

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Healixa Inc.

51 Elm Street
Huntington, NY 11741

Telephone: (833) 432-5492
Corporate Website: www.healixa.com
Corporate Email: info@healixa.com
SIC: 5499

Quarterly Report
For the Period Ending: September 30, 2022
(the "Reporting Period")

As of 9/30/2022, the number of shares outstanding of our Common Stock was:

778,104,718

As of 6/30/2022, the number of shares outstanding of our Common Stock was:

776,104,718

As of 03/31/2022, the number of shares outstanding of our Common Stock was:

775,979,718

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 Control¹ of the company has occurred over this reporting period:

¹ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: ☐ No: ☒

1) Name and address(es) of the issuer

In answering this item, provide the current name of the issuer any names used, along with the dates of the name changes.

- Permco LTD – June 16, 1977
- Computer Mortgages of America Holding Co. – June 19, 1999
- Sheffield Industries, Inc. – May 9, 2005
- Kensington Energy Corporation – July 5, 2005
- Emerald Organic Products Inc. - August 3, 2012
- Carie Health Inc. – May 12, 2020
- Healixa Inc. – February 23, 2021

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):

June 16, 1977 – Active – State of Nevada

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

None

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

See Below:

- Effective April 5, 2021, the company entered into a joint venture with RX Solutions LLC which resulted in the issuance of 1,000,000 shares of stock. This also resulted in Healixa Inc acquiring the license for the Five Star Pharmacy in Texas and gave Healixa Inc a purchase option on the Obana Pharmacy in Texas. Healixa exercised its purchase option for \$115,000 and purchased the Obana Pharmacy.
- Effective April 2, 2021, the company acquired the rights to Global Acquaduct® patents and technology from Consolidando el Patrimonio, SAPI de C.V. La Cedente. Under the terms of the agreement, Healixa Inc will issue 15,000,000 shares of stock upon the completion of the prototype, which is expected in the 4Q. In addition, reach final agreement with its We Global partner for distribution of the Global Acquaduct®. Upon first sale of Global Acquaduct® units, our We Global partner will be due 10,000,000 common shares of the Company.
- Effective August 24, 2021, the company reach an agreement with a prior officer to cancel 65,000,000 shares of common stock. This was not yet reflected as of the end of the September 30, 2021 period but should be reflected in the next period.

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

51 Elm St, Huntington, NY 11741

The address(es) of the issuer's principal place of business:

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

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

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

2) Security Information

Trading symbol:	<u>EMOR</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>490086204</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>2,000,000,000</u>	as of date: <u>9/30/2022</u>
Total shares outstanding:	<u>778,104,718</u>	as of date: <u>9/30/2022</u>
Number of shares in the Public Float ² :	<u>102,121,896</u>	as of date: <u>9/30/2022</u>
Total number of shareholders of record:	<u>337</u>	as of date: <u>9/30/2022</u>

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

Trading symbol:	<u>N/A</u>	
Exact title and class of securities outstanding:	<u>Preferred</u>	
CUSIP:	<u>N/A</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>100,000,000</u>	as of date: <u>9/30/2022</u>
Total shares outstanding:	<u>172,625</u>	as of date: <u>9/30/2022</u>

Transfer Agent

Name: Pacific Stock Transfer
Address: 6725 Via Austin Parkway, Suite 300, Las Vegas, Nevada 89119
Phone: (800) 785-7782
Email: Joslyn@pacificstocktransfer.com

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

3) Issuance History

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

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

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

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

A. Changes to the Number of Outstanding Shares

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 04/01/2019	Opening Balances: Common: 787,879,794 Preferred: 100,000*		*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)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
6/4/2020	New Issuance (Disputed)	14,000,000	Common	0	No	Merger	HARDIKKUMAR PATEL	Rule 144 Restricted	Section 4(a)(2)
6/4/2020	New Issuance (Disputed)	5,000,000	Common	0	No	Merger	PADMAJA PATEL	Rule 144 Restricted	Section 4(a)(2)
6/4/2020	New Issuance (Disputed)	1,000,000	Common	0	No	Merger	KACEY WHITLOCK	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	56,826	Common	0	No	Merger	BENJAMIN ABRAMS	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	56,827	Common	0	No	Merger	BENJAMIN ABRAMS	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	THOMAS BELL	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	THOMAS BELL	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	277,787	Common	0	No	Merger	BEVILACQUA PLLC (CONTROLLED BY LOUIS BEVILACQUA)	Rule 144 Restricted	Section 4(a)(2)

07/24/2020	New Issuance	277,787	Common	0	No	Merger	BEVILACQUA PLLC (CONTROLLED BY LOUIS BEVILACQUA)	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	34,096	Common	0	No	Merger	ANTONIA D BRYAN	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	34,096	Common	0	No	Merger	ANTONIA D BRYAN	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	34,096	Common	0	No	Merger	ALEXANDRA CAMP	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	34,096	Common	0	No	Merger	ALEXANDRA CAMP	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,424,592	Common	0	No	Merger	GRADY CAMP	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,424,592	Common	0	No	Merger	GRADY CAMP	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	1,136	Common	0	No	Merger	KATHERINE S CRONE	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	1,137	Common	0	No	Merger	KATHERINE S CRONE	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	4,668,819	Common	0	No	Merger	JACOB ELLMAN	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	4,668,819	Common	0	No	Merger	JACOB ELLMAN	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	809,023	Common	0	No	Merger	EQUITY TRUST COMPANY CUST	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	809,024	Common	0	No	Merger	EQUITY TRUST COMPANY CUST	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	809,023	Common	0	No	Merger	ALAN GELBAND	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	809,024	Common	0	No	Merger	ALAN GELBAND	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	ALEX GELBAND	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	ALEX GELBAND	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	34,096	Common	0	No	Merger	KIRA ANNE GOLDSMITH	Rule 144 Restricted	Section 4(a)(2)

07/24/2020	New Issuance	34,096	Common	0	No	Merger	KIRA ANNE GOLDSMITH	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	136,383	Common	0	No	Merger	GRAYS PEAK VENTURES LLC (CONTROLLED BY SCOTT STEVENS)	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	136,384	Common	0	No	Merger	GRAYS PEAK VENTURES LLC (CONTROLLED BY SCOTT STEVENS)	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	365,586	Common	0	No	Merger	EVENTUS CONSULTING P C (CONTROLLED BY AARON SPOOL)	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	365,587	Common	0	No	Merger	EVENTUS CONSULTING P C (CONTROLLED BY AARON SPOOL)	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	DANIEL KUSHNER	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	90,922	Common	0	No	Merger	DANIEL KUSHNER	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	1,136	Common	0	No	Merger	DAVID L MELLO	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	1,137	Common	0	No	Merger	DAVID L MELLO	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,273	Common	0	No	Merger	SANDRA S PATTERSON	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,273	Common	0	No	Merger	SANDRA S PATTERSON	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,273	Common	0	No	Merger	NATHANIAL PRINZI	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	2,273	Common	0	No	Merger	NATHANIAL PRINZI	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	7,576	Common	0	No	Merger	THEODORE BIBART	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	7,577	Common	0	No	Merger	THEODORE BIBART	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	56,826	Common	0	No	Merger	DANIELA VASSALLO	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	56,827	Common	0	No	Merger	DANIELA VASSALLO	Rule 144 Restricted	Section 4(a)(2)

07/24/2020	New Issuance	5,682	Common	0	No	Merger	MCKENNA MILLER	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	5,683	Common	0	No	Merger	MCKENNA MILLER	Rule 144 Restricted	Section 4(a)(2)
07/24/2020	New Issuance	232,500	Common	\$1.5	No	Services	EVENTUS CONSULTING P C (CONTROLLED BY AARON SPOOL)	Rule 144 Restricted	Section 4(a)(2)
12/01/2020	New Issuance	400,000	Common	\$1.5	No	Services	FMW MEDIA WORKS CORP. (CONTROLLED BY VINCENT CARUSO)	Rule 144 Restricted	Section 4(a)(2)
12/01/2020	New Issuance	25,000	Common	\$1.5	No	Services	JASON MISCHER	Rule 144 Restricted	Section 4(a)(2)
12/17/2020	New Issuance	146,778	Common	\$1.5	No	Services	BEVILACQUA PLLC (CONTROLLED BY LOUIS BEVILACQUA)	Rule 144 Restricted	Section 4(a)(2)
1/15/2021	New Issuance	100,000	Common	\$.10	No	Services	PCG ADVISORY INC.(JEFFREY RAMSON)	Rule 144 Restricted	Section 4(a)(2)
2/25/2021	New Issuance	500,000	Common	\$.10	No	Warrant Exercise	LINDA M DEML DRAHOTA AND MICHAEL DRAHOTA	Rule 144 Restricted	Section 4(a)(2)
2/25/2021	New Issuance	310,000	Common	\$.10	No	Warrant Exercise	JEFFREY MILLS	Rule 144 Restricted	Section 4(a)(2)
2/25/2021	New Issuance	500,000	Common	\$.10	No	Warrant Exercise	DARVIN HABBEN TRUST	Rule 144 Restricted	Section 4(a)(2)
2/25/2021	New Issuance	200,000	Common	\$.10	No	Warrant Exercise	CURTIS MILLS	Rule 144 Restricted	Section 4(a)(2)
5/10/2021	New Issuance	509,000	Common	\$.20	No	Warrant Exercise	MICHAEL MOWL	Rule 144 Restricted	Section 4(a)(2)
5/10/2021	New Issuance	2,223,334	Common	\$.20	No	Note Conversion	MICHAEL BRANCHFLOWER	Rule 144 Restricted	Section 4(a)(2)
5/10/2021	New Issuance	37,333	Common	\$.75	No	Note Conversion	GREGORY F. SUHER	Rule 144 Restricted	Section 4(a)(2)
5/10/2021	New Issuance	37,333	Common	\$.75	No	Note Conversion	JEROME J. DERISO	Rule 144 Restricted	Section 4(a)(2)
5/10/2021	New Issuance	37,333	Common	\$.75	No	Note Conversion	JAMES SMITH	Rule 144 Restricted	Section 4(a)(2)

5/10/2021	New Issuance	1,000,000	Common	\$.00	No	JOINT VENTURE	MOSAIC PHARMACY LLC (CONTROLLED BY SHAILENDRA GUPTA)	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	100,000	Common	\$.00	No	IT Services	PARADIGM SHIFT CONCEPTS INC. (CONTROLLED BY JUSTIN WOLLER)	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	100,000	Common	\$.00	No	Consulting Services Related to Water Technology	WATER IS LIFE.COM INC (CONTROLLED BY KEN SURRITTE)	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	80,000	Common	\$.00	No	Legal Services	JASON MISCHEL	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	500,000	Common	\$.00	No	General Business Consulting Services	RIGGLEMAN INFORMATION AND INTELLIGENCE GROUP LLC (CONTROLLED BY DENVER RIGGLEMAN)	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	100,000	Common	\$.00	No	Marketing Consulting Services	DIEGOLUCERO INC. DBA ACHIEVE STUDIOS (CONTROLLED BY DIEGO LUCERO)	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	50,000	Common	\$.00	No	Marketing Consulting Services	KEALY ALTMAN	Rule 144 Restricted	Section 4(a)(2)
8/19/2021	New Issuance	50,000	Common	\$.00	No	Corporate Access Consulting Services	EDEN ROCK ADVISORS (CONTROLLED BY JAMIE BARKER)	Rule 144 Restricted	Section 4(a)(2)
8/30/2021	New Issuance	1,000,000	Common	\$.00	No	General Business Consulting Services	GLOBAL EQUITIES LIQUIDITY GROUP LLC (JEFFREY GALVANI)	Rule 144 Restricted	Section 4(a)(2)
8/20/2021	New Issuance	1,781,491	Common	\$.10	No	Warrant Exercise	BAO VANG	Rule 144 Restricted	Section 4(a)(2)
8/20/2021	New Issuance	48,000	Common	\$.10	No	Warrant Exercise	HMONG VANG	Rule 144 Restricted	Section 4(a)(2)

8/20/2021	New Issuance	51,000	Common	\$.10	No	Warrant Exercise	LENG VANG	Rule 144 Restricted	Section 4(a)(2)
10/01/2021	New Issuance	82,625	Preferred Series A	\$16	No	Investment	BEDROCK GROUP, LLC (CONTROLLED BY JONATHAN ROTH)	Rule 144 Restricted	Section 4(a)(2)
10/01/2021	New Issuance	60,000	Preferred Series B	0	No	Shares for Services	NB LEASE LLC (CONTROLLED BY MICHAEL BERG)	Rule 144 Restricted	Section 4(a)(2)
10/01/2021	New Issuance	30,000	Preferred Series C	0	No	Shares for Services	DTMWTD, LLC (CONTROLLED BY MICHAEL BERG)	Rule 144 Restricted	Section 4(a)(2)
10/14/2021	New Issuance	30,000	Common	0	No	Shares for Services	JASON MISCHER	Rule 144 Restricted	Section 4(a)(2)
10/14/2021	New Issuance	50,000	Common	0	No	Shares for Services	JOHN GRANT ASFOUR	Rule 144 Restricted	Section 4(a)(2)
10/14/2021	New Issuance	75,000	Common	0	No	Shares for Services	GARRISON BELLES	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	550,000	Common	\$.10	No	Conversion of Debt	SETH FREILICH	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	353,600	Common	0	No	Shares for Services	ABBATE DEMARINIS LLP (CONTROLLED BY PATRICK CAPPETTI)	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	436,126	Common	0	No	Shares for Services	EVH CONSULTING INC. (CONTROLLED BY VERNON HOGAN)	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	112,500	Common	0	No	Shares for Consulting	BRUCE A. KAUFMAN	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	112,500	Common	0	No	Shares for Consulting	JEFFREY M. GOLD	Rule 144 Restricted	Section 4(a)(2)
11/03/2021	New Issuance	25,000	Common	0	No	Shares for Consulting	PETER FORMANEK	Rule 144 Restricted	Section 4(a)(2)
11/15/2021	New Issuance	24,096	Common	0	No	Shares for Software	SRAX INC. (PUBLICLY HELD – NASDAQ SYMBOL SRAX – CEO IS CHRISTOPHER	Rule 144 Restricted	Section 4(a)(2)

							MIGLINO)		
11/15/2021	New Issuance	75,000	Common	0	No	Shares For Convertible Note	FRANCESCO S ROSSI	Rule 144 Restricted	Section 4(a)(2)
11/15/2021	New Issuance	25,000	Common	0	No	Shares For Convertible Note	JOHN ARIZZI	Rule 144 Restricted	Section 4(a)(2)
11/15/2021	New Issuance	25,000	Common	0	No	Shares For Convertible Note	JOSEPH T D AVANZO	Rule 144 Restricted	Section 4(a)(2)
12/14/2021	Cancelation	(65,000,000)	Common	0	No	Cancelation of Shares	MOHAMMAD HUSAIN	Rule 144 Restricted	Section 4(a)(2)
2/3/2022	New Issuance	100,000	Common	0	No	Shares for Services	ANTER NARINE	Rule 144 Restricted	Section 4(a)(2)
2/3/2022	New Issuance	30,000	Common	0	No	Shares for Services	KEVIN WEATHERALL	Rule 144 Restricted	Section 4(a)(2)
2/3/2022	New Issuance	290,000	Common	0	No	Shares for Services	SKYLINE CORP COMMUNICATIONS GROUP (SCOTT POWELL)	Rule 144 Restricted	Section 4(a)(2)
3/18/2022	New Issuance	500,000	Common	0	No	Shares for Services	PRINCIPLED STRATEGIES LLC (MICHAEL BRUBAKER)	Rule 144 Restricted	Section 4(a)(2)
3/25/2022	New Issuance	75,000	Common	0	No	Shares for Services	MORRIT HOCK & HAMROFF LLP (DENNIS O'ROUKE)	Rule 144 Restricted	Section 4(a)(2)
3/31/2022	New Issuance	100,000	Common	0	No	Shares for Services	STRATEGY 10 LLC (TOM WOODCHEKE)	Rule 144 Restricted	Section 4(a)(2)
4/04/2022	New Issuance	125,000	Common	0	No	Shares for Services	REDCHIP COMPANIES INC (DAVID GENTRY)	Rule 144 Restricted	Section 4(a)(2)
9/1/2022	New Issuance	2,000,000	Common	0	No	Shares for Services	INTERNATIONAL MONETARY (CONTROLLED BY BLAINE RILEY)	Rule 144 Restricted	Section 4(a)(2)
Shares Outstanding on 12/31/2021:	Ending Balance: Common: 778,104,718 Preferred: 172,625								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended June 30, 2021, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2019 through June 30, 2021 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

It is foreseeable for Healixa to clawback the following 20,000,000 shares related to the Dermserv LLC merger for material breach of the Merger Agreement:

6/4/2020	New Issuance	14,000,000	Common	0	No	Merger	HARDIKKUMAR PATEL	Rule 144 Restricted	Section 4(a)(2)
6/4/2020	New Issuance	5,000,000	Common	0	No	Merger	PADMAJA PATEL	Rule 144 Restricted	Section 4(a)(2)
6/4/2020	New Issuance	1,000,000	Common	0	No	Merger	KACEY WHITLOCK	Rule 144 Restricted	Section 4(a)(2)

B. Debt Securities, Including Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
6/24/19	10,212	10,000	212	11/1/19	N/A	Dean Wall	Working Capital
6/24/19	10,208	10,000	208	11/1/19	N/A	Keith Dean	Working Capital
9/18/20	55,000	50,000	5,000	3/31/21	Convertible into Common Stock	Abib Husain MD	Working Capital

9/18/20	27,500	25,000	2,500	3/31/21	Convertible into Common Stock	Kent Northcote MD	Working Capital
9/17/20	27,625	25,000	2,625	2/1/21	Convertible into Common Stock	Greg Undahl	Working Capital
9/18/20	82,875	75,000	7,875	3/31/21	Convertible into Common Stock	SKO Investments (Don Olson)	Working Capital
12/7/20	250,000	200,000	Zero Coupon	5/7/21	Convertible into Common Stock	Bradley Capital Group LLC (Controlled by John Lai)	Working Capital
2/10/21	53,750	50,000	3,750	8/10/21	Convertible into Common Stock	Michael Retzbach	Working Capital
2/11/21	64,500	60,000	4,500	8/11/21	Convertible into Common Stock	Thomas Bennett	Working Capital
4/13/21	625,000	500,000	Zero Coupon	11/1/21	Convertible into Common Stock	Bradley Capital Group (Controlled by John Lai)	Working Capital
7/19/21	3,215	3,000	215	3/1/22	Convertible into Common Stock	Kit Cheng	Working Capital
7/21/21	53,575	50,000	3,575	3/1/22	Convertible into Common Stock	Mahaish Ramoutor	Working Capital

7/21/21	26,252	24,500	1,752	3/1/22	Convertible into Common Stock	Green Sage Capital Holdings LLC (Controlled by Lance Sager)	Working Capital
7/21/21	53,575	50,000	3,575	3/1/22	Convertible into Common Stock	Simon Kandial	Working Capital
7/21/21	53,567	50,000	3,567	3/1/22	Convertible into Common Stock	Christopher Persaud	Working Capital
8/5/21	53,458	50,000	3,458	4/1/22	Convertible into Common Stock	Badesh Thakur	Working Capital
8/9/21	53,425	50,000	3,425	4/1/22	Convertible into Common Stock	Sureain S. Sawh	Working Capital
8/9/21	53,425	50,000	3,425	4/1/22	Convertible into Common Stock	Rupal Patel	Working Capital
10/7/21	83,825	75,000	8,825	5/1/22	Convertible into Common Stock	Francesco S Rossi	Working Capital
10/8/21	27,900	25,000	2,900	5/1/22	Convertible into Common Stock	John Arizzi	Working Capital
10/9/21	27,933	25,000	2,933	5/1/22	Convertible into Common Stock	Joseph T D Avanzo	Working Capital

11/22/21	140,000	110,000	Zero Coupon	6/1/22	Convertible into Common Stock	Bradley Capital Group (Controlled by John Lai)	Working Capital
10/31/21	1,200,000	700,000	Zero Coupon	7/31/22	Convertible into Common Stock	Tiger Trout Capital (controlled by Alan Masley)	Working Capital
11/12/21	21,060	20,000	1,060	5/31/22	Convertible into Common Stock	Sandra Rigley	Working Capital
12/29/21	52,275	50,000	2,275	6/1/22	Convertible into Common Stock	Richard Alloway II	Working Capital
2/01/22	51,875	50,000	1,875	8/01/22	Convertible into Common Stock	Richard Alloway	Working Capital
2/1/22	51,817	50,000	1,817	8/1/22	Convertible into Common Stock	Gregory Craddock	Working Capital
2/1/22	155,075	150,000	5,075	8/1/22	Convertible into Common Stock	Diane Koontz	Working Capital
3/3/22	51,683	50,000	1,683	9/3/22	Convertible into Common Stock	Michelle Goss	Working Capital
4/27/22	23,270	22,500	150	10/27/22	Convertible into Common Stock	Jeffrey Mills	Working Capital
4/27/22	62,053	60,000	2,053	10/27/22	Convertible into Common Stock	Darvin Habben	Working Capital

4/28/22	62,040	60,000	2,040	10/28/22	Convertible into Common Stock	SKO Investments (Don Olson)	Working Capital
5/2/22	46,490	45,000	1,490	11/2/22	Convertible into Common Stock	Michael Ocker	Working Capital
5/2/22	61,490	60,000	1,490	11/2/22	Convertible into Common Stock	Yiamas LLC	Working Capital
5/19/22	257,312	250,000	7,312	11/19/22	Convertible into Common Stock	A,L, Sarroff Fund	Working Capital
5/31/22	85,231	83,000	2,231	11/30/22	Convertible into Common Stock	Mathew Varghese	Working Capital
6/16/22	112,542	110,000	2,542	12/16/22	Convertible into Common Stock	RSL Associates	Working Capital
7/6/22	254,677	250,000	4,667	1/6/23	Convertible into Common Stock	A,L, Sarroff Fund	Working Capital
7/12/22	279,849	275,000	4,849	1/12/23	Convertible into Common Stock	Jeff Davoud	Working Capital
8/10/22	166,845	165,000	1,845	2/10/23	Convertible into Common Stock	TR Capital Investments 1, LLC	Working Capital
9/9/22	33,381	33,000	381	3/9/23	Convertible into Common Stock	Steven Townley	Working Capital
9/12/22	3,343	3,300	43	3/12/23	Convertible into Common Stock	Allen Garland	Working Capital
9/14/22	11,127	11,000	127	3/14/23	Convertible into Common Stock	George Shaheen	Working Capital
9/15/22	6,679	6,600	79	3/15/23	Convertible into Common Stock	Clayton Wigg	Working Capital

Use the space below to provide any additional details, including footnotes to the table above:

4) Financial Statements

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

- ☒ U.S. GAAP
☐ IFRS

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

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

Name: John Lee
Title: CFO
Relationship to Issuer: Officer

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance Sheet;
- D. Statement of Income;
- E. Statement of Cash Flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

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

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

The Company is engaged in the creation, acquisition, development and deployment of ethically engineered healing technologies that have a positive impact. This includes technology that has an impact the macro environmental challenges of our time and health technology that makes quality health care accessible to all people. For the benefit of shareholders, the Company has sold off its Pura Vida Vitamins line of products to focus on its technology portfolio.

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

The Company conducts business through its wholly- and majority-owned subsidiaries, Friendly RX Master LLC (and series LLC underneath the master now and in the future), PurelyRx Master LLC, We Global BVI, Healixa Deposit.com JVA and We Green BVI.

- C. Describe the issuers' principal products or services.

Company also focuses on clean water through its Global AquaDuct™ atmospheric water harvesting technology. Company also owns and operates Digital Pharmacy and Remote Patient Monitoring software and services.

6) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, 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.

The Company exited its long term facility leases in Holbrook, NY as of January 1 2021 when it sold the Pura Vida Product line. Company maintains an office presents in 331 Dante Ct, Suite E, Holbrook NY 11741 through a sub-lease of \$250 per month as part of the terms of sale.

Additional Information Regarding Goodwill:

Pura Vida Reverse Merger

Effective November 29, 2018, EMOR entered into the Pura Vida Merger Agreement with Merger Sub and Pura Vida. On April 5, 2019, EMOR consummated the Pura Vida Merger pursuant to the Pura Vida Merger Agreement with Merger Sub and Pura Vida. Pursuant to the terms of the Pura Vida Merger Agreement, Merger Sub merged with and into Pura Vida. Pura Vida was the surviving corporation and. As a result of the Pura Vida Merger, became a wholly-owned subsidiary of EMOR. Pursuant to the Pura Vida Merger Agreement, at the effective time of the Pura Vida Merger, Pura Vida's outstanding membership units were exchanged for 694,313,662 shares of the Company's common stock.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as April 5, 2019. However, the Company determined that the selling price of the EMOR's common stock on the effective date of November 29, 2018 was the most readily determinable measurement for calculating the fair value of the consideration.

Consideration paid \$12,018,408 (694,705,662 shares x \$.0173)

As per the above, the Company recognized a net increase to goodwill of \$11,570,268. (See "GW 1 – Healixa Goodwill Summary 3.31.20" and "Reverse Merger Trial Balance 4.4.19")

Bezalel Jewelry, Inc. Acquisition

Effective September 30, 2019, the Company entered into the Bezalel Merger Agreement with Merger Sub and Bezalel. Pursuant to the Bezalel Merger Agreement, at the effective time of the Bezalel Merger, 51% of Bezalel's outstanding shares were exchanged for 15,000,000 shares of the Company's common equity was exchanged at the effective date.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as September 30, 2019.

The Company determined that the selling price of EMOR's common stock on the effective date of September 30, 2019 was the most readily determinable measurement for calculating the fair value of the consideration.

Consideration paid \$30,000,000 (15,000,000 shares x \$2.00)

As per the above, the Company recognized a net increase to goodwill of \$30,000,000.

Zenavita, LLC Acquisition

Effective December 11, 2019, the Company entered into the Zenavita Merger Agreement with Merger Sub and Zenavita. The merger consideration was 100,000 shares of convertible preferred stock with a conversion ratio of 1:100 preferred to common.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as December 11, 2019.

During the period subsequent to the effective date of the Zenavita Merger, Zenavita did not have any operations as of both March 31, 2021 and 2020, and for the periods from April 1, 2020 to March 2021 and December 12, 2019 to March 31, 2020, respectively.

The Company determined that the selling price of EMOR's common stock on the effective date of December 11, 2019 was the most readily determinable measurement for calculating the fair value of the consideration as this was the basis for the conversion ratio of 1:100.

Consideration paid \$19,000,000 (convertible into 10,000,000 shares of common x \$1.90)

As per the above, the Company never recognized a net increase to goodwill of \$19,000,000. As of the date of this memo, the Company nor Zenavita have had communications and/or discussions about consummating the transaction. Accordingly, these financials statements do not reflect the effect of the transaction above never closed and the nullification will be confirmed by the courts.

Dermserv LLC Acquisition

Effective April 1, 2020, the Company entered into the conditional Dermserv Merger Agreement with RX Merger Sub and Dermserv LLC (d/b/a Bonsa Health) ("Dermserv20,000,000 shares of common stock were exchanged at the effective date.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as April 1, 2020.

The Company determined that the selling price of EMOR's common stock on the effective date of April 1, 2020 was the most readily determinable measurement for calculating the fair value of the consideration.

Consideration paid \$39,800,000 (20,000,000 shares x \$1.99)

As per the above, the Company recognized a net increase to goodwill of \$39,800,000.

On June 17, 2020, Dermserv changed its name to CarieRx LLC ("CarieRx"). The Company has since discovered that it has meritorious causes of action against Dermserv and its principals, including for material breach of the conditional Dermserv Merger Agreement and, as such, the Company has taken appropriate legal steps to nullify the Dermserv Merger Agreement and cancel the shares paid as consideration. The Company believes that it is more likely than not

that the Dermserve Merger Agreement will be nullified. However, since the shares have been issued, the Company recorded an impairment of goodwill in the year ended March 31, 2021 (see below). If the Dermserve Merger Agreement is ultimately nullified, the Company will reverse the shares issuance at such time.

DMO Holdings Acquisition

Effective June 30, 2020, the Company entered into the DMO Merger Agreement with Merger Sub and DMO Holdings Corp ("DMO"). Pursuant to the DMO Merger Agreement, at the effective time of the DMO Merger, 100% of DMO's outstanding capital stock were exchanged for 20,000,000 shares of the Company's common stock.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as June 30, 2020.

The Company determined that the selling price of EMOR's common stock on the effective date of June 30, 2002 was the most readily determinable measurement for calculating the fair value of the consideration.

Consideration paid \$20,000,000 (20,000,000 shares x \$1.00)

As per the above, the Company recognized a net increase to goodwill of \$20,000,000.

Discontinued Operations and Impairment

The Company completed several acquisitions during the year ended March 31, 2021, which previously gave rise to goodwill of \$68,305,686. The Company performed a qualitative analysis on goodwill and determined that it is more likely-than-not that the carrying value of the reporting units are less than its fair value. Accordingly, the Company discontinued operations of Pura Vida Health, which resulted in the write of \$11,570,268 in goodwill. Additionally, the Company has determined that the remaining goodwill is impaired \$59,800,000 reported in the last filing down to \$1,315,00.

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

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

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

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 PARKER HOLDINGS LLC	Affiliate	HOLBROOK, NY	44,667,600	COMMON	5.33%	Juliette Parker
MATTHEW DILL	COO	HOLBROOK, NY	219,441,860	COMMON	21.41%	

GREENVESTMENTS LLC	Affiliate	HOLBROOK, NY	47,855,716	COMMON	5.71%	Juliette Parker
JOHN LEE	CFO	HOLBROOK, NY	40,000,000	COMMON	4.77%	Owned Through Rates Unlimited LLC
MICHAEL BERG	CDO	HOLBROOK, NY	30,000,000	COMMON	3.58%	Owned Through NB Lease LLC
IAN PARKER	CEO	HOLBROOK, NY	731,489	COMMON	*%	Owned Through JSK Capital LLC

*% means less than 1%

8) Legal/Disciplinary History

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

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

None

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

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

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

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

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

Securities Counsel

Name: Dennis O'Rourke
Firm: Moritt, Hock, & Hameroff, LLP
Address 1: 400 Garden City Plaza
Address 2: Garden City, NY 11530
Phone: (516) 873-2000

Accountant or Auditor

Name: Lou Pizzileo, CPA
Firm: Grassi Advisors & Accountants
Address 1: 50 Jericho Quadrangle, Suite 200
Address 2: Jericho, NY 11753
Phone: (516) 256-3500
Email: LPizzileo@grassicpas.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Service Providers

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

Name: Clifford J. Hunt, Esquire
Firm: Law Office of Clifford J. Hunt, P.A.
Nature of Services: Securities Counsel
Address 1: 8200 Seminole Blvd
Address 2: Seminole, FL 33772
Phone: 727-471-0444
Email: 727-471-0444

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Ian Parker certify that:

1. I have reviewed this quarterly disclosure statement of Healixa Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

11/18/2022 [Date]

/s/ Ian Parker [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, John Lee certify that:

1. I have reviewed this quarterly disclosure statement of Healixa Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

11/18/2022 [Date]

/s/ John Lee [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

HEALIXA, INC. AND SUBSIDIARIES
FINANCIAL STATEMENTS

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL STATEMENTS (UNAUDITED):	
Unaudited Condensed Consolidated Balance Sheets as of September 30, 2022 and March 31, 2022	F-2
Unaudited Condensed Consolidated Statements of Operations for the three months ended September 30, 2022 and 2021	F-3
Unaudited Condensed Consolidated Statements of Changes in Stockholders Deficit for the three months ended September 30, 2022 and 2021	F-4
Unaudited Condensed Consolidated Statements of Cash Flows for the three months ended September 30, 2022 and 2021	F-5
Notes to the Unaudited Condensed Consolidated Financial Statements	F6 – F18

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) September 30, 2022	March 31, 2022
ASSETS		
Current Assets:		
Cash	\$ 95,257	\$ 135,177
Prepaid expenses and other current assets	380,246	54,332
Total Current Assets	<u>475,503</u>	<u>189,509</u>
Right of use asset	60,702	47,500
Goodwill	115,000	115,000
Other assets	5,680	750
Total Assets	<u>\$ 656,885</u>	<u>\$ 352,759</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 812,913	\$ 746,996
Lease liability	18,957	23,080
Stock payable	2,819,500	2,322,900
Convertible notes	4,653,804	3,049,029
Loans payable	20,000	20,000
Due to affiliates	115,276	114,881
Total Current Liabilities	<u>8,440,450</u>	<u>6,276,886</u>
Long-term Liabilities:		
Lease liability, net of current portion	42,153	25,271
Total Liabilities	<u>8,482,603</u>	<u>6,302,157</u>
Commitments and Contingencies (See Note 10)		
Stockholders' Deficit:		
Series A convertible preferred stock, \$0.001 par value, 82,625 shares authorized; 82,625 shares issued and outstanding, respectively	83	83
Series B convertible preferred stock, \$0.001 par value, 105,000 shares authorized; 64,000 shares issued and outstanding, respectively	64	64
Series C preferred stock, \$0.001 par value, 30,000 shares authorized, 0 shares issued and outstanding, respectively	-	-
Common stock, \$0.001 par value; 2,000,000,000 shares authorized; 778,112,718 and 775,987,718 shares issued and outstanding, respectively	778,113	775,988
Additional paid-in capital	123,501,751	122,091,376
Subscription receivable	(32,000)	(32,000)
Accumulated deficit	(132,073,729)	(128,784,909)
Total Stockholders' Deficit	<u>(7,825,718)</u>	<u>(5,949,398)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 656,885</u>	<u>\$ 352,759</u>

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

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>
Revenue, net	\$ -	\$ -
Operating expenses:		
Professional fees	157,191	130,213
Salaries and consulting	237,043	1,583,432
Advertising and marketing	1,431,844	162,300
Selling, general and administrative	244,497	438,257
Total operating expenses	<u>2,070,575</u>	<u>2,314,202</u>
Interest expense	<u>142,026</u>	<u>211,221</u>
Net loss	<u>\$ (2,212,634)</u>	<u>\$ (2,525,423)</u>
Net loss per common share from continuing operations - basic	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Net loss per common share from continuing operations - diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average shares outstanding - basic	<u>776,413,811</u>	<u>838,015,136</u>
Weighted average shares outstanding - diluted	<u>776,413,811</u>	<u>832,989,659</u>

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

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(UNAUDITED)

	Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Series C Preferred Stock		Common Stock		Additional Paid-in Capital	Subscription Receivable	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at July 1, 2021	82,625	\$ 83	-	\$ -	-	\$ -	834,138,405	\$ 834,138	\$ 118,286,711	\$ (32,000)	\$ (121,339,799)	\$ (2,250,867)
Common stock issued for services	-	-	-	-	-	-	1,980,000	1,980	1,684,020	-	-	1,686,000
Conversion of notes payable into common stock	-	-	-	-	-	-	1,880,491	1,880	186,169	-	-	188,049
Net loss	-	-	-	-	-	-	-	-	-	-	(2,525,423)	(2,525,423)
Balance as of September 30, 2021 (Unaudited)	<u>82,625</u>	<u>\$ 83</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>837,998,896</u>	<u>\$ 837,998</u>	<u>\$ 120,156,900</u>	<u>\$ (32,000)</u>	<u>\$ (123,865,222)</u>	<u>\$ (2,902,241)</u>
Balance at July 1, 2022	82,625	\$ 83	64,000	\$ 64	-	\$ -	776,112,718	\$ 776,113	\$ 122,203,751	\$ (32,000)	\$ (129,861,095)	\$ (6,913,084)
Common stock issued for services	-	-	-	-	-	-	2,000,000	2,000	1,298,000	-	-	1,300,000
Net loss	-	-	-	-	-	-	-	-	-	-	(2,212,634)	(2,212,634)
Balance as of September 30, 2022 (Unaudited)	<u>82,625</u>	<u>\$ 83</u>	<u>64,000</u>	<u>\$ 64</u>	<u>-</u>	<u>\$ -</u>	<u>778,112,718</u>	<u>\$ 778,113</u>	<u>\$ 123,501,751</u>	<u>\$ (32,000)</u>	<u>\$ (132,073,729)</u>	<u>\$ (7,825,718)</u>

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

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six Months Ended	
	September 30, 2022	September 30, 2021
Cash flows from operating activities:		
Net loss from continuing operations	\$ (3,288,820)	\$ (5,488,904)
Adjustments to reconcile net loss to net cash used in operating activities:		
Right of use asset amortization	15,655	10,871
Interest on convertible notes	69,056	14,701
Original issue discount interest	303,325	434,835
Conversion of notes payable	-	(640,533)
Stock based compensation for services	1,965,267	4,749,347
Changes in operating assets and liabilities:		
Other current assets	(7,081)	(27,080)
Other assets	(4,930)	(750)
Accounts payable and accrued expenses	(378,139)	133
Lease liability	(16,098)	(10,689)
Net cash used in operating activities	<u>(1,341,765)</u>	<u>(958,069)</u>
Cash flows from investing activities:		
Acquisition of Goodwill	-	(115,000)
Net cash used in investing activities	<u>-</u>	<u>(115,000)</u>
Cash flows from financing activities:		
Proceeds from sale of convertible notes payable	1,434,400	952,500
Debt discount on convertible notes payable and stock warrants	(132,950)	(125,000)
Proceeds from affiliates	8,498	95,200
Payments to affiliates	(8,103)	(40,389)
Net cash provided by financing activities	<u>1,301,845</u>	<u>882,311</u>
Net decrease in cash	(39,920)	(190,758)
Cash and cash equivalents - beginning of period	135,177	196,876
Cash and cash equivalents - end of period	<u>\$ 95,257</u>	<u>\$ 6,118</u>
Supplemental cash flow information:		
Cash paid for:		
Interest	\$ 1,678	\$ 1,442
Income taxes	\$ 114	\$ -

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

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND BUSINESS OPERATIONS

Corporate History

Healixa Inc. (f/k/a Emerald Organic Products Inc) (“EMOR”, “Healixa”, or the “Company”) was incorporated in October 1977 as a Nevada corporation to engage in the retail sale of organic meat products and held minority interests in oil and gas property leases and owned production and marketing rights to a patented pet waste disposal product.

Effective November 28, 2018, EMOR entered into an agreement and plan of merger with EOP Merger Sub LLC, a newly-formed, wholly-owned Oregon limited liability (“EOP Merger Sub”), and Pura Vida Health LLC, an Oregon limited liability company (“Pura Vida”). On April 5, 2019, EMOR consummated the Pura Vida Merger Agreement with EOP Merger Sub and Pura Vida. Pursuant to the Pura Vida Merger Agreement, EOP Merger Sub merged into and with Pura Vida, with Pura Vida continuing as the surviving entity and the wholly-owned subsidiary of EMOR (the “Pura Vida Merger”).

Immediately following the Pura Vida Merger, the Company had 772,704,794 shares of common stock issued and outstanding. The pre-Pura Vida Merger stockholders of the Company retained an aggregate of 78,391,132 shares of common stock of the Company, representing approximately 10% ownership of the post-Pura Vida Merger Company. Therefore, upon consummation of the Pura Vida Merger, there was a change in control of the Company, with the former owners of Pura Vida effectively acquiring control of the Company. The Pura Vida Merger was treated as a recapitalization and reverse acquisition of the Company for financial accounting purposes. Pura Vida is considered the acquirer for accounting purposes, and the Company’s historical financial statements before the Pura Vida Merger.

Effective September 30, 2019, the Company entered into an agreement and plan of merger with EOP Vending Merger Sub LLC, a newly formed, wholly-owned Nevada limited liability company (“EOP Vending Merger Sub”), and Bezalel’s Jewelry, Inc., a California corporation (“Bezalel”) (the “Bezalel Merger Agreement”). Pursuant to the Bezalel Merger Agreement, EOP Vending Merger Sub merged into and with Bezalel, with Bezalel continuing as the surviving entity and a 51% majority owned subsidiary of the Company.

On April 1, 2020, the Company entered into an agreement and conditional plan of merger with EOP RX Merger Sub LLC, a newly formed, wholly-owned Florida limited liability company (“EOP RX Merger Sub”), and Dermserve LLC (d/b/a Bonsa Health) (“Dermserve”), a Florida Corporation (the “Dermserve Conditional Merger Agreement”). Pursuant to the Dermserve Conditional Merger Agreement, 51% of Dermserve’s outstanding equity units were to be exchanged for an aggregate consideration of up to 20,000,000 shares of Healixa’s common stock. On June 17, 2020, Dermserve changed its name to CarieRx LLC (“CarieRx”). The Company has since discovered that it has meritorious causes of action against Dermserve and its principals, including for material breach of the Dermserve Conditional Merger Agreement and, as such, the Company will be taking appropriate legal steps to nullify the Dermserve Conditional Merger Agreement and cancel the shares paid as consideration.

Effective July 2, 2020, the Company entered into an agreement and plan of merger with Carie Health Inc., a Nevada corporation, Carie DMO Merger Sub Corp (“Carie DMO Merger Sub”), a newly formed Nevada corporation, and wholly-owned subsidiary of the Company, and DMO Holdings Corp, a Nevada corporation (“DMO Holdings”) (the “DMO Merger Agreement”). Pursuant to the DMO Merger Agreement, Carie DMO Merger Sub merged into and with DMO Holdings, with DMO Holdings continuing as the surviving entity and a wholly owned subsidiary of the Company (the “DMO Merger”).

As of January 1, 2021, the Company sold off its Pura Vida Vitamins line in order to focus on its technology portfolio. Accordingly, the Company had reported the results of the Pura Vida business as discontinued operations.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

EMOR conducts business through its wholly and majority-owned subsidiaries, Friendly RX Master LLC (and series LLC underneath the master now and in the future), We Global BVI, Deposit.com JVA, and We Green BVI. (collectively, the “Company”). The Company is engaged in the creation, acquisition, development and deployment of ethically engineered healing technologies that have a positive impact. This includes technology that has an on impact the macro environmental challenges of our time and health technology that makes quality health care accessible to all people.

Going Concern Considerations

As reflected in the unaudited condensed consolidated financial statements, the Company has an accumulated deficit of \$132,073,729 as of September 30, 2022 and has no current sources of operating revenues. These factors raise substantial doubt about its ability to continue as a going concern. The unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company may raise additional capital through the sale of its equity securities, through offerings of debt securities, or through borrowings from financial institutions. These unaudited 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted pursuant to the rules of the U.S. Securities and Exchange Commission, or the SEC. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with our audited consolidated financial statements for the fiscal year ended March 31, 2022.

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of the Company and all of its wholly- and majority-owned subsidiaries. All inter-company balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, equity-based transactions, revenue and expenses and disclosure of contingent liabilities in the unaudited condensed consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. As of September 30, 2022 and March 31, 2022, the Company does not have any such cash equivalents.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Business Combinations

The Company accounts for its business combinations using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the acquisition date fair values of the assets transferred and liabilities assumed by the Company to the sellers and equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. Identifiable assets and liabilities acquired or assumed are measured separately at their fair values as of the acquisition date. The excess of (i) the total costs of acquisition over (ii) the fair value of the identifiable net assets of the acquiree is recorded as goodwill.

Goodwill

Goodwill represents the excess of the purchase price of the acquired business over the estimated fair value of the identifiable net assets acquired. Goodwill is not amortized but is tested for impairment at least annually at year-end, at the reporting unit level or more frequently if events or changes in circumstances indicate that the asset might be impaired. The goodwill impairment test is applied by performing a qualitative assessment before calculating the fair value of the reporting unit. If, on the basis of qualitative factors, it is considered not more likely-than-not that the fair value of the reporting unit is less than the carrying amount, further testing of goodwill for impairment would not be required. Otherwise, goodwill impairment is tested using a two-step approach.

The first step involves comparing the fair value of the reporting unit to its carrying amount. If the fair value of the reporting unit is determined to be greater than its carrying amount, there is no impairment. If the reporting unit's carrying amount is determined to be greater than the fair value, the second step must be completed to measure the amount of impairment, if any. The second step involves calculating the implied fair value of goodwill by deducting the fair value of all tangible and intangible assets, excluding goodwill, of the reporting unit from the fair value of the reporting unit as determined in step one. The implied fair value of the goodwill in this step is compared to the carrying value of goodwill. If the implied fair value of the goodwill is less than the carrying value of the goodwill, an impairment loss equivalent to the difference is recorded.

Convertible Instruments

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Original issue discounts ("OID") under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

Leases

Leases in which the Company is the lessee are comprised of corporate offices. All of these leases are classified as operating leases. The Company recognizes a right of use ("ROU") asset and corresponding lease liability on its unaudited condensed consolidated balance sheets for its office operating lease agreements.

Advertising and Marketing Costs

The Company expenses advertising and marketing costs as they are incurred.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Stock Based Compensation – Non Employees

The Company issues share based payments to non-employees, officers, and board members for services performed or expected to be performed. These share based payments are measured at the grant date fair value based on the Company's stock price and are reflected in the unaudited condensed consolidated statements of operations.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the unaudited condensed consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets, including tax loss and credit carry forwards, 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. A valuation allowance is recorded when it is "more likely-than-not" that deferred tax assets will not be realized.

On a regular basis, the Company evaluates the recoverability of deferred tax assets and the need for a valuation allowance. Such evaluations involve the application of significant judgment. The Company considers multiple factors in its evaluation of the need for a valuation allowance. The Company's net deferred tax assets consist of assets related to net operating losses and credits. The Company's net operating losses and credits have a finite life primarily based on the 20-year carryforward rule for federal net operating losses (NOLs) generated through September 30, 2022. At September 30, 2022 and March 31, 2022, the Company has recorded a full valuation allowance on its deferred tax assets.

Until an appropriate level of profitability is attained, the Company expects to maintain a full valuation allowance on its deferred tax assets. Any tax benefits or tax expense recorded on its unaudited condensed consolidated statement of income will be offset with a corresponding valuation allowance until such time that the Company changes its determination related to the realization of deferred tax assets. In the event that the Company changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such a determination is made.

For uncertain tax positions that meet a "more likely-than-not" threshold, the Company recognizes the benefit of uncertain tax positions in the unaudited condensed consolidated financial statements. The Company's practice is to recognize interest and penalties, if any, related to uncertain tax positions in income tax expense in the Unaudited Condensed Consolidated Statements of Operations.

At September 30, 2022, the Company does not believe it has any uncertain tax positions that would require either recognition or disclosure in the accompanying unaudited condensed consolidated financial statements. The Company's 2019 to 2021 tax returns remain subject to examination by taxing authorities.

Fair Value of Financial Instruments

The carrying values of cash, prepaid expenses and other current assets, right of use asset, accounts payable and accrued expenses, lease liability, stock payable, and due to affiliates approximate their fair values based on the short-term maturity of these instruments. The carrying values of the convertible debentures and loans payable approximates the estimated fair value for these financial instruments as interest approximates the Company's incremental borrowing rate.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Net Loss per Common Share

Net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. All vested outstanding warrants are considered potentially outstanding common stock. The dilutive effect, if any, of warrants are calculated using the treasury stock method. Convertible notes are considered as if converted. Since the effect of common stock equivalents is anti-dilutive with respect to losses, the warrants and convertible securities have been excluded from the Company's computation of net loss per common share for the three months ended September 30, 2022 and 2021.

The following table summarizes the securities that were excluded from the diluted per share calculation:

	September 30, 2022	September 31, 2021
Convertible Notes	7,056,300	2,357,500
Warrants	<u>3,612,200</u>	<u>2,258,333</u>
Total	<u>10,668,500</u>	<u>4,615,833</u>

Recent Accounting Pronouncements

The Company considers all new accounting pronouncements and management has determined that there have been no other recently adopted or issued accounting standards that had or will have a material impact on its financial statements.

NOTE 3 – ACQUISITIONS

Abana Pharmacy Acquisition

Effective April 5, 2021, the Company entered into a joint venture with RX Solutions LLC which resulted in the issuance of 1,000,000 shares of common stock to a consultant as a commission. This arrangement also resulted in the Company acquiring the license for the Five Star Pharmacy in Texas (the “Abana Pharmacy”) and gave the Company a purchase option on the Abana Pharmacy in Texas. The Company exercised its purchase option for \$115,000 and purchased the Abana Pharmacy.

The following table summarizes the allocation of the purchase price to the fair value of the assets acquired and the liabilities assumed as of the transaction date:

Consideration paid	\$115,000
Net assets acquired	<u>-</u>
Goodwill (a.)(b.)	<u>\$115,000</u>

The Company accounted for this transaction in accordance with the acquisition method of accounting for business combinations. Assets and liabilities of the acquired business were included in the unaudited condensed consolidated balance sheet as of June 30, 2022, based on the respective estimated fair value on the date of acquisition as determined in a purchase price allocation using available information and making assumptions management believed are reasonable.

Per ASC 805, Business Combinations, the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognized for a business combination. The measurement period shall not exceed one year from the acquisition date. The Company has identified the acquisition date as April 5, 2021.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

a. Goodwill is the excess of the purchase price over the fair value of the underlying net tangible and identifiable intangible assets. In accordance with applicable accounting standards, goodwill is not amortized but instead is tested for impairment at least annually or more frequently if certain indicators are present. Goodwill and intangibles are not deductible for tax purposes.

b. Goodwill represents expected synergies from the merger of operations and intangible assets that do not qualify for separate recognition. The Abana Pharmacy provided EMOR potential growth synergies resulting from EMOR's access to a pharmacy license.

NOTE 4 – GOODWILL

Goodwill consists of the following:

	September 30, 2022	March 31, 2022
Beginning Balance	\$ 115,000	\$ -
Acquisitions	-	115,000
Impairments	-	-
Total	<u>\$ 115,000</u>	<u>\$ 115,000</u>

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consists of the following:

	September 30, 2022	March 31, 2022
Accounts payable	\$ 453,666	\$ 429,010
Accrued expenses	241,455	269,250
Accrued interest	<u>117,792</u>	<u>48,736</u>
Total	<u>\$ 812,913</u>	<u>\$ 749,996</u>

NOTE 6 – LOANS AND CONVERTIBLE DEBENTURES PAYABLE

Convertible Debentures

On March 25, 2019, in connection with a debenture subscription agreement, the Company issued a convertible debenture in the amount of \$5,000 to an investor, with a maturity date of June 30, 2019. The debenture bears an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at 50% times the volume weighted average price ("VWAP") of the five trading days prior to conversion, in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the note was \$5,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

On August 1, 2020, in connection with two debenture subscription agreements, the Company issued two convertible debentures in the aggregate amount of \$100,000 to two investors, with a maturity date of February 1, 2021. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, at 50% times the volume weighted average price ("VWAP") of the five trading days prior to conversion, in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$100,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

On September 1, 2020, in connection with two debenture subscription agreements, the Company issued two convertible debentures in the aggregate amount of \$75,000 to two investors, with a maturity date of March 1, 2021. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$75,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

On December 1, 2020, in connection with a debenture subscription agreement, the Company issued one convertible debenture in the aggregate amount of \$250,000 to one investor, with a maturity date of June 1, 2021. The debenture includes an original issue discount of 20% or \$50,000 which is also payable on maturity. Amounts due under the debenture may be converted into shares of the Company's common stock, at \$1.00 per share. The agreement also contains a stock purchase warrant for the investor to purchase up to 700,000 shares of the Company's common stock, at \$1.00 per share. The stock purchase warrant expires on December 1, 2025. The Company estimated the fair value of the option to be \$588,000 using the Black-Scholes model. The convertible debenture and stock purchase warrant is part of a bundled transaction. The proceeds from the sale of the convertible debenture with stock purchase warrants was allocated to the two elements based on the relative fair values of the convertible debenture without the stock purchase warrant and of the warrant themselves at the time of issuance. As of September 30, 2022, the outstanding principal on the note was \$250,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount and warrant was \$0 for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

On February 1, 2021, in connection with two debenture subscription agreements, the Company issued two convertible debentures in the aggregate amount of \$110,000 to two investors, with a maturity date of August 1, 2021. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, at \$1.00 per share or at a 30% discount, whichever is less; in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$110,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

On April 15, 2021, the Company issued one convertible debenture in the aggregate amount of \$625,000 to one investor, with a maturity date of October 28, 2021. The debenture includes an original issue discount of 20% or \$125,000 which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, at \$1.00 per share, in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. The agreement also contains a stock purchase warrant for the investor to purchase up to 1,500,000 shares of the Company's common stock, at \$1.00 per share. The stock purchase warrant expires on April 15, 2026. The Company estimated the fair value of the option to be \$796,500 using the Black-Scholes model. The convertible debenture and stock purchase warrant is part of a bundled transaction. The proceeds from the sale of the convertible debenture with stock purchase warrants was allocated to the two elements based on the relative fair values of the convertible debenture without the stock purchase warrant and of the warrant themselves at the time of issuance. As of September 30, 2022, the outstanding principal on the note was \$625,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount and warrant was \$0 and \$202,575, respectively, for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

On June 25, 2021, in connection with nine debenture subscription agreements, the Company issued nine convertible debentures in the aggregate amount of \$327,500 to nine investors, with a maturity date of December 25, 2021. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, at 50% times the volume weighted average price ("VWAP") of the five trading days prior to conversion, in the event 50% or more of the Company's voting power is issued for the purpose of combining with or an acquisition by one or more corporations or other entities or persons; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$327,500. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

On October 1, 2021, in connection with three debenture subscription agreements, the Company issued three convertible debentures in the aggregate amount of \$125,000 to three investors, with a maturity date of September 30, 2022. The debentures bear an interest rate of 12% per annum which is also payable on maturity. Amounts due under the debentures may be mandatorily converted into shares of the Company's common stock, at \$1.00 per share or at a 50% discount if the holders convert any time prior to the principal being repaid. As of September 30, 2022, the outstanding principal on the notes was \$125,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount was \$26,563 and \$0, respectively, for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

On October 29, 2021, the Company issued one convertible debenture in the aggregate amount of \$1,200,000 to one investor, with a maturity date of June 1, 2021. The debenture includes an original issue discount of \$500,000 which is also payable on maturity. Amounts due under the debenture may be converted into shares of the Company's common stock, at \$1.00 per share. As of September 30, 2022, the outstanding principal on the note was \$1,200,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount was \$50,179 and \$0, respectively, for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

On November 5, 2021, in connection with one debenture subscription agreement, the Company issued one convertible debentures in the aggregate amount of \$20,000 to one investor, with a maturity date of May 5, 2022. The debenture bears an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.25 per share or at a 15% discount of the next qualified offering, whichever is less; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$20,000. As of September 30, 2022, the conversion shares have yet to be issued and was recorded as convertible notes on the unaudited condensed consolidated balance sheets.

On November 22, 2021, the Company issued one convertible debenture in the aggregate amount of \$140,000 to one investor, with a maturity date of May 22, 2022. The debenture includes an original issue discount of 20% or \$30,000 which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$1.00 per share or at a 15% discount of the next qualified offering, whichever is less; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the note was \$140,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount was \$0 for the three month ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

On December 1, 2021, in connection with one debenture subscription agreement, the Company issued one convertible debentures in the aggregate amount of \$50,000 to one investor, with a maturity date of June 1, 2022. The debenture bears an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.25 per share or at a 35% discount of the next qualified offering, whichever is less; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the note was \$50,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

On February 1, 2022, in connection with three debenture subscription agreements, the Company issued three convertible debentures in the aggregate amount of \$250,000 to three investors, with a maturity date of July 31, 2022. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.25 per share or at a 15% discount of the next qualified offering, whichever is less; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the notes was \$250,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

On March 3, 2022, in connection with one debenture subscription agreement, the Company issued one convertible debentures in the aggregate amount of \$50,000 to one investor, with a maturity date of September 3, 2022. The debenture bears an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.25 per share or at a 35% discount of the next qualified offering, whichever is less; or a sale, conveyance or disposition of all or substantially all of the assets of the Company. As of September 30, 2022, the outstanding principal on the note was \$50,000. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet.

During the three months ended June 30, 2022, the Company issued eight convertible debentures in the aggregate amount of \$690,500 to eight investors, with a maturity dates of ranging from April 27, 2023 to June 16, 2023. The debentures includes an original issue discount of \$63,050 which is also payable on maturity. The debentures bear an interest rate of 6% to 8% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.50 per share. As of September 30, 2022, the outstanding principal on the note was \$690,500, net the unamortized debt discount of \$47,699. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount was \$10,723 and \$0, respectively, for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

During the three months ended September 30, 2022, the Company issued seven convertible debentures in the aggregate amount of \$743,900 to eight investors, with a maturity dates ranging from January 6, 2023 to March 15, 2023. The debentures includes an original issue discount of \$69,900 which is also payable on maturity. The debentures bear an interest rate of 6% per annum which is also payable on maturity. Amounts due under the debenture may be mandatorily converted into shares of the Company's common stock, at \$0.50 per share. As of September 30, 2022, the outstanding principal on the note was \$690,500, net the unamortized debt discount of \$60,397. As of September 30, 2022, the conversion shares have yet to be issued was recorded as convertible notes on the unaudited condensed consolidated balance sheet. Amortization of original issue discount was \$9,503 and \$0, respectively, for the three months ended September 30, 2022 and 2021, and is recorded in interest expense in the unaudited condensed consolidated statements of operations.

Unsecured Loan Payable

On September 23, 2019, the Company recognized an unsecured loan payable in the amount of \$10,000 to a lender. As of September 30, 2022 and March 31, 2022, the balance outstanding is \$10,000.

On September 24, 2019, the Company recognized an unsecured loan payable in the amount of \$7,000 to a lender. As of September 30, 2022 and March 31, 2022, the balance outstanding is \$7,000.

On September 30, 2019, the Company recognized an unsecured loan payable in the amount of \$3,000 to a lender. As of September 30, 2022 and March 31, 2022, the balance outstanding is \$3,000.

NOTE 7 - STOCKHOLDER'S EQUITY

Capitalization

On December 28, 2018, EMOR amended its Articles of Incorporation to increase the number of authorized shares to 2,100,000,000, which consists of 2,000,000,000 shares of \$0.001 par value common stock and 100,000,000 shares of \$0.001 par value preferred stock. The preferred stock can be issued in one or more series or classes at the discretion of the Board of Directors.

Common Stock

Prior to the Pura Vida reverse merger, Pura Vida issued several convertible debentures in the aggregate amount of \$440,500 to several investors, with a maturity date of June 30, 2019. The convertible debentures bore an interest rate of 6% per annum which was also payable on maturity. Amounts due under the convertible debentures may be mandatorily converted into membership units of Pura Vida upon the sale or merger of Pura Vida that resulted in more than 50% change in ownership of the membership interests of Pura Vida. Pursuant to the Pura Vida Merger Agreement the convertible debentures were converted into membership units in Pura Vida at a conversion ratio ranging from \$0.03 per membership unit to \$0.12 per membership unit. These membership units were immediately exchanged for shares in the Company's common stock pursuant to the Pura Vida Merger Agreement.

In connection with the Pura Vida convertible debentures, it was determined the convertible debentures contained a beneficial conversion feature. The beneficial conversion feature was measured using the estimated market value of the convertible debentures at the time of the Pura Vida reverse merger which was determined to be \$440,500. This amount was recorded as a debt discount and was amortized as interest expense at the time of the Pura Vida reverse merger.

On August 23, 2021, the Company and a shareholder reached an agreement whereby the Company canceled 65,000,000 shares of the Company's common stock that the shareholder received in the Pura Vida reverse merger.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Warrants

The issuance of warrants to purchase shares of the Company's common stock are summarized as follows:

	<u>Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at April 1, 2022	2,658,333	\$ 0.94
Granted	200,000	0.50
Exercised	-	-
Expired or cancelled	(58,333)	-
Outstanding at September 30, 2022	<u>2,800,000</u>	<u>\$ 0.91</u>

The following table summarizes information about warrants outstanding and exercisable at September 30, 2022.

<u>Quarter</u>	<u>Exercise Prices</u>	<u>Outstanding Warrants</u>	<u>Weighted Average Remaining Life in Years</u>	<u>Weighted Average Exercise Price</u>	<u>Number Exercisable</u>
September 30, 2022	\$ 1.00	700,000	3.17	\$ 1.00	700,000
September 30, 2022	\$ 1.00	1,500,000	3.54	\$ 1.00	1,500,000
September 30, 2022	\$ 0.50	400,000	2.13	\$ 0.50	400,000
September 30, 2022	\$ 0.50	200,000	2.88	\$ 0.50	200,000

The expense attributed to the issuance of the warrants was recognized as they vested/earned. These warrants are exercisable for three years from grant date. All are currently exercisable.

Series A Convertible Preferred Stock

On March 2, 2020, the Company received cash proceeds of \$250,000 from an investor for the purchase of Series A Preferred Convertible Shares ("Series A Shares"), at a fair value of \$1.60 per share. During the period April 1, 2020 through September 30, 2020, the Company received an additional aggregate of \$1,072,000 from the same investor for the purchase of additional Series A Shares, at a fair value of \$1.60 per share, for a total of \$1,322,000. On September 30, 2020, the parties agreed to convert to equity under the terms of the note which resulted in the Company issuing 82,625 shares of Series A Shares to this investor.

Series B Convertible Preferred Stock

On September 23, 2021, the Company issued 60,000 shares of Series B Preferred Convertible Shares ("Series B Shares") to an officer of the Company for services provided, at a fair value of \$0.55 per share, based on the Company's common share price as the Series B Shares are convertible into common stock.

On January 12, 2022, the Company issued 4,000 shares of Series B Preferred Convertible Shares ("Series B Shares") to a consultant of the Company for services provided, at a fair value of \$0.69 per share, based on the Company's common share price as the Series B Shares are convertible into common stock.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Common Stock Payable

On April 19, 2020, pursuant to the Company's amended and restated collaboration agreement with Todos, Todos will provide various advisory services to the Company. The initial term of the collaboration agreement is five years. Upon the execution of the collaboration agreement the Company was to issue 50,000 shares of the Company's common stock, valued at \$98,000 to Todos. As of June 30, 2022, these shares had yet to be issued. As such, the Company recorded a stock payable in the amount of \$4,900 representing the fair value of services performed during the three months ended September 30, 2020.

During the three months ended September 30, 2022, the Company issued common shares of the Company's stock to various consultants and professional as compensation for services performed. As of September 30, 2022, the outstanding principal on the common shares was \$492,440. As of September 30, 2022, the shares have yet to be issued and was recorded as stock payable on the unaudited condensed consolidated balance sheet.

During the three months ended September 30, 2021, the Company issued common shares of the Company's stock to various consultants and professional as compensation for services performed. As of September 30, 2022, the outstanding principal on the common shares was \$142,200. As of September 30, 2022, the shares have yet to be issued and was recorded as stock payable on the unaudited condensed consolidated balance sheet.

During the three months ended September 30, 2022 and 2021, a consultant exercised 100,000 and 100,000 vested options, respectively, to purchase 100,000 and 100,000 shares, respectively, of the Company's common stock. The options vested at 100,000 options per quarter and were valued at each quarter end using the Black-Sholes option pricing model and aggregated \$18,000 and \$15,300, respectively, for the three months ended September 30, 2022 and 2021. As of September 30, 2022, the shares have yet to be issued and were recorded as stock payable on the unaudited condensed consolidated balance sheet.

NOTE 8 – RELATED PARTY TRANSACTIONS

Due To Affiliates

During the three months ended September 30, 2022 and 2021, certain officers received compensation for services rendered. For the three ended September 30, 2022 and 2021, the Company paid officers compensation for services rendered of \$149,343 and \$78,200, respectively.

At September 30, 2022 and March 31, 2022, due to affiliates represents loans from certain officers for working capital purposes. There are no set repayments term or provision for interest. Amounts will be repaid with excess cash flows.

NOTE 9 – LEASES

On April 1, 2021, May 10, 2021, and August 1, 2022, the Company recognized Right of Use ("ROU") assets and lease liabilities of \$31,764, \$38,770, and \$66,220, respectively. In August 2022, the Company exited the leases entered on April 1, 2021 and May 2021 and wrote-off the unamortized ROU and lease liabilities. The Company elected to not recognize ROU assets and lease liabilities arising from short-term office leases, leases with initial terms of twelve months or less (deemed immaterial) on the unaudited condensed consolidated balance sheets.

ROU assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The lease terms may include options to extend or terminate the lease if it is reasonably certain that the Company will exercise that option.

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its estimated incremental borrowing rate at inception. The weighted average incremental borrowing rate applied was 5.50%. As of September 30, 2022, the Company's leases had a remaining weighted average term of 1.83 years.

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Rent expense amounted to approximately \$2,508 and \$5,564 for the three months ended September 30, 2022, and 2021, respectively.

The following table presents net lease cost and other supplemental lease information:

	Three Months Ended September 30, 2022
Lease Cost	
Operating lease cost	\$ 60,702
Short term lease cost	-
Sublease income	-
Total	<u>\$ 60,702</u>
Operating lease – operating cash flows (fixed payments)	\$ 15,655
Operating lease – operating cash flows (liability reduction)	\$ 16,098
Non-current leases – right of use assets	\$ 60,702
Current liabilities – operating lease liabilities	\$ 18,957
Non-current liabilities – operating lease liabilities	\$ 42,153

Future minimum payments under non-cancelable leases for operating leases for the remaining terms of the leases as of September 30, 2022, are as follows:

	<u>Operating Leases</u>
Fiscal year	
2023	\$ 17,040
2024	35,130
2025	<u>11,960</u>
Total future minimum lease payments	64,130
Amount representing interest	<u>(3,020)</u>
Present value of net future minimum lease payments	<u>\$ 61,110</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

From time to time, the Company may be subject to legal proceedings arising out of the ordinary course of business. Although management cannot predict the outcome of such proceedings, management does not consider such proceedings to result in a material adverse effect on its business operations, financial position or its results of operations or its cash flows.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date that the consolidated financial statements were available to be issued.

No material subsequent events have been identified that would require adjustment to or disclosure in the accompanying consolidated financial statements.