously issued audit report or the underlying financial statements, or the financial statements issued or to be issued covering the fiscal period(s) subsequent to the date of the most recent audited financial statements (including information that might preclude the issuance of an unqualified audit report), and the issue was not resolved to the accountant's satisfaction prior to its resignation or dismissal; and

(C) The subject matter of each such disagreement or event identified in response to paragraph (4)(A) above;

(D) Whether any committee of the board of directors, or the board of directors, discussed the subject matter of the disagreement with the former accountant; and

(E) Whether the issuer has authorized the former accountant to respond fully to the inquiries of the successor accountant concerning the subject matter of each of such disagreements or events and, if not, describe the nature of and reason for any limitation.

(b) If a new accountant has been engaged as either the principal accountant to audit the issuer's financial statements or as the auditor of a significant subsidiary and on whom the principal accountant is expected to express reliance in its report, the issuer shall identify the new accountant. If the conditions in paragraphs (b)(1) through (b)(3) below exist, the issuer shall describe the nature of the disagreement or event and the effect on the financial statements if the method of the former accountants had been followed (unless that method ceases to be generally accepted because of authoritative standards or interpretations issued after the disagreement or event):

(1) In connection with a change in accountants subject to paragraph (b) above, there was any disagreement or event as described in paragraph (a)(4)(A) above;

(2) During the fiscal year in which the change in accountants took place or during the later fiscal year, there have been any transactions or events similar to those involved in such disagreement or event; and

(3) Such transactions or events were material and were accounted for or disclosed in a manner different from that which the former accountants would have likely concluded was required.

## **11. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.**

(a) If the issuer's board of directors, a committee of the board of directors or the officer or officers of the issuer authorized to take such action if board action is not required, concludes that any previously issued financial statements covering the last three fiscal years or interim periods since the end of the last fiscal year shall no longer be relied upon because of an error in such financial statements as addressed in Accounting Principles Board Opinion No. 20, as may be modified, supplemented or succeeded, the issuer shall disclose the following information:

(1) the date of the conclusion regarding the non-reliance and an identification of the financial statements and years or periods covered that shall no longer be relied upon;

(2) a brief description of the facts underlying the conclusion to the extent known to the issuer at the time of filing; and

(3) a statement of whether the audit committee, or the board of directors in the absence of an audit committee, or authorized officer or officers, discussed with the issuer's independent accountant the matters disclosed in the press release issued pursuant to this paragraph 11.

(b) If the issuer is advised by, or receives notice from, its independent accountant that disclosure shall be made or action shall be taken to prevent future reliance on a previously issued audit report or completed interim review related to previously issued financial statements, the issuer shall disclose the following information:

(1) the date on which the issuer was so advised or notified;

(2) identification of the financial statements that shall no longer be relied upon;

(3) a brief description of the information provided by the accountant; and

(4) a statement of whether the audit committee, or the board of directors in the absence of an audit committee, or authorized officer or officers, discussed with the independent accountant the matters disclosed in the press release issued pursuant to this paragraph 11.

## **12. Changes in Control of Issuer.**

(a) If, to the knowledge of the issuer's board of directors, a committee of the board of directors or authorized officer or officers of the issuer, a change in control of the issuer has occurred, the issuer shall furnish the following information:

- (1) the identity of the person(s) who acquired such control;
- (2) the date and a description of the transaction(s) which resulted in the change in control;
- (3) the basis of the control, including the percentage of voting securities of the issuer now beneficially owned directly or indirectly by the person(s) who acquired control;
- (4) the amount of the consideration used by such person(s);
- (5) the source(s) of funds used by such person(s); and
- (6) if the issuer was a shell company, as that term is defined in paragraph 3 of Item 8.B of these Guidelines, immediately before the change in control, the information that would be required if the issuer were fulfilling its Initial Disclosure Obligations pursuant to Section One of these Guidelines, with such information reflecting the issuer and its securities upon consummation of the change in control.

## **13. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

(a) If a director has resigned or refuses to stand for re-election to the board of directors since the date of the last annual meeting of shareholders because of a disagreement with the issuer, known to an executive officer of the issuer on any matter relating to the issuer's operations, policies or practices, or if a director has been removed for cause from the board of directors, the issuer shall disclose the following information:

- (1) the date of such resignation, refusal to stand for re-election or removal;
- (2) any positions held by the director on any committee of the board of directors at the time of the director's resignation, refusal to stand for re-election or removal; and
- (3) a brief description of the circumstances representing the disagreement that the issuer believes caused, in whole or in part, the director's resignation, refusal to stand for re-election or removal.

(b) If the issuer's principal executive officer, president, principal financial officer, principal accounting officer, principal operating officer or any person performing similar functions retires, resigns or is terminated from that position, or if a director retires, resigns, is removed, or refuses to stand for re-election (except in circumstances described in paragraph (a) above), the issuer shall disclose the fact that the event has occurred and the date of the event.

(c) If the issuer appoints a new principal executive officer, president, principal financial officer, principal accounting officer, principal operating officer or person performing similar functions, the issuer shall disclose the following information with respect to the newly appointed officer:

(1) the name and position of the newly appointed officer and the date of the appointment;

(2) the information described in Item 11 of Section One above; and'

(3) a brief description of the material terms of any employment agreement between the issuer and that officer.

(d) If the issuer appoints a new director, the issuer shall disclose the following information with respect to the newly appointed director:

(1) the name and position of the newly appointed director and the date of the appointment;

(2) the information described in Item 11 of Section One above; and

(3) a brief description of the material terms of the agreement between the issuer and that director.

#### **14. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

(a) If an issuer amends (i) its articles of incorporation or in the event that the issuer is not a corporation, its certificate of organization, or (ii) its bylaws, the issuer shall disclose the following information:

(1) the effective date of the amendment; and

(2) a description of the provision adopted or changed by amendment and, if applicable, the previous provision.

(b) If the issuer decides to change its fiscal year, the issuer shall disclose the date of such decision and the date of the new fiscal year end.

#### **15. Amendments to the Issuer's Code of Ethics, or Waiver of a Provision of the Code of Ethics.**

(a) The issuer shall briefly describe the date and nature of any amendment to a provision of the issuer's code of ethics that applies to the issuer's principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions.

(b) If the issuer has granted a waiver, including an implicit waiver, from a provision of the code of ethics to an officer or person described in paragraph 15(a) above, the issuer shall briefly describe the nature of the waiver, the name of the person to whom the waiver was granted, and the date of the waiver.