

**Optimus Healthcare Services, Inc.
(Formerly Between Dandelions, Inc.) and
Subsidiaries**

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended

December 31, 2021

**OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES**

FOR THE YEAR ENDED DECEMBER 31, 2021

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Consolidated Financial Statements

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Optimus Healthcare Services, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Optimus Healthcare Services, Inc. and subsidiaries (the “Company”) as of December 31, 2021 and 2020, and the related consolidated statements of operations, changes in shareholders’ equity, and cash flows for each of the years in the two-year period ended December 31, 2021, 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, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

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. 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 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.

We identified the valuation of the convertible notes and related conversion features and warrants issued as a critical audit matter.

The primary procedures performed to address this critical audit matter included the following: We evaluated and discussed with management their analysis of the various terms within the related agreements. We read and analyzed the preferred stock and note agreements to ensure management’s assessments were correct, whether the conversion features should be bifurcated, and whether a beneficial conversion feature existed. We tested the calculations related to the carrying value of the instrument and each of the conversion features as well as their classification of debt or equity. We recalculated the amortization of the debt discount recorded as interest expense.

Correction of Material Misstatement in Previously Issued Financial Statements

As discussed in Note 3 to the financial statements, the financial statements for the year ended December 31, 2020 have been restated to correct a misstatement.

Substantial Doubt about the Company’s ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 6 to the financial statements, the Company’s significant recurring losses raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

/s/ Seligson & Giannattasio, LLP

We have served as the Company's auditor since 2021.

White Plains, New York
March 25, 2022

OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31, 2021	As of December 31, 2020 (Restated)
Assets		
Current assets		
Cash and cash equivalents	\$ 260,838	\$ 1,041,890
Accounts receivable	474,638	586,698
Deposits and prepaid expenses	10,945	7,414
Investment in marketable securities	1,327,440	-
Total current assets	2,073,861	1,636,002
Right-of-use asset	318,717	358,024
Property, plant and equipment, net	4,516	-
Intangible assets - software development costs, net	1,899,748	-
Goodwill	2,820,345	-
Deferred tax asset	666,616	-
Total Assets	\$ 7,783,803	\$ 1,994,026
Liabilities & Stockholders' Equity		
Current liabilities		
Accounts payable & accrued liabilities	\$ 1,190,431	\$ 929,798
Line of credit	150,079	201,556
Notes payable	617	4,300
Notes payable, related party	25,200	35,100
Paycheck protection program loan, current	5,304	3,827
Operating lease liability, current	45,224	38,568
Total current liabilities	1,416,855	1,213,149
Operating lease liability, non-current	279,968	321,214
Convertible notes payable, net of discount	663,014	-
Paycheck protection program loan	11,482	15,310
Total Liabilities	2,371,319	1,549,673
Commitments and contingencies		
Stockholders' Equity (Deficit)		
Series A Preferred stock, \$0.001 par value; 10,000,001 authorized: 10,000,001 shares issued and outstanding	10,001	10,001
Series B Preferred stock, \$0.001 par value; 60,000,000 authorized: 8,105,724 shares issued and outstanding	8,106	8,106
Common stock, \$0.001 par value; 130,000,000 shares authorized; 26,225,974 and 8,038,115 shares issued and outstanding at December 31, 2021 and 2020, respectively	26,226	8,038
Common stock to be issued	0	13,000
Additional paid in capital	13,676,762	961,728
Accumulated deficit	(8,307,686)	(281,507)
Controlling interest	5,413,409	719,366
Non-controlling interest	(925)	(275,013)
Total Stockholders' Equity	5,412,484	444,353
Total Liabilities and Stockholders' Equity	\$ 7,783,803	\$ 1,994,026

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

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OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the years ended December 31,	
	2021	2020 (Restated)
Revenue	\$ 827,266	\$ 1,085,712
Cost of sales	108,702	205,803
Gross profit	718,564	879,909
Operating expenses:		
Stock based compensation	4,700,222	-
Personnel expenses	1,581,716	884,374
General and administrative expenses	1,499,791	354,761
Professional fees	676,613	22,620
Total operating expenses	8,458,342	1,261,755
Loss from operations	(7,739,778)	(381,846)
Other income (expense):		
Amortization of debt discount	(663,014)	-
Forgiveness of PPP loan	148,975	126,546
Interest expense	(157,330)	(10,119)
Net loss from investments	(22,560)	-
Interest income	15,000	-
Total other income (expense)	(678,929)	116,427
Income tax benefit (expense)	666,616	-
Net loss attributable:		
Non-controlling interest	(312)	(115,353)
Common stockholders	(7,751,779)	(150,066)
Net loss	\$ (7,752,091)	\$ (265,419)
Basic and diluted earnings per share on net loss	\$ (0.46)	\$ (0.01)
Weighted average shares outstanding - basic and diluted	16,993,671	21,038,115

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

OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Common Stock to be Issued		Additional Paid in Capital	Accumulated Deficit	Non-Controlling Interest	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balance January 1, 2020	10,000,000	10,001	8,105,724	8,106	8,038,115	8,038	-	-	-	(131,441)	(159,660)	(264,956)
Recapitalization at reverse merger - December 28, 2020	-	-	-	-	-	-	13,000,000	13,000	961,728	-	-	974,728
Net loss	-	-	-	-	-	-	-	-	-	(150,066)	(115,353)	(265,419)
Balance December 31, 2020	10,000,000	10,001	8,105,724	8,106	8,038,115	8,038	13,000,000	13,000	961,728	(281,507)	(275,013)	444,353
Issuance of common stock previously in common stock to be issued	-	-	-	-	13,000,000	13,000	(13,000,000)	(13,000)	-	-	-	-
Sale of common stock	-	-	-	-	1,460,000	1,460	-	-	1,458,540	-	-	1,460,000
Issuance of common stock for acquisition of AdHere Rx Corporation	-	-	-	-	2,000,000	2,000	-	-	4,558,000	-	-	4,560,000
Common stock issued with convertible debt	-	-	-	-	1,727,859	1,728	-	-	927,034	-	-	928,762
Stock-based compensation	-	-	-	-	-	-	-	-	4,700,222	-	-	4,700,222
Warrants issued with convertible debt	-	-	-	-	-	-	-	-	88,691	-	-	88,691
Fair value of beneficial conversion feature	-	-	-	-	-	-	-	-	982,547	-	-	982,547
Reduction in non-controlling interest (ownership)	-	-	-	-	-	-	-	-	-	(274,400)	274,400	-

change from
49% to 0.12%)

Net loss - - - - - - - - - - (7,751,779) (312) - (7,752,091)

Balance
December 31,
2021 **10,000,00** **1** \$ **10,001** **8,105,72** **4** \$ **8,106** **26,225,97** **4** \$ **26,226** - \$ - \$ **13,676,762** \$ **(8,307,686)** \$ **(925)** \$ **5,412,484**

The accompanying notes are an integral part of these consolidated financial statements
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OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,	
	2021	2020 (Restated)
Cash Flows from Operating Activities		
Net Loss	\$ (7,752,091)	\$ (265,419)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	313,814	-
Stock-based compensation	4,700,223	-
Gain on forgiveness of PPP loan	(148,975)	(126,546)
Net loss from investments	22,560	-
Interest income	-	-
Amortization of debt discount	663,014	-
Right-of-use asset	4,717	1,758
Income tax benefit (expense)	(666,616)	-
Changes in operating assets & liabilities		
Accounts receivable	112,060	137,007
Deposits & prepaid expenses	(2,760)	-
Accounts payable and accrued liabilities	-	(4,936)
Net cash used by operating activities	(2,754,054)	(258,136)
Cash Flows from Investing Activities		
Cash acquired in business combination	82,157	1,160,815
Purchase of marketable securities	(1,350,000)	-
Acquisition of intangible assets	(311,592)	-
Acquisition of fixed assets	(5,061)	-
Net cash used by investing activities	(1,584,496)	1,160,815
Cash Flows from Financing Activities		
Sale of common stock	1,460,000	-
Proceeds from convertible notes payable	2,000,000	-
Proceeds from PPP loan	148,975	145,682
Payments on line of credit	(51,477)	(6,584)
Net cash provided by financing activities	3,557,498	139,098
Increase in Cash	(781,052)	1,041,777
Cash (and equivalents) at beginning of period	1,041,890	113
Cash (and equivalents) at end of period	\$ 260,838	\$ 1,041,890
Supplemental Cash Flow Information		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
Non-cash investing and financing activities:		
Common stock issued for business combination	\$ 4,560,000	\$ -

Software development costs acquired in business combination	\$	2,026,245	\$	-
Fair value of beneficial conversion feature	\$	982,547	\$	-
Warrants issued with convertible notes payable	\$	88,691	\$	-
Common stock issued with convertible notes payable	\$	928,762	\$	-

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

**OPTIMUS HEALTHCARE SERVICES, INC.
(FORMERLY BETWEEN DANDELIONS, INC.) AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

1. Nature of operations

Optimus Healthcare Services, Inc. (formerly Between Dandelions, Inc., "Optimus", "The Company") was initially organized under the laws of Florida on February 26, 1990 as Phoenix Management Associates, Inc. Over the ensuing years, the Company made a series of amendments to its Articles of Incorporation relating to authorization of various series of Preferred Shares and made a series of name changes. The current name of Optimus Healthcare Services, Inc. became effective with the State of Florida on January 24, 2021.

On December 28, 2020, the Company acquired 100% of the outstanding equity interests in Optimus Healthcare Services, Inc., a Delaware corporation ("Optimus") in exchange for 9,998,899 shares of its Series A convertible preferred stock and 18,000,000 shares of its common stock. Optimus owned 51% of Clinical Research Alliance Acquisition Corp. ("CRAAC"), which owns 100% of the outstanding equity interests in Clinical Research Alliance, Inc. ("CRA"). On September 1, 2021, Optimus exchanged \$425,000 of debt it had loaned to CRAAC for 425,000 shares of CRAAC stock. After the exchange Optimus owns 99.88% of CRAAC.

CRA is a team of oncologists and medical professionals united by a shared commitment to clinical research, founded by Dr. Francis P. Arena and Morton Coleman. CRA provides community-oriented physicians with the necessary infrastructure and support to enroll their patients in cutting edge clinical trials. CRA has approximately 60 physicians involved as members of CRA. This network is managed from a central location which contracts for all pharmaceutical trials and handles all clinical coordination and data collection. This central location employs experienced medical professionals that travel to sub-sites for essential study visits. Additionally, a physician at our main site is in constant contact with sub-sites to provide the necessary oversight to conduct trials smoothly and efficiently.

On March 25, 2021, Optimus Health, Inc., a wholly owned subsidiary of the Company, acquired 100% of the outstanding equity interests in AdhereRX Corporation (d/b/a PainScript) ("PainScript") in exchange for an aggregate of 2,000,000 shares of the Company's common stock, including shares issuable upon satisfaction of certain milestones.

PainScript's (www.painscript.com) medical treatment compliance platform, which is focused on creating a personalized pathway to support chronic care management (CCM) interventions for patients suffering from opioid and other substance use disorders (SUD). The platform is a technology based clinically validated (9-separate published and peer-reviewed clinical trials) protocols. PainScript's approach is very accessible and user-friendly via a digital platform to provide the physician and patients daily, evidence-based telehealth monitoring interventions designed to effectively improve patient compliance with treatment protocols, leading to better health outcomes and a reduction in related healthcare costs.

The platform uses daily contact between scheduled therapy treatments as the evidence demonstrates greater adherence to clinical protocols that, in turn, leads to an improved health benefit. The PainScript platform is designed with a HIPAA compliant, "concierge medicine" approach, allowing for real-time doctor-patient interactions, remote monitoring and communication, appointment scheduling and an early warning of treatment complications. Near-term additions to the platform include AI/ML analysis and Electronic Healthcare Record (EHR) transcription.

The Company focuses on acquiring controlling interests in healthcare-related businesses. Currently, the Company owns and operates Clinical Research Alliance, Inc and AdhereRX Corporation (d/b/a PainScript).

2. Summary of significant accounting policies

Principles of Consolidation

The consolidated financial statements which include the accounts of the Company, and its subsidiaries, CRAAC, CRA and PainScript are prepared in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP). All significant intercompany balances and transactions have been eliminated. The consolidated financial statements and related disclosures have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The results of operations of any interim period are not necessarily indicative of the results for the full year. The fiscal year end is December 31.

Use of Estimates

The preparation of financial statements in conformity with 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant assumptions and estimates relate to the valuation of equity issued for services, valuation of equity associated with convertible debt, the valuation of derivative liabilities, and the valuation of deferred tax assets. Actual results could differ from these estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Update (“ASU”) 2014-09, “*Revenue from contracts with customers*,” (Topic 606). Revenue is recognized when a customer obtains control of promised goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount: (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation. The Company’s main revenue stream is from services. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company’s performance obligations are transferred to customers at a point in time, typically upon delivery.

For services performed by CRA, the Company’s performance obligations are generally met at the point in time the services are rendered.

AdHere Rx, Inc. provides software services primarily to physicians and physician groups through a cloud software as a service (SaaS) platform through which customers will be billed on a periodic basis for the services. AdHere Rx, Inc. will typically meet its performance obligations over a period of time. Revenues will be recognized ratably over the related contractual term of the service.

Accounts Receivable

Trade accounts receivable are recorded at the net invoice value and are not interest bearing. The Company considers receivables past due based on the payment terms. The Company reviews its exposure to amounts receivable and reserves specific amounts if collectability is no longer reasonably assured. The Company also reserves a percentage of its trade receivable balance based on collection history and current economic trends that might impact the level of future credit losses. The Company re-evaluates such reserves on a regular basis and adjusts its reserves as needed.

Fair Value Measurements and Fair Value of Financial Instruments

Accounting Standard Codification (“ASC”) Topic 820, *Fair Value Measurements*, clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2: Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3: Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The estimated fair value of certain financial instruments, including all current liabilities are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

ASC subtopic 825-10, *Financial Instruments* (“ASC 825-10”) requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows ASC subtopic 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10") and ASC 825-10, which permits entities to choose to measure many financial instruments and certain other items at fair value.

The following table represents the Company's assets and liabilities by level measured at fair value on a recurring basis at December 31, 2021.

Description	December 31, 2021			December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Marketable securities	\$ 1,327,440	—	—	\$ -	—	—

Derivative Liability

The Company evaluates convertible instruments, options, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under ASC Topic 815, *Derivatives and Hedging*. The result of this accounting treatment is that the fair value of the derivative is marked-to-market each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income (expense). Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Equity instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815 are reclassified to liabilities at the fair value of the instrument on the reclassification date. The Company currently has no derivative liability instruments.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Finite-lived Intangible Assets

Our internal software development costs primarily relate to internal-use software. Such costs are capitalized in the application development stage in accordance with ASC 350-40, *Internal-use Software* ("ASC 350-40"). We also capitalize software development costs upon the establishment of technological feasibility for a product in accordance with ASC 985-20, *Software to be Sold, Leased, or Marketed* ("ASC 985-20"). Software development costs are amortized on a straight-line basis.

Goodwill

We assess goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, by comparing its carrying value to the reporting unit's fair value. For the year ended December 31, 2021, we determined that there was no goodwill impairment.

Stock Based Compensation

The Company records stock-based compensation in accordance with the provisions of FASB ASC Topic 718, *Accounting for Stock Compensation*, which establishes accounting standards for transactions in which an entity exchanges its equity instruments for goods or services. In accordance with guidance provided under ASC Topic 718, the Company recognizes an expense for the fair value of its stock awards at the time of grant and the fair value of its outstanding stock options as they vest, whether held by employees or others. On May 25, 2021, the Company granted 4,747,500 options and on September 14, 2021 the Company granted 550,000 options. For the year ended December 31, 2021, the Company recorded \$4,700,222 in stock compensation expense.

Convertible Debentures

If the conversion features of conventional convertible debt provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount pursuant to ASC Topic 470-20 "Debt with Conversion and Other Options". In those circumstances, the convertible debt is recorded net of the discount related to the BCF, and the Company amortizes the discount to interest expense, over the life of the debt. During the years ended December 31, 2021, the Company recorded a BCF in the amount of \$982,547.

Advertising, Marketing and Public Relations

The Company follows the policy of charging the costs of advertising, marketing, and public relations to expense as incurred. There were \$9,380 and \$0 advertising expenses for the years ended December 31, 2021 and 2020, respectively.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss, capital loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. CRA had elected Subchapter S corporation status for income tax purposes. As a result, items of profit and loss were taxed to the shareholders of CRA and no provision was made for federal or state income taxes. Effective upon being acquired by CRAAC on November 25, 2020, the Subchapter S election of CRA was automatically terminated.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits as a component of general and administrative expenses. Our federal tax return and any state tax returns are not currently under examination.

The Company has adopted FASB ASC 740-10, *Accounting for Income Taxes*, which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually from differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Net Income (Loss) Per Common Share

The Company computes loss per common share, in accordance with FASB ASC Topic 260, *Earnings Per Share*, which requires dual presentation of basic and diluted earnings per share. Basic income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period. Diluted income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding, plus the issuance of common shares, if dilutive, that could result from the exercise of outstanding stock options and warrants. No potential dilutive common shares are included in the computation of any diluted per share amount when a loss is reported.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require lessees to recognize almost all leases on their balance sheet as a right-of-use asset and a lease liability. For income statement purposes, the FASB retained a dual model, requiring leases to be classified as either operating or finance. Classification will be based on criteria that are largely similar to those applied in current lease accounting, but without explicit bright lines. Lessor accounting is similar to the current model, but updated to align with certain changes to the lessee model and the new revenue recognition standard. This ASU is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company has adopted this guidance effective January 1, 2019.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the consolidated financial statements unless otherwise disclosed, and the Company 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.

3. Restatement of Previously Issued Financial Statements

The financial statements for the period ending December 30, 2020, requires restatement to correct errors related to the following:

- Correction of negative balance in additional paid-in capital from the year ended December 31, 2019.
- Addition of right-of-use asset and operating lease liability due to implementation of ASC 842 related to facilities lease.

The tables below show the impact of the errors before and after restatement for the relevant sections of the financial statements and the individual lines.

	Period ended December 31, 2020			
	Reported	Right-of-use asset / operating lease liability	Adjustment to APIC	As Restated
ASSETS				
Right-of-use asset	\$ -	\$ 358,024	\$ -	\$ 358,024
Total assets	\$ 1,636,002	\$ 358,024	\$ -	\$ 1,994,026
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current liabilities:				
Operating lease liability, current	\$ -	\$ 38,568	\$ -	\$ 38,568
Non-current liabilities:				
Operating lease liability, non-current	-	321,214	-	321,214
Total liabilities	\$ 1,189,891	\$ 359,782	\$ -	\$ 1,549,673
Stockholder's Equity				
Additional paid-in capital	935,733		25,995	961,728
Accumulated deficit	(243,350)	(12,162)	(25,995)	(281,507)
Controlling interest	731,528	(12,162)	-	719,366
Non-controlling interest	(285,417)	10,404	-	(275,013)
Total stockholders' equity	446,111	(1,758)	-	444,353
Total liabilities and stockholders' equity	\$ 1,636,002	\$ 358,024	\$ -	\$ 1,994,026

	Period ended December 31, 2019		
	Reported	Adjustment to APIC	As Restated
Stockholder's Equity			
Additional paid-in capital	-25,995	25,995	0
Accumulated deficit	-105,446	-25,995	-131,441
Total stockholders' equity	-264,956	0	-264,956
Total liabilities and stockholders' equity	\$ 730,438	\$ 0	\$ 730,438

For the year ended December 30, 2020

	Reported	Adjustments	As Restated
Total operating expenses	1,259,997	1,758	1,261,755
Net operating loss	-380,088	-1758	-381,846
Net loss attributable:			
Non-controlling interest	-125,757	10,404	-115,353
Common stockholders	(137,904)	-12,162	-150,066
Net income (loss)	-263,661		-265,419

	Reported	Adjustments	As Restated
Cash Flows from Operating Activities			
Net Loss	\$ (263,661)	(1,758)	(265,419)
Adjustments to reconcile net loss to cash used by operating activities:			
Right-of-use asset	1,758	0	1,758
Net cash used by operating activities	(258,136)	(1,758)	(258,136)

4. Concentration of credit risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of accounts receivable. The Company maintains accounts with financial institutions. All cash in checking accounts is non-interest bearing and is fully insured by the Federal Deposit Insurance Corporation (FDIC). At times, cash balances may exceed the maximum coverage provided by the FDIC on insured depositor accounts. The Company believes it mitigates its risk by depositing its cash and cash equivalents with major financial institutions. At December 31, 2021, the Company had no deposits in excess of FDIC insurance.

5. Operating lease right-of-use asset and operating lease liability

The Company leases 2,275 square feet of office space located at 1400 Old Country Road, Suite 304N, Westbury, New York, 11590. The Company entered into a lease agreement commencing on September 1, 2020 through July 31, 2027. The following table illustrates the base rent amounts over the term of the lease:

Rent Periods	Base Rent
September 1, 2020 to August 31, 2021	\$ 5,308
September 1, 2021 to August 31, 2022	\$ 5,448
September 1, 2022 to August 31, 2023	\$ 5,591
September 1, 2023 to August 31, 2024	\$ 5,739
September 1, 2024 to August 31, 2025	\$ 5,891
September 1, 2025 to August 31, 2026	\$ 6,048
September 1, 2026 to August 31, 2027	\$ 6,210

The Company has an equipment lease commencing on January 1, 2021 through December 1, 2023. The contract requires payments of \$179 per month.

Operating lease right-of-use asset and liability 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 our incremental borrowing rate, estimated to be 7.5%, as the interest rate implicit in most of our leases is not readily determinable. Operating lease expense is recognized on a straight-line basis over the lease term. Since the common area maintenance expenses are expenses that do not depend on an index or rate, they are excluded from the measurement of the lease liability and recognized in other general and administrative expenses on the statements of operations.

Right-of-use asset is summarized below:

	December 31, 2021	December 31, 2020
Office lease	\$ 371,832	\$ 371,832
Equipment lease	5,611	-
Less: accumulated amortization	(58,726)	(13,808)
Right-of-use asset, net	<u>\$ 318,717</u>	<u>\$ 358,024</u>

Operating lease liability is summarized below:

	December 31, 2021	December 31, 2020
Office lease	\$ 321,214	\$ 359,782
Equipment lease	3,978	-
Less: current portion	(45,224)	(38,568)
Long term portion	<u>279,968</u>	<u>321,214</u>

Maturity of the lease liability is as follows:

	December 31, 2021	December 31, 2020
Fiscal year ending December 31, 2021	\$ -	\$ 64,257
Fiscal year ending December 31, 2022	69,094	65,946
Fiscal year ending December 31, 2023	69,834	67,686
Fiscal year ending December 31, 2024	69,477	69,477
Fiscal year ending December 31, 2025	71,323	71,323
Fiscal year ending December 31, 2026	73,223	73,223
Fiscal year ending December 31, 2027	49,677	49,677
	<u>402,628</u>	<u>461,589</u>
Present value discount	(77,436)	(101,807)
Lease liability	<u>\$ 325,192</u>	<u>\$ 359,782</u>

6. Going Concern

The Company's consolidated financial statements are prepared using the GAAP applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. At December 31, 2021 and 2020, the Company had \$260,838 and \$1,041,890 in cash and \$657,006 and \$422,853 in working capital, respectively. For the years ended December 31, 2021 and 2020, the Company had a net loss of \$7,752,091 and \$265,419, respectively. Continued losses may adversely affect the liquidity of the Company in the future.

In view of the matters described in the preceding paragraph, recoverability of a major portion of the recorded asset amounts shown in the accompanying consolidated balance sheets is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. These factors raise substantial doubt about the Company's ability to continue as a going concern within one year of the date these financial statements are issued. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has operating costs and expenses at the present time for development of its business activities. The Company, however, will be required to raise additional capital over the next twelve months to meet its current administrative expenses, and it may do so in connection with or in anticipation of possible acquisition transactions. This financing may take the form of additional sales of its equity securities loans from its directors and/or convertible notes. There is no assurance that additional financing will be available, if required, or on terms favorable to the Company.

7. Reverse merger

Optimus Healthcare Services, Inc.

On December 28, 2020, the Company acquired 100% of the outstanding equity interests in Optimus Healthcare Services, Inc., a Delaware corporation (“Optimus”) in exchange for 9,998,899 shares of its Series A convertible preferred stock and 18,000,000 shares of its common stock.

On November 6, 2020, Optimus acquired 51% of Clinical Research Alliance Acquisition Corp. (“CRAAC”) as a founder.

On November 25, 2020, CRAAC acquired 100% of the outstanding equity interest in Clinical Research Alliance, Inc. (“CRA”). On September 1, 2021, Optimus exchanged \$425,000 of debt it had loaned to CRAAC for 425,000 shares of CRAAC stock. After the exchange Optimus owns 99.88% of CRAAC.

Each of the acquisitions resulted in the shareholders of CRA obtaining control resulting in CRA as the accounting acquirer.

The Series A Preferred Stock votes and is convertible into four times the sum of (i) the total number of shares of common stock issued and outstanding at the time of conversion plus (ii) the total number of shares of Series B Preferred Stock which are issued and outstanding at the time of conversion. In connection with the transaction all prior officers and directors of the Company (except Michael Pruitt) resigned and new officers and directors were appointed as officers and directors of the Company. In connection with this transaction, the former CEO agreed to return 5,000,000 shares of common stock.

In connection with this transaction, the Company filed a certificate of amendment to its Articles of Incorporation with the State of Florida changing its name to “Optimus Healthcare Services, Inc.” (January 24, 2021).

The transaction has been accounted for as a reverse merger with Optimus Healthcare Services, Inc. as the accounting acquirer and Between Dandelions, Inc. as the accounting acquiree. The financial reporting will reflect the accounting from the perspective of Optimus (“accounting acquirer”), except for the legal capital, which has been retroactively adjusted to reflect the capital of Between Dandelions (“accounting acquiree”) in accordance with ASC 805-40-45-1.

8. Business acquisition

On March 25, 2021, Optimus Health, Inc., a wholly owned subsidiary of the Company, acquired 100% of the outstanding equity interests in Adherx Corporation (d/b/a Painscript) (“PainScript”) in exchange for an aggregate of 2,000,000 shares of the Company’s common stock which includes 400,000 shares held in escrow. Per the agreement, the escrow shares are released if the meets commercialization success and are cancelled if it doesn’t meet commercialization success. A review of this contingent consideration was made and was determined to be classified as equity because the contingent consideration is a fixed amount of shares. Prior to Closing, the Company made a loan of \$150,000 to Painscript, which was converted to an intercompany loan upon closing of the acquisition. At the Closing, the Company made an intercompany loan of \$100,000 to Painscript. The Company analyzed the acquisition under applicable guidance and determined that the acquisition should be accounted for as a business combination. The purchase price allocation is as follows:

Consideration		
2,000,000 shares of common stock	\$	4,560,000
Total consideration	\$	4,560,000
Fair value of net identifiable assets (liabilities) acquired		
Cash	\$	128,934
Employee advance		15,000
Intangible assets – software development costs		1,901,427
Total fair value of net identifiable assets	\$	2,045,361
Accounts payable	\$	74,703
Accrued liabilities		31,003
Loan payable		200,000
Total fair value of net identifiable liabilities	\$	305,706
Fair value of net identifiable assets (liabilities) acquired	\$	1,739,655
Goodwill	\$	2,820,345

9. Property, plant and equipment

Property, plant and equipment consisted of the following at December 31, 2021:

	December 31, 2021
Furniture and fixtures	\$ 11,555
Computer equipment	3,904
	<u>15,459</u>
Less: Accumulated depreciation	(10,943)
Property, plant and equipment - net	<u>\$ 4,516</u>

Depreciation expense was \$544 for the year ended December 31, 2021.

10. Intangible assets

Intangible assets consisted of the following at December 31, 2021:

	December 31, 2021
Software development costs	\$ 2,026,245
Less: Accumulated amortization	(126,497)
Software development costs - net	<u>\$ 1,899,748</u>

Amortization expense was \$126,497 for the year ended December 31, 2021.

11. Marketable securities and other investments

Our marketable securities are stated at fair value in accordance with ASC Topic 321, *Investments- Equity Securities*. Any changes in the fair value of the Company's marketable securities are included in net income under the caption of net loss from investments. The market value of the securities is determined using prices as reflected on an established market. Realized and unrealized gains and losses are determined on an average cost basis. The marketable securities are investments predominately in shares of large publicly traded securities which are being invested until such time the funds are needed for operations.

The value of these marketable securities at December 31, 2021 is as follows:

	Brokerage Account
Cost	\$ 1,350,000
Gross unrealized gain	-
Gross unrealized loss	(22,560)
Fair value	<u>\$ 1,327,440</u>

The above marketable securities are reflected as level 1 assets as the securities prices are quotes in an established market. The Company has reflected \$22,560 in net unrealized losses and has reported these securities as net losses from investments on the statement of operations during the years ended December 31, 2021. There were no realized gains or losses on marketable securities in the years ended December 31, 2020.

12. Line of credit

As of December 31, 2021 and 2020, the balance of the line of credit was \$150,079 and \$201,556, respectively. The Company has a line of credit with Chase Bank with a credit limit is \$250,000. The line of credit has a variable interest rate equal to the sum of the prime rate plus 1.64%. During the years ended December 31, 2021, the Company repaid \$51,477 towards the line of credit balance.

13. Notes payable

As of December 31, 2021 and 2020, the balance of the notes payable was \$617 and \$4,300, respectively. The notes are outlined in the following table:

	As of December 31, 2021	As of December 31, 2020
<i>Notes payable</i>		
\$2,800, issued March 20, 2013, 10% coupon, due on demand*	\$ 617	\$ 2,800
\$1,500, issued December 31, 2013, 10% coupon, due on demand*	-	1,500
Total long-term notes payable	<u>\$ 617</u>	<u>\$ 4,300</u>

*These notes were acquired in the December 28, 2020 reverse merger.

As of December 31, 2021, the Company has accrued \$3,270 in interest on the notes.

14. Notes payable, related party

As of December 31, 2021 and 2020, the balance of the notes payable, related party was \$25,200 and \$35,100, respectively. The notes are outlined in the following table:

	As of December 31, 2021	As of December 31, 2020
<i>Notes payable, related party</i>		
\$10,000, issued January 5, 2011, no coupon, due on demand	\$ 10,000	\$ 10,000
\$15,000, issued October 7, 2016, no coupon, due on demand	15,000	15,000
\$10,100, issued December 10, 2020, no coupon, due on demand	200	10,100
Total long-term notes payable, related party	<u>\$ 25,200</u>	<u>\$ 35,100</u>

On June 30, 2021, \$10,000 was transferred to a subscription agreement for 10,000 shares at \$1.00 per share.

15. Paycheck protection program loan

PPP Loans

The Company received loan proceeds in the amount of approximately \$145,683 on May 1, 2020. The Company received loan proceeds on the second advance under the PPP in February 2021 totaling \$148,975. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the period.

The Company was granted forgiveness of \$126,546 on the original PPP loan. As a result, the Company recorded a gain on PPP forgiveness in the amount of \$126,546 during the year ended December 31, 2020. The unforgiven portion of the PPP loan totaling \$19,137 is payable over five years at an interest rate of 1%, with a deferral of payments for the first twelve months.

As of December 31, 2021, the non-current portion is \$11,482 and the current portion is \$5,304.

In November 2021, the Company was granted forgiveness on the full \$148,975 of the second advance under the PPP.

16. Convertible notes payable

The carrying value of convertible notes payable, net of discount, as of December 31, 2021 was \$663,014.

May 2021 Financing \$2,200,000 Face Value

On May 25, 2021, the Company entered into a securities purchase agreement with certain institutional investors (collectively, the “May 2021 Investors”) pursuant to which the Company issued convertible notes in an aggregate principal amount of \$2,200,000 for an aggregate purchase price of \$2 million (collectively, the “Notes”). In connection with the issuance of the Notes, the Company issued to the May 2021 Investors warrants to purchase an aggregate of 165,000 shares of Common Stock (collectively, the “Warrants”) and 1,727,859 shares of common stock. The Notes accrue interest at a rate of 9% per annum, subject to increase to 20% per annum upon and during the occurrence of an event of default. Interest is payable in cash on a quarterly basis. The May 2021 Notes are convertible at any time, at the holder’s option, into shares of the Company’s common stock at a conversion price of \$1.00 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 9.99%). The conversion price is also subject to adjustment due to certain events, including stock dividends, and stock splits.

Each Warrant is exercisable for a period of five years from the date of issuance at an initial exercise price of \$1.25 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 9.99%). The exercise price is also subject to adjustment due to certain events, including stock dividends, stock splits and in connection with the issuance by the Company of common stock or common stock equivalents at an effective price per share lower than the exercise price then in effect. The May 2021 Investors may exercise the Warrants on a cashless basis if the shares of common stock underlying the Warrants are not then registered pursuant to an effective registration statement. In the event the May 2021 Investors exercise the Warrants on a cashless basis, then we will not receive any proceeds.

The Company has accounted for these Notes as a financing transaction, wherein the net proceeds that were received were allocated to the financial instrument issued. Prior to making the accounting allocation, the Company evaluated the notes under ASC 815 Derivatives and Hedging (“ASC 815”). ASC 815 generally requires the analysis of embedded terms and features that have characteristics of derivatives to be evaluated for bifurcation and separate accounting in instances where their economic risks and characteristics are not clearly and closely related to the risks of the host contract. There were no embedded instruments which required bifurcation.

We did analyze the detachable warrants under ASC 480-10 and ASC 815. The warrants did not fall under the guidance of ASC 480-10. After analyzing the warrants under ASC 815, it was determined that the warrants did meet all the requirements for equity classification under guidance of ASC 815-40-25-1 through 6.

The fair value of the warrants were calculated using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires inputs such as the risk-free interest rate, expected term and expected volatility. The value used for the warrants recorded was based on its relative fair value. The Company was required to determine if a beneficial conversion feature arose from the convertible debt. If the conversion feature of conventional convertible debt provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). As of the financing date, the conversion price was \$1.00 versus the market price of the stock, which was \$1.78 resulting in a BCF per share of \$0.78. The value of the common stock recorded was based on its relative fair value.

The proceeds of the transaction were allocated as follows:

	May 25, 2021 Notes	
Original issue discount	\$	200,000
Beneficial conversion feature		982,547
Warrants (Equity)		88,691
Common stock		928,762
Face value	\$	2,200,000

For the years ended December 31, 2021, the Company recorded \$121,000 in accrued interest and \$663,014 in the amortization of debt discount.

17. Equity

Sale of Securities

In August 2021, the Company commenced an offering of up to \$2 million shares of the Company common stock at a price of \$1 per share. The Company has sold 1,160,000 shares of its Common Stock through this offering.

Preferred Stock

The Company has 70,000,001 Shares of Preferred Stock authorized with a par value of \$.001.

Series A — The Company has 10,000,001 shares of Series A Preferred outstanding as of December 31, 2021 and December 31, 2020. The Series A Preferred has the following designations:

- Convertible at option of holder with unanimous Board of Directors' approval.
- Convertible into four times the sum of (i) the total number of shares of common stock issued and outstanding at the time of conversion plus (ii) the total number of shares of Series B Preferred Stock which are issued and outstanding at time of conversion.

In connection with the December 28, 2020 merger with Optimus Healthcare Services, Inc., a Delaware corporation ("Optimus"), the Company issued 9,998,899 shares of its Series A convertible preferred stock. Simultaneously, the Company cancelled 9,998,889 shares previously held by its former CEO.

Series B — The Company has 8,105,724 shares of Series B Preferred outstanding as of December 31, 2021 and December 31, 2020. The Series B Preferred has the following designations:

- Convertible at option of holder with unanimous Board of Directors' approval.
- Convertible such that one share of common stock shall be issuable for each twenty (20) shares of Series B Preferred Stock then outstanding.
- Voting: The holder of this Series of Preferred are entitled to whole number of votes equal to the number of shares of common stock.

Stock options

The Company selected the Black-Scholes-Merton ("BSM") valuation technique to calculate the grant date fair values for the stock options because it believes that this technique is reflective of all the inputs that market participants would likely consider in transactions involving warrants. The inputs include the strike price, underlying price, term to expiration, volatility, and risk-free interest rate.

Stock option activity for the period ended December 31, 2021 is summarized as follows:

	Shares	Weighted Average Exercise Price
Options outstanding January 1, 2021	-	-
Options granted	5,297,500	\$ 1.74
Options exercised	0	-
Options cancelled	0	-
Options outstanding at December 31, 2021	<u>5,297,500</u>	<u>\$ 1.74</u>
Options exercisable at December 31, 2021	<u>140,000</u>	<u>\$ 1.37</u>

During the year ended December 31, 2021, the Company recorded \$4,700,222 in stock-based compensation expense. At December 31, 2021, the weighted average remaining life of the stock options is 9.43 years. At December 31, 2021, there was \$10,119,677 in unrecognized costs related to the stock options granted.

Noncontrolling interest

On September 1, 2021, Optimus exchanged \$425,000 of debt it had loaned to CRAAC for 425,000 shares of CRAAC stock which increased our ownership percentage of CRAAC from 51% to 99.88%.

Changes in the Company's ownership interests in our less than 100% owned subsidiary during the year ended December 31, 2021 were as follows:

Net Loss Attributable to Optimus Healthcare Services, Inc. Transfers (to) from the Noncontrolling Interest

	Years Ended December 31, 2021
Net Loss attributable to Optimus Healthcare Services, Inc.	\$ (7,751,779)
Transfers (to) from the noncontrolling interest	
Increase in Optimus Healthcare Services, Inc. ownership interests in CRAAC from 51% to 99.88%	(274,400)
Net transfers from (to) noncontrolling interest	<u>\$ -</u>
Change from net loss attributable to Optimus Healthcare Services, Inc. and transfers from (to) noncontrolling interest	<u>\$ (8,026,179)</u>

18. Commitments and contingencies

During the normal course of business, the Company may be exposed to litigation. When the Company becomes aware of potential litigation, it evaluates the merits of the case in accordance with FASB ASC 450-20-50, *Contingencies*. The Company evaluates its exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If the Company determines that an unfavorable outcome is probable and can be reasonably estimated, it establishes the necessary accruals. As of December 31, 2021 and 2020, the Company is not aware of any contingent liabilities that should be reflected in the consolidated financial statements.

Note 19 Income taxes

The components of income tax expense (benefit) for the year ended December 31, 2021 was as follows:

	2021
Current	
Federal	\$ -
State and local	-
Total current	\$ -
Deferred	
Federal	(666,616)
State and local	-
Total deferred	\$ (666,616)
Total income tax expense (benefit)	\$ (666,616)

The following table reconciles the difference between the statutory federal income tax rate for the Company and the effective income tax rate the year ended December 31, 2021:

	2021
U.S. statutory federal income tax rate	21.0%
Stock compensation	(11.72%)
Convertible debt	(1.96%)
Other	0.59%
Income tax expense (benefit) for the period	7.91%

Deferred income taxes reflect the net tax effect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income taxes.

Significant components of U.S. federal and state deferred tax assets and liabilities as of the year ended December 31, 2021 are as follows:

	2021
Deferred tax assets	
Federal net operating loss carryforwards	\$ 601,151
Lease Liability	68,290
Accrued Salary	51,345
Unrealized gains / (loss)	12,553
Charitable Contribution Carryover	1,155
Total gross deferred tax assets	734,494
Deferred tax liabilities	
Property, plant and equipment	\$ (948)
Right of use Asset	(66,930)
Total gross deferred tax liabilities	(67,878)
Net deferred tax asset (liabilities)	\$ 666,616

Future utilization of NOL's arising in tax years after December 31, 2017 are limited to eighty percent of taxable income and are allowed to be carried forward indefinitely. NOL's generated in 2017 and prior may carry forward 20 years. As of December 31, 2020 the Company has \$0.193 million of NOL's generated prior to December 31, 2017 and \$2.84 million of NOL's generated after 2017. The company's NOL carryforwards generated prior to December 31, 2017 will begin to expire in the year 2031. Included in the total NOLs discussed above, are \$.203 million of NOLs generated by the company's 100% owned subsidiary Adhererx Corporation. When the company acquired Adhererx Corporation in 2020, Adhererx Corporation underwent an ownership change as defined by section 382 of the Internal Revenue Code, and as such the NOL will be subject to annual limitation. Management has reviewed and evaluated the relevant technical merits of each of its tax positions and determined that there are no uncertain tax positions that would have a material impact on these financial statements.

20. Subsequent events

VaccinationsRx

On January 28, 2022, the Company entered into a stock purchase agreement with Worker's Health Rx, Inc. ("VaccinationsRx") and Marc Wiener, the sole shareholder, who is also our chief executive officer, pursuant to which we acquired 100% of the outstanding equity interests of VaccinationsRx in exchange for the issuance of 250,000 shares of our common stock and \$350,000. The cash portion of the purchase price shall be paid by the Company no later than June 30, 2022. Until the such payment has been made, the unpaid balance of the purchase price shall accrue interest at the rate of LIBOR plus 1%.

Vaccinations Rx is a concierge vaccination pharmacy dedicated to simplifying access to vaccines. It maintains an extensive on-site inventory of common and esoteric vaccines and hyperimmune agents and is able to fulfill vaccination needs on very short notice. For patients, it eliminates the burden of tracking down vaccines that their physician may not carry, and provides vaccinations in the comfort of the patient's home or office. We partner with providers to ensure patients have access to vaccines they need, while eliminating the burden and cost on providers associated with stocking vaccines. For employers, we come to their place of business and set up immunization points of distribution (PODs) for numerous vaccines, including influenza and COVID-19. This reduces the burden of vaccination by providing a safe environment and it improves employee efficiency. We will be paid cash for our services, but we help patients seek reimbursement from their insurers.