

CARDXX, INC.

Nevada
3445 Lawrence Avenue
Oceanside, NY 11572

Telephone: (646) 768-8417

SIC Code: 2834

Quarterly Report

For the period ending MARCH 31, 2019 (the “Reporting Period”)

The number of shares outstanding of our Common Stock is 26,630,145 as of February 26, 2019

The number of shares outstanding of our Common Stock was 26,630,145 as of December 31, 2018 (end of previous reporting period)

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: (Double-click and select “Default Value” to check)

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

☐ Yes: ☐ XNo:

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

☐ Yes: ☒ XNo:

ITEM 1. EXACT NAME OF ISSUER AND ITS PREDECESSORS	2
ITEM 2. SECURITY INFORMATION	2
ITEM 3. ISSUANCE HISTORY	2
ITEM 4. FINANCIAL STATEMENTS	4
ITEM 5. ISSUERS BUSINESS, PRODUCTS AND SERVICES	13
ITEM 6. DESCRIPTION OF THE ISSUERS FACILITIES	13
ITEM 7. OFFICERS, DIRECTORS, AND CONTROL PEOPLE	13
ITEM 8. THIRD PARTY PROVIDERS	13
ITEM 9. ISSUER CERTIFICATION	15

Item 1. The exact name of the issuer and its predecessors

Present: CARDXX, Inc. herein referred to as “CXCQ” or the “Company”

Item 2. Security Information

Trading Symbol:

CXCQ

CUSIP:

141618108

Par value: \$0.001

As of 03/31/2019 there are:

75,000,000 common shares authorized

75,000,000 common shares outstanding

Shares in the float

15,094,464

Corporate Stock Transfer, Inc.

3200 Cherry Creek Drive South, Suite 430

Denver, CO 8029

- (i) Transfer agent IS registered under the Exchange Act (YES)
- (ii) There are no restrictions on the transfer of securities
- (iii) There have been NO trading day suspensions ordered by the SEC in the past 12 months.

Item 3. Issuance History

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

Number of Shares outstanding as of <u>06/31/2018</u>	<u>Opening Balance:</u> Common: 26,630,145 Preferred: <u>0</u>		*Right-click the rows below and select “Insert” to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
03/14/2019	New issuance	48,369,855	Common Stock	\$0.001	Yes	David Lazar	Cash	R	144
Shares Outstanding on <u>03/31/2019:</u>	<u>Ending Balance:</u> Common: 112,738,864 Preferred: _____								

heck this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

[illegible]

Item 4. Financial Statements – next page

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

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)¹:

Name: **Mario A. Beckles**

Title: **CPA**

Relationship to Issuer: **Independent, No relationship**

CARDXX, INC.
BALANCE SHEETS
(Unaudited)

	March 31, 2019	June 30, 2018
ASSETS		
CURRENT ASSETS:		
Cash	\$ -	\$ -
Notes receivable – related party	31,514	-
TOTAL ASSETS	\$ 31,514	\$ -
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	-	-
Related party notes payable	2,958	-
Bridge notes payable	-	-
Total current liabilities	2,958	-
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Common stock, par value \$0.001 per share; 75,000,000 shares authorized; 75,000,000 and 26,630,145 shares issued and outstanding as of March 31, 2019 and June 30, 2018, respectively	75,000	26,630
Additional paid in capital	3,493,898	3,493,898
Retained earnings	(3,540,342)	(3,520,528)
Total stockholders' equity	28,556	-
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 31,514	\$ -

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

CARDXX, INC.
STATEMENTS OF OPERATIONS
(Unaudited)

	For The Nine Months Ended March 31,	
	\$ 2019	\$ 2018
OPERATING EXPENSES:		
Professional fees – Accounting	6,337	-
Professional fees – Transfer agent	4,527	-
Registration fees	4,000	-
Legal fees	4,994	-
Total operating expenses	19,858	-
LOSS BEFORE OTHER INCOME	(19,858)	-
OTHER INCOME (EXPENSE)		
Interest income – related parties	44	-
Total other income (expense)	44	-
NET LOSS	(19,814)	-

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

CARDXX, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD MARCH 31, 2019 AND MARCH 31, 2018
(Unaudited)

	Common Stock: Shares	Common Stock: Amount	Preferred Stock: Shares	Preferred Stock: Amount	Additional Paid-in Capital	Accumulated Deficit	Totals
Balance – July 01, 2017	26,630,145	\$ 26,630	-	\$ -	3,493,898	\$ (3,520,528)	-
Issuance of shares to related party	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	-
Balance - March 31, 2018	<u>26,630,145</u>	<u>\$ 26,630</u>	<u>-</u>	<u>\$ -</u>	<u>3,493,898</u>	<u>\$ (3,520,528)</u>	<u>-</u>
Balance – July 01, 2018	26,630,145	\$ 26,630	-	\$ -	3,493,898	\$ (3,520,528)	-
Issuance of shares to related party	48,369,855	48,370	-	-	-	-	48,370
Net loss for the period	-	-	-	-	-	(19,814)	(19,814)
Balance - March 31, 2019	<u>75,000,000</u>	<u>\$ 75,000</u>	<u>-</u>	<u>\$ -</u>	<u>3,493,898</u>	<u>\$ (3,540,342)</u>	<u>28,556</u>

CARDXX, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD
(Unaudited)

	For the six months ended December 31,	
	2018	2017
OPERATING ACTIVITIES:		
Net loss	\$ (19,814)	\$ -
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Stock issued to related party	48,370	-
Changes in assets and liabilities		
Interest receivable	(44)	-
NET CASH USED IN OPERATING ACTIVITIES	<u>28,512</u>	<u>-</u>
INVESTING ACTIVITIES:		
Note to related party	(31,470)	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(31,470)</u>	<u>-</u>
FINANCING ACTIVITIES:		
Proceeds from related party notes payable	19,858	-
Payments on related party debt	(16,900)	-
Payments Bridge note	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>2,958</u>	<u>-</u>
EFFECT OF EXCHANGE RATE CHANGES	-	-
NET INCREASE IN CASH	-	-
CASH – BEGINNING OF PERIOD	-	-
CASH – END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Non cash investing and financing activities:		
Note to related party	(31,470)	-
Payments on related party notes payable	(19,600)	-

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

CARDXX, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD MARCH 31, 2019 and JUNE 30, 2018
Unaudited

Note 1 – Organization and basis of accounting

Basis of Presentation and Organization

CARDXX, LLC was formed on August 12, 1996, under the laws of the State of Colorado, however operations commenced in April 1997. On September 11, 1998, an agreement and plan of reorganization was made between CARDXX, LLC and International Interchange Corporation, ["IIC"] a Nevada corporation whereby IIC acquired all the assets and assumed all the liabilities of CARDXX, LLC in exchange for a total of 4,715,234 shares of common stock of IIC, including 2,076,630 shares issued on stockholders' debt conversion [See Note 4C]. For accounting purposes, this was treated as a reverse acquisition with CARDXX, LLC as the acquiror. The financial statements of the Company reflect the operations of CARDXX, LLC and IIC from September 11, 1998 onward. The financial statements prior to September 11, 1998 reflect the operations and financial position of CARDXX, LLC only. Pursuant to the reorganization, CARDXX, LLC changed its name to CARDXX, Inc. [the "Company"] on September 14, 1998. The Company's principal business activity has been the designing, manufacturing and distributing of smart cards using a state-of-the art proprietary production process known as the Reaction Assisted Molded Process ["RAMP"]. The use of smart cards in the United States has only recently begun. The Company anticipates international sales will account for a significant portion of revenues in the future.

The Company is located in Windsor, Colorado. The Company is in the development stage, as defined in Financial Accounting Standards Board Statement No. 7, "Accounting and Reporting for Development Stage Companies."

On February 12, 2019, the eight judicial District Court of Nevada appointed Custodian Ventures, LLC as custodian for CARDXX, Inc., proper notice having been given to the officers and directors of CARDXX, Inc. There was no opposition.

On February 13, 2019, the Company filed a certificate of revival with the state of Nevada, appointing David Lazar as, President, Secretary, Treasurer and Director.

The accompanying financial statements are prepared on the basis of accounting principles generally accepted in the United States of America ("GAAP"). The Company is a development stage enterprise devoting substantial efforts to establishing a new business, financial planning, raising capital, and research into products which may become part of the Company's product portfolio. The Company has not realized significant sales through since inception. A development stage company is defined as one in which all efforts are devoted substantially to establishing a new business and, even if planned principal operations have commenced, revenues are insignificant.

The accompanying financial statements have been prepared assuming the continuation of the Company as a going concern. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and is dependent on debt and equity financing to fund its operations. Management of the Company is making efforts to raise additional funding until a registration statement relating to an equity funding facility is in effect. While management of the Company believes that it will be successful in its capital formation and planned operating activities, there can be no assurance that the Company will be able to raise additional equity capital, or be successful in the development and commercialization of the products it develops or initiates collaboration agreements thereon. The accompanying financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Note 2 – Summary of significant accounting policies

Cash and Cash Equivalents

For purposes of reporting within the statements of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Employee Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718 Compensation - Stock Compensation ("ASC 718"). ASC 718 addresses all forms of share-based payment ("SBP") awards including shares issued under employee stock purchase plans and stock incentive shares. Under ASC 718 awards result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest and will result in a charge to operations.

Estimates

The financial statements are prepared on the basis of accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of March 31, 2019 and March 31, 2018, and expenses for the nine months ended March 31, 2019 and 2018, and cumulative from inception. Actual results could differ from those estimates made by management.

Subsequent Event

The Company evaluated subsequent events through the date when financial statements are issued for disclosure consideration.

Adoption of Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Recent Accounting Pronouncements

In February 2016, the FASB issued an accounting standards update for leases. The ASU introduces a lessee model that brings most leases on the balance sheet. The new standard also aligns many of the underlying principles of the new lessor model with those in the current accounting guidance as well as the FASB's new revenue recognition standard. However, the ASU eliminates the use of bright-line tests in determining lease classification as required in the current guidance. The ASU also requires additional qualitative disclosures along with specific quantitative disclosures to better enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The pronouncement is effective for annual reporting periods beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, for nonpublic entities using a modified retrospective approach. Early adoption is permitted. The Company is still evaluating the impact that the new accounting guidance will have on its consolidated financial statements and related disclosures and has not yet determined the method by which it will adopt the standard.

Note 3- Going Concern

The accompanying financial statements have been prepared assuming the continuation of the Company as a going concern. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and is dependent on debt and equity financing to fund its operations. Management of the Company is making efforts to raise additional funding until a registration statement relating to an equity funding facility is in effect. While management of the Company believes that it will be successful in its capital formation and planned operating activities, there can be no assurance that the Company will be able to raise additional equity capital or be successful in the development and commercialization of the products it develops or initiates collaboration agreements thereon. The accompanying financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Note 4 – Discontinued Operations

The Company has fully impaired all assets since the shutdown of its operations in 2000 and has recorded the effects of this impairment as part of its discontinued operations. With the absence of a substantial amount of the old records and the passage of the statute of limitations the company has recorded a discontinued operations expense in 2000 the most current year since operations shutdown based on the accumulated records obtained to date through the third quarter 2019.

Note 5 – Related Party Transactions

On March 14, 2019, the Company obtained a promissory note in amount of \$31,470 from its custodian, Custodian Ventures, LLC, the managing member being David Lazar. The note bears an interest of 3% and all unpaid interest and principal is due within 180 days following written demand.

On March 14, 2019, the Company issued 48,369,855 shares of common stock to Custodian Ventures, LLC at par for shares valued at \$48,370 in exchange for settlement of a portion of a related party loan for amounts advanced to the Company in the amount of \$16,900, and the promissory

note issued to the Company in the amount \$31,470. As of March 31, 2019, a total of \$31,514, which consists of principle of \$31,470 and accrued interest of \$44, is due to the Company.

During the nine months ended March 31, 2019, Custodian Ventures, LLC advanced a total of \$19,858 to the Company for payment of registration, legal and accounting fees. As of March 31, 2019, the company had a loan payable remaining of \$2,958 to Custodian Ventures, LLC. This loan is unsecured, non-interest bearing, and has no specific terms for repayment.

Note 6 – Common stock

On March 14, 2019, the Company issued 48,369,855 shares of common stock to Custodian Ventures, LLC at par for shares valued at \$48,369 in exchange for settlement of a portion of a related party loan for amounts advanced to the Company in the amount of \$16,900, and the promissory note issued to the Company in the amount \$31,470 in consideration for services provided to the company.

As of March 31, 2019, a total of 75,000,000 shares of common stock with par value \$0.001 remain outstanding.

Note 7 – Subsequent Event

The Company evaluates events that occur after the year-end date through the date the financial statements are available to be issued. Accordingly, management has evaluated subsequent events through May 23, 2019, and has determined that there were no subsequent events, requiring adjustment to, or disclosure in, the financial statements.

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Item 5. Description of the Issuer's Business, Products, and Services

- A. CARDXX, Inc. currently has no operations.
- B. The company is affiliated with Custodian Ventures LLC, which is owned by David Lazar, CEO located at 3445 Lawrence Avenue Oceanside, NY 11572.
- C. The issuers principal service is:
- a. Custodianship; No operations.

Item 6. Description of the Issuers facilities

CARDXX, Inc.'s currently has no operating facility.

Item 7. Officers Directors and Control Persons

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
David Lazar	<u>Officer/Owner of more than 5%</u>	<u>3445 Lawrence Avenue</u> <u>Oceanside, NY</u> <u>11572</u>	48,369,855	<u>Common Stock</u>	64%	

Item 8. Legal/Disciplinary History

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

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

None Noted

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None Noted

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.

None Noted

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the

proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None noted.

Item 9. Third Party Providers

The following provide services to the Issuer:

Matthew McMurdo, Esq.
McMurdo law group, LLC
Legal Services
1185 Avenue of Americas, 3rd Floor
New York, NY 10036
917 318 2865

Mario A. Beckles, CPA
Beckles & Co.
2001 Hollywood Blvd. Suite 208
Hollywood, FL 33020
954 251 2005

Item 10. Issuer Certification

I, David Lazar, certify that:

I have reviewed this quarterly statement of CARDXX, Inc.; and

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

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 : May 23, 2019

/s/ David Lazar

Chief Executive Officer
