



CECORS, INC.

190 Norseman St.,
Etobicoke, ON M8Z 2R4, Canada

Company Telephone: 888-376-8258
Company E-Mail: info@psykeyworld.com

Quarterly Report

For the period ending June 30, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

332,079,838 as of June 30, 2024 (Current Reporting Period Date)

332,079,838 as of December 31, 2023 (Most Recent Completed Fiscal Year End)

Shell Status

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

Yes: No:

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

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

_____ ⁴ "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;

Yes: No:

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

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

We were founded on April 16, 2002 as Expert Systems, Inc. in Nevada.

On February 13, 2006, the name of Expert Systems, Inc. was changed to Foldera, Inc., as part of a merger transaction with a privately held corporation, Taskport, Inc.

On August 12, 2008, the Company changed its name of Foldera, Inc. to CeCors, Inc.

On August 10, 2021, the Company changed its name from CeCors Inc. to Psykey, Inc. with the State of Nevada, The aforementioned action did not receive approval from the Financial Industry Regulatory Authority ("FINRA")

On May 15, 2023, the Company changed its name back to CeCors, Inc.

Current State and Date of Incorporation or Registration: The issuer has been incorporated in the State of Nevada since April 16, 2002

Standing in this jurisdiction: (e.g. active, default, inactive): Active

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

On August 10, 2021, the Company changed its name from CeCors Inc. to Psykey, Inc. with the State of Nevada, The aforementioned action did not receive approval from the Financial Industry Regulatory Authority ("FINRA")

On May 15, 2023, the Company changed its name back to CeCors, Inc.

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

None

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

On April 10, 2023, the Company closed an Acquisition and Exchange of Shares Agreement (the "Agreement") with VETCOMM ("VETCOMM"), a corporation incorporated under the laws of Wyoming. Pursuant to the Agreement, CeCors acquired a 100% equity interest in VETCOMM in exchange for the issuance of 20,000,000 shares of the Company's restricted common stock and 637,500 shares of the Company's Series A preferred stock to VETCOMM founding shareholder, Kate Monroe (aka Katy Eatmon). In order to facilitate the transaction and mitigate dilution to CeCors shareholders, the Company's officers concurrently returned 20,000,000 shares of common stock and 637,500 shares of Series A preferred stock, for cancelation, without consideration. Kate Monroe, CEO and founder of VETCOMM, along with key management of VETCOMM, continued in their existing roles running the operations of VETCOMM post acquisition.

Address of the issuer's principal executive office:

190 Norseman St., Etobicoke, ON, M8Z 2R4 Canada

Address of the issuer's principal place of business:

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

(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.

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

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: 800-785-7782
Email: info@pacificstocktransfer.com
Address: 6725 Via Austi Parkway, Suite 300, Las Vegas, NV 89119

Publicly Quoted or Traded Securities:

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

Trading symbol:	CEOS
Exact title and class of securities outstanding:	Common Stock
CUSIP:	150043107
Par or stated value:	<u>\$0.001</u>
Total shares authorized:	<u>500,000,000</u> as of date: June 30, 2024
Total shares outstanding:	<u>332,079,838</u> as of date: June 30, 2024
Total number of shareholders of record:	<u>139</u> as of date: June 30, 2024

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

N/A

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

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

Exact title and class of the security:	Preferred Stock of which 5,000,000 are designated as Series A Preferred
Par or stated value:	<u>\$0.001</u>
Total shares authorized:	<u>11,000,000</u> as of date: June 30, 2024
Total shares outstanding:	<u>2,550,000</u> – Series A Preferred as of date: June 30, 2024
Total number of shareholders of record:	<u>3</u> as of date: June 30, 2024

***A total of 5,000,000 shares are designated as Series A Preferred Stock, the remaining 6,000,000 shares are not designated. There are a total of 2,550,000 shares of Series A Preferred Stock issued and outstanding and no shares of Preferred Stock.**

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

N/A

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

Subject only to any superior rights designated, the common stock has unlimited voting rights and shall be entitled to receive the net assets of the Corporation upon dissolution.

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

There are 11,000,000 shares of Preferred Stock authorized, of which 5,000,000 are as Series A Preferred Stock. The remaining 6,000,000 shares of preferred stock are not yet designated and until designated have no dividend, voting, conversion or liquidation rights. The Series A Preferred Stock is convertible at a ratio of ten (10) shares of common stock for every (1) one share of Series A Preferred Stock, with mandatory conversion after 24 months at the election of the Board of Directors. The holders of Series A Preferred Stock vote as a single holder and are entitled to 67% of the voting power of the Company's stockholders. The Series A Preferred stock shares are entitled to dividends.

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

N/A

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

N/A

3) Issuance History

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

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

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

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

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

Shares Outstanding as of Fiscal Year End: <u>December 31, 2021</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Common: <u>499,954,838</u> Preferred: <u>N/A</u>									
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
January 18, 2022	Shares returned and canceled	(87,750,000)	Common Stock	N/A	N/A	Sukhinder Kalsi	Common shares canceled and exchanged for	N/A	N/A

							Series A preferred shares		
January 18, 2022	Shares returned and canceled	(87,750,000)	Common Stock	N/A	N/A	Amar Bhatal	Common shares canceled and exchanged for Series A preferred shares	N/A	N/A
January 18, 2022	New issuance	1,275,000	Series A Preferred	\$0.001	N/A	Sukhinder Kalsi	Series A Preferred shares issued in exchange for canceled common shares	Restricted	Reg S
January 18, 2022	New Issuance	1,275,000	Series A Preferred	\$0.001	N/A	Amar Bhatal	Series A Preferred shares issued in exchange for canceled common shares	Restricted	Reg S
April 13, 2022*	New Issuance	10,000,000	Common Stock	\$0.001	Yes	John Frank Georges	Acquisition Agreement	Restricted	Rule 144
April 13, 2022*	New Issuance	10,000,000	Common Stock	\$0.001	Yes	Joseph F. Pavlik	Acquisition Agreement	Restricted	Rule 144
October 24, 2022*	Cancellation	(10,000,000)	Common Stock	\$0.001	Yes	John Frank Georges	Termination of Acquisition Agreement	N/A	N/A
October 24, 2022*	Cancellation	(10,000,000)	Common Stock	\$0.001	Yes	Joseph F. Pavlik	Termination of Acquisition Agreement	N/A	N/A
October 1, 2022	New Issuance	1,500,000	Common Stock	\$0.04	No	Guy Patrick Ratchford	Shares for Services	Restricted	Rule 144
October 1, 2022	New Issuance	2,000,000	Common Stock	\$0.04	No	Tessa Janae Michelle Lawlor	Shares for Services	Restricted	Rule 144
November 15, 2022	New Issuance	1,000,000	Common Stock	\$0.03	No	Eleanor McCarthy	Shares for Services	Restricted	Rule 144
November 15, 2022	New Issuance	1,000,000	Common Stock	\$0.03	No	John C. Gustin	Shares for Services	Restricted	Rule 144
November 17, 2022	New Issuance	1,125,000	Common Stock	\$0.02	Yes	Peter Baloff	Shares for Services	Restricted	Rule 144
November 30, 2022	New Issuance	1,000,000	Common Stock	\$0.01	No	Shahiem Hartley	Shares for Services	Restricted	Rule 144
April 10, 2023	Cancellation	(318,750) (10,000,000)	Series A Preferred Common Stock	\$0.001 \$0.001	N/A	Sukhinder Kalsi	Cancelled pursuant to an acquisition agreement	N/A	Reg S
April 10, 2023	Cancellation	(318,750)	Series A Preferred	\$0.001	N/A	Amar Bhatal	Cancelled pursuant to an	N/A	Reg S

		(10,000,000)	Common Stock	\$0.001			acquisition agreement		
April 10, 2023	New Issuance	637,500	Series A Preferred	\$0.0481	No	Katy Eatmon (aka Kate Monroe)	Acquisition Agreement	Restricted	Rule 144
		20,000,000	Common Stock	\$0.0481	Yes			Restricted	Rule 144
Shares Outstanding on Date of This Report:									
Ending Balance: Date: <u>June 30, 2024</u> Common: <u>332,079,838</u> Preferred: 2,550,000 Series A Preferred									

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

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

N/A

B. Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
November 30, 2021	112,932	100,000	12,932	November 30, 2024	fixed conversion price of 20% discount from the closing price as of the date of receipt of a notice of conversion	Aram Capital/ control - Aldo Rotondi	Services
November 30, 2021	112,932	100,000	12,932	November 30, 2024	fixed conversion price of 20% discount from the closing price as of the date of receipt of a notice of conversion	Munish Nanda	Services
November 30, 2021	112,932	100,000	12,932	November 30, 2024	fixed conversion price of 20% discount from the closing price as of the date of receipt of a notice of conversion	Robert Oswald	Services
November 30, 2021	225,862	200,000	25,862	November 30, 2024	fixed conversion price of 20% discount from the closing price as of the date of receipt of a notice of conversion	Ziabs Canada Inc./control- Olesya Barakina and Taranjeet Reehal jointly	Services

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

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

N/A

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

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

PsyKey Inc., the Company's wholly owned subsidiary, is vertically integrated in the research & development, production, and commercialization of therapeutic and medicinal entheogenic, adaptogenic, nootropic ingredients and formulations for its premium functional product lines which are developed by its mycology and botany experts. PsyKey understands the importance of access to support services and healthcare professionals and is continuously engaged in the development of tools that will aid in removing barriers and providing inclusivity. PsyKey is also engaged in the scientific development of patentable technologies pertaining to the composition, bioavailability and targeted delivery of entheogen-based therapeutics.

PsyKey has an exclusive strategic partnership with MycoVita Canada Inc. ("MycoVita"), through a 51% controlled subsidiary of PsyKey, Fungi Co Ltd., a Canadian federal incorporation, with the purpose of the partnership being the research, development, and commercialization of Mycology based formulations, products, and therapeutics, as well as the development of innovative sustainable food production strategies. The Company commenced operations in Fungi in fiscal 2021 and launched its first products consisting of four functional coffee blends for sale in boxes of 24 single serve coffee pods per box. The Company commenced selling its products direct to consumer on the Company's website at www.psykeyworld.com/shop/.

In fiscal 2022 the Company completed the beta version of its Telehealth App PSYKEY LIVE. The PSYKEY LIVE App was created to streamline accessing mental health support services. The app is designed with ease of use and convenience at the forefront of importance, providing individuals direct access to mental health support providers via video conferencing, live chatting and more. The comprehensive App platform allows users to view profiles of care providers, schedule and track appointments, and create individual private health profiles. These profiles can house users' private health records, medication use information, and any critical notes individuals may wish to disclose to the providers they choose. The Company expects to commercially launch the PSYKEY LIVE App once real-world beta testing is concluded. Development of the App was put on hold in early 2023 upon acquisition of subsidiary VETCOMM in order to identify synergies for the App and the Company's current business focus of assisting veterans.

On April 10, 2023, the Company closed the acquisition of VETCOMM ("VETCOMM"), a corporation incorporated under the laws of Wyoming. VETCOMM, founded by United States Marine Corps veteran, Kate Monroe, is a veteran's education and benefits company offering educational packages and claim support for veterans leading to benefits at various different levels including ad hoc single service fees, as well as services which allow for both 3 and 6 month payment plans with an option to receive a discount on services for upfront payment and to add on additional services for a follow on fee. VETCOMM is focused on assisting the over 15 million United States veterans that qualify for underutilized annual benefits and owed compensation, resulting in estimated billions of dollars of unclaimed benefits every month in the United States. Members of VETCOMM can file claims, with no medical or service records required using customized educational materials and VETCOMM claim support services. VETCOMM also focuses resources to support and donate to Veteran Charities. VETCOMM's goal is to help 1 million veterans get rated and receive benefits. <https://www.VETCOMM.us/>

In fiscal 2023 VETCOMM appointed Michael Nichols as an expert Veterans Affairs, and Department of Defense Advisor to VETCOMM. With an illustrious career spanning 22 years, including 12 years in the United States Marine Corps, a decade of dedicated service at the Department of Veterans Affairs (VA), and being an interictal part in developing Department of Defense (DoD) approved programs and initiatives to help transitioning service members obtain employment post active duty service. Michael Nichols brings a wealth of invaluable knowledge to VETCOMM. Michael advises VETCOMM on best practices when submitting disability claims to the VA and on developing the Company's DoD SkillBridge Program, which is currently underway. The DoD SkillBridge Program will allow transitioning service members to become interns for up to 180 days before being discharged at no cost to VETCOMM during their training. This will enable VETCOMM to train, educate, and prepare the service members as they convert their military experience into VETCOMM employment as members of the sales, claims, marketing, and technology teams, overall bolstering the operations and growth of VETCOMM. Starting in November 2023, VETCOMM has continued to add to its administrative, service and sales team, adding staff members with a wealth of experience in veteran benefits and advocacy. Continuing to add to our service team and claims specialists will be crucial in expanding VETCOMM's reach and ensuring that more veterans are aware of the benefits they are entitled to

and claims are processed efficiently and accurately, ensuring that veterans receive the support they deserve in a timely manner. As of the date of this report VETCOMM has a team of 58 employees, consultants and specialists operating in the sales, administrative and claims department, inclusive of officers and directors.

In August 2024 VETCOMM announced the development of its new VETCOMM App and digital workbook designed to assist veterans in navigating the VA claims process. The VETCOMM App specifically caters to veterans seeking VA benefits. In the future, the Company plans to integrate mental health support into the VETCOMM App, expanding available services for veterans in the USA. Initially, our focus will be on helping veterans get rated and educated through the app. The VETCOMM App, set to roll out in Q4, will provide veterans with a comprehensive platform to access courses and videos tailored to help them independently manage their VA claims. The app will feature AI integration to streamline the VA disability and compensation process for claims review and rating. Veterans will benefit from comprehensive course offerings designed to guide them through the VA claims process, real-time chat support for immediate assistance, and scheduling capabilities to easily arrange filings and exam prep. The digital workbook, priced at \$297, will be initially available on VETCOMM's website and eventually on all platforms with Android and iOS devices. This eliminates the need for sales representatives or claims agents for each transaction. Supported by VETCOMM's dedicated customer success team, this product promises to streamline the claims process for veterans while maintaining essential personal support.

The shift towards a tech-centric solution will allow VETCOMM to leverage software, AI, and technology, reducing overhead costs and expanding its reach to more veterans while preserving jobs within the company. By transitioning to this innovative approach, VETCOMM aims to empower the millions of veterans who have not been receiving the benefits they earned through their service. Currently, over 15 million veterans are in the United States, with 60% having never filed a VA disability and compensation claim, and 80% of those who have filed being underrated, according to VA.gov.

VETCOMM is committed to integrating advanced AI services and continuously improving the user experience. As the world rapidly shifts towards AI-driven solutions, VETCOMM plans to evolve with the industry, bringing the most equipped tools to serve our veterans.

In August VETCOMM announced that it transitioned from using outsourced MVA Solutions to an in-house call center. This transition is expected to save \$15,000 per month, create new jobs, and improve customer service, supporting VETCOMM's growth and profitability.

In August the Company announced that it is collaborating with the San Diego Military Advisory Council (SDMAC) to expand veteran support, enhance networking, and drive growth through greater market presence and potential government contracts

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

At June 30, 2024, the Company has two wholly owned subsidiaries, VETCOMM and, PsyKey, Inc., which controls 51% of Fungi Co Ltd.

The Company has a partnership with MycoVita Canada with respect to manufacturing operations for its coffee based products.

C. Describe the issuers' principal products or services.

PsyKey Inc produces premium quality functional mushroom-based products. These products and their raw mushroom ingredients are co-developed and sourced by Mycovita and Dr. Oman Isikhuemhen. Dr. Isikhuemhen is a world-renowned Mycologist whose credentials include a Bachelor's of Science with honors, a Master of Science in botany, and a Ph.D. in microbiology. Mushrooms are a source of protein, fiber, B vitamins, selenium, potassium, copper, vitamin D, and numerous polysaccharides and polysaccharide-protein complexes that are believed to enhance both the innate (short term) and adaptive (longer-term) immune response. The functional mushrooms used to produce PsyKey products contain nutrients with potentially life-changing benefits to the brain, liver, heart, kidneys, and immune system. The functional medicinal mushrooms offered in PsyKey products include; Cordyceps, Turkey Tail, Reishi Ganoderma, Maitake, Lions Mane, and Chaga. Our initial product offering includes three proprietary blends of mushrooms developed to offer Cognition and memory support, Immune support, and adaptogenic support. Our products consist of infused coffee blends and capsule supplements. The infused coffee is offered in single-serve coffee pods for easy brew convenience and 12-ounce resealable and vented ground coffee bags. Our single serve coffee pods are sealed with

foil and served in a box of 24 pods. Each pod contains 500mg of infused functional benefit per serving. The Company's functional mushroom infused coffees are created by combining the highest quality 100% fair trade organic Arabica coffee beans, with amazing functional mushrooms that have been used for their benefits for centuries. PsyKey's functional coffee formulations are developed utilizing dried ground fruiting body, "Actual Mushrooms", intended to provide the full potential of each functional mushroom when brewed.

VETCOMM, a leading provider of VA benefits courses and services offers ad hoc claims support services which can be paid up front or with 3- or 6-month installments allowing veterans to obtain educational materials assisting them with the process of becoming rated and filing VA claims to secure underutilized annual benefits and owed compensation. Recently VETCOMM launched its referral program as part of the mission to ensure that no veteran is left behind. The referral program is open to everybody, including under & unrated veterans, veteran organizations and charities, as well as the general public. The program is designed to reward and encourage individuals and organizations to help veterans get rated through cash incentives.

Referral Program: www.VETCOMM.us/referral-membership/

The Company recently announced ongoing development of the VETCOMM App, set to roll out in Q4, which will provide veterans with a comprehensive platform to access courses and videos tailored to help them independently manage their VA claims. The app will feature AI integration to streamline the VA disability and compensation process for claims review and rating. Veterans will benefit from comprehensive course offerings designed to guide them through the VA claims process, real-time chat support for immediate assistance, and scheduling capabilities to easily arrange filings and exam prep. The digital workbook, priced at \$297, will be initially available on VETCOMM's website and eventually on all platforms with Android and iOS devices.

5) Issuer's Facilities

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

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

The Company has offices located at 190 Norseman St Suite 100, Toronto Ontario M8Z 2R4. The lease agreement is with Canadian Union Promotions Inc. for office space of 1,000 square feet subleased at a rate of \$1,000 per annum and is renewable annually. The Company's subsidiary, VETCOMM operates a call center from its satellite office at 3516 Voyager Circle, San Diego, CA 92130. The lease provides for 1,600 square feet at a cost of \$1,500 per month plus utilities and was entered into effective June 1, 2024 for a one-year term. The lessor is the husband of VETCOMM CEO, Kate Monroe. VETCOMM moved into new corporate headquarters under a two-year lease as of April 15, 2024 at 1010 S Coast Hwy, Encinitas, CA 92024. The facility is approximately 2,751 square feet with base monthly rent of \$10,866.45 and operating costs of approximately \$1,850 per month.

The following are the expected lease payments for VETCOMM's corporate headquarters as of June 30, 2024:

Year Ending December 31,	Total
2024	\$ 65,199
2025	130,397
2026	43,466
Total lease payments	<u>239,062</u>

Total lease expense was \$26,260 for the three months ended June 30, 2024.

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

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

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

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

Data provided is as of June 30, 2024, and is based on a total of 332,079,838 shares of common stock issued and outstanding; and 2,550,000 shares of Series A Preferred Stock issued and outstanding.

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Amar Bhatal	President, Secretary, Director, Owner of more than 5%	Edmonton, Alberta Canada	40,000,000	Common	12.045%	
			956,250	Series A Preferred	37.5%	
Sukhinder Kalsi	CFO, Treasurer, Director, Owner of more than 5%	Edmonton, Alberta Canada	40,000,000	Common	12.045%	
			956,250	Series A Preferred	37.5%	
Guy Patrick Ratchford	Director	Toronto, Ontario Canada	2,000,000	Common	0.602%	
John Gustin	Head of Global Business Development	Carlsbad, CA	1,000,000	Common	0.301%	
Dr Michael McCarthy	Scientific and Medical Advisory Board	Olathe, KS	1,000,000	Common	0.301%	These shares are issued in the name of his spouse, Eleanor McCarthy
Dr. Shahiem Hartley	Medical Advisory Board	Edmonton AB, Canada	1,000,000	Common	0.301%	
Peter Baloff	Advisory Team – Marketing and Advertising	Palmetto Bay, Fl	1,125,000	Common	0.339%	
Kate Monroe (AKA Katy Eatmon)	CEO, Cecors and VETCOMM	San Diego, CA	20,000,000	Common	6.023%	
			637,500	Series A Preferred	25%	
Timothy Lawless	VETCOMM CTO	San Diego, CA	0	N/A	N/A	
Rafer Weigel	VETCOMM CCO	San Diego, CA	0	N/A	N/A	
Ernie Manansala	VETCOMM CMO	San Diego, CA	0	N/A	N/A	

Nicole Lasecki	Owner of more than 5%	Bay Harbor Islands, FL	25,000,000	Common	7.53%	
Luca Sartini	Owner of more than 5%	Miami, FL	25,000,000	Common	7.53%	

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

7) Legal/Disciplinary History

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

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

None

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

None

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

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

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

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

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

N/A

8) Third Party Service Providers

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

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

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Morgan E. Petitti, Attorney at Law
Firm: -
Address 1: 118 W. Streetsboro Street, Suite 317
Address 2: Hudson, Ohio 44236
Phone: 330-697-8548
Email: petittilaw@gmail.com

Accountant or Auditor

Name: Li Shen, CPA
Firm: The Accounting Connection
Address 1: 145-251 Midpark Blvd. SE
Address 2: Calgary, Alberta T2X 1S3, Canada
Phone: 403-693-8004
Email: support@theaccountingconnection.com

Investor Relations

Name: Rafer Weigel
Firm: Weigel Media, LLC
Address 1: 1010 S Coast Hwy,
Address 2: Encinitas, CA 92024
Phone: 312-914-8690
Email: rafer@vetcomm.us

The Contract with Blaze PR was terminated during this quarter ended June 30, 2024.

All other means of Investor Communication:

X (Twitter): <https://x.com/PsyKeyworld> and <https://x.com/VetCommUs>
Discord: N/A
LinkedIn: N/A
Facebook: <https://m.facebook.com/VetCommUs/>
Instagram: [@psykeyinc](#) and [@vetcommus](#)

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), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: Jacqueline Danforth
Firm: The Ideal Connection
Nature of Services: Compliance Consulting Services
Address 1: 30 North Gould, Suite 5953
Address 2: Sheridan, WY 82801
Phone: 646-831-6244

Email: jd@theidealconnection.com

9) Disclosure & Financial Information

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

Name: Jacqueline Danforth
Title: Compliance Consultant
Relationship to Issuer: Outside Service Provider

The content of this report was prepared based on information provided by management.

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

- IFRS
 U.S. GAAP

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

Name: Li Shen
Title: CA
Relationship to Issuer: Independent Accounting firm

Describe the qualifications of the person or persons who prepared the financial statements:⁵

Ms Shen is a Chartered Professional Accountant in Canada

The unaudited financial statements for the three and six months ended June 30, 2024 and 2023 are appended to this filing and include:

- Condensed Consolidated Balance Sheets;
- Condensed Consolidated Statements of Income;
- Condensed Consolidated Statements of Cash Flows;
- Condensed Consolidated Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes to Condensed Consolidated Financial Statements

10) Issuer Certification

Principal Executive Officer:

I, Kate Monroe certify that:

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

August 14, 2024

/s/ Kate Monroe

CEO (Principal Executive Officer)

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

Principal Financial Officer:

I, Sukhinder Kalsi certify that:

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

August 14, 2024

/s/ Sukhinder Kalsi

CFO (Principal Financial Officer)

CECORS, INC
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
ASSETS		
Current assets		
Cash	\$ 1,052,303	\$ 376,007
Inventory	1,238	1,315
Prepaid expenses	92,665	60,580
Other Assets	16,943	4,271
Total current assets	<u>1,163,149</u>	<u>442,173</u>
Property and equipment, net	25,166	-
Goodwill	1,285,187	1,285,187
ROU operating lease	225,212	-
TOTAL ASSETS	<u><u>\$ 2,698,714</u></u>	<u><u>\$ 1,727,360</u></u>
 LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	\$ 567,987	\$ 233,739
Accounts payable, related parties	1,007,500	857,200
Customer deposits	1,018,399	367,690
Debt	-	150,000
Debt, related parties	252,721	235,600
Other current liability	1,931	-
ROU liability, current portion	118,139	-
Liabilities from discontinued operations	4,790	4,790
Total current liabilities	<u>2,971,467</u>	<u>1,849,019</u>
ROU liability, net of current portion	117,034	-
Convertible notes	625,000	625,000
Total liabilities	<u>3,713,501</u>	<u>2,474,019</u>
Stockholders' deficit		
Series A Preferred Stock, par value \$0.001, 5,000,000 shares authorized, 2,550,000 shares issued and outstanding	2,550	2,550
Common stock, par value \$0.001, 500,000,000 shares authorized, 332,079,838 shares issued and outstanding	332,080	332,080
Additional paid-in capital	1,352,621	1,352,621
Deferred compensation	(22,257)	(54,123)
Accumulated deficit	(2,681,935)	(2,379,968)
Accumulated other comprehensive loss	1,367	(571)
Total CeCors Inc. stockholders' deficit	<u>(1,015,574)</u>	<u>(747,411)</u>
Non-controlling interest	787	752
Total stockholders' deficit	<u>(1,014,787)</u>	<u>(746,659)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u><u>\$ 2,698,714</u></u>	<u><u>\$ 1,727,360</u></u>

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

CECORS, INC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net Revenue	\$ 1,324,840	\$ 58,266	\$ 2,010,526	\$ 63,996
Cost of goods sold	23	38	119	1,096
Gross profit	<u>1,324,817</u>	<u>58,228</u>	<u>2,010,407</u>	<u>62,900</u>
OPERATING EXPENSES				
Sales commissions	416,561	37,203	666,286	37,203
Selling and marketing	647,201	34,597	1,056,321	41,255
Management fees	168,750	77,500	307,500	140,000
Professional fees	29,345	11,792	46,045	16,807
General and administrative	140,834	69,242	220,503	110,251
Total operating expenses	<u>1,402,691</u>	<u>230,334</u>	<u>2,296,655</u>	<u>324,914</u>
Loss from operations	<u>(77,874)</u>	<u>(172,106)</u>	<u>(286,248)</u>	<u>(282,616)</u>
Interest expenses	(6,233)	(6,165)	(15,684)	(12,329)
Loss	\$ (84,107)	\$ (178,271)	\$ (301,932)	\$ (294,945)
(Gain) loss attributable to non-controlling interest	33	(5)	35	(708)
Loss attributable to CeCors, Inc.	<u>(84,140)</u>	<u>(178,266)</u>	<u>(301,967)</u>	<u>(294,237)</u>
Basic and diluted net loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average shares, basic and diluted	<u>332,079,838</u>	<u>332,079,838</u>	<u>332,079,838</u>	<u>332,079,838</u>
Other Comprehensive Loss				
Loss	\$ (84,140)	\$ (178,266)	\$ (301,967)	\$ (294,237)
Foreign currency translation adjustment	567	(344)	1,938	(747)
Comprehensive loss	<u>(83,573)</u>	<u>(178,610)</u>	<u>(300,029)</u>	<u>(294,984)</u>

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

CECORS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	Series A Preferred Stock		Common Stock		Additional Paid-in Capital	Deferred Compensation	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount						
Balance, December 31, 2023	2,550,000	\$ 2,550	332,079,838	\$ 332,080	\$ 1,352,621	(54,123)	\$ (2,379,968)	\$ (571)	\$ 752	\$ (746,659)
Stock based compensation under advisory agreements	-	-	-	-	-	12,791	-	-	-	12,791
Foreign currency translation adjustment	-	-	-	-	-	-	-	1,371	-	1,371
Loss	-	-	-	-	-	-	(217,827)	-	2	(217,825)
Balance, March 31, 2024	2,550,000	2,550	332,079,838	332,080	1,352,621	(41,332)	(2,597,795)	800	754	(950,322)
Stock based compensation under advisory agreements	-	-	-	-	-	19,075	-	-	-	19,075
Foreign currency translation adjustment	-	-	-	-	-	-	-	567	-	567
Loss	-	-	-	-	-	-	(84,140)	-	33	(84,107)
Balance, June 30, 2024	2,550,000	\$ 2,550	332,079,838	\$ 332,080	\$ 1,352,621	(22,257)	\$ (2,681,935)	\$ 1,367	\$ 787	\$ (1,014,787)

	Series A Preferred Stock		Common Stock		Additional Paid-in Capital	Deferred Compensation	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount						
Balance, December 31, 2022	-	\$ -	332,079,838	\$ 332,080	\$ 83,983	(180,496)	\$ (1,056,017)	\$ 3,811	\$ 1,812	\$ (812,277)
Stock based compensation under advisory agreements	-	-	-	-	-	31,161	-	-	-	31,161
Foreign currency translation adjustment	-	-	-	-	-	-	-	(403)	-	(403)
Loss	-	-	-	-	-	-	(115,971)	-	(703)	(116,674)
Balance, March 31, 2023	2,550,000	2,550	332,079,838	332,080	83,983	(149,335)	(1,171,988)	3,408	1,109	(898,193)
Stock based compensation under advisory agreements	-	-	-	-	-	31,506	-	-	-	31,506
Share cancellation	(637,500)	(638)	(20,000,000)	(20,000)	20,638	-	-	-	-	-
Share exchange agreement	637,500	638	20,000,000	20,000	1,248,000	-	-	-	-	1,268,638
Foreign currency translation adjustment	-	-	-	-	-	-	-	(344)	-	(344)
Loss	-	-	-	-	-	-	(178,266)	-	(5)	(178,271)
Balance, June 30, 2023	2,550,000	\$ 2,550	332,079,838	\$ 332,080	\$ 1,352,621	(117,829)	\$ (1,350,254)	\$ 3,064	\$ 1,104	\$ 223,336

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

CECORS, INC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For Six Months Ended	
	June 30,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (301,932)	\$ (294,945)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	31,866	62,667
Depreciation	1,507	-
Amortization on ROU	9,961	-
Management fees	187,500	140,000
Changes in operating assets and liabilities:		
Decrease to inventory	34	1,014
Increase to accounts receivable	-	(512)
Increase in prepaid expenses	(33,723)	(1,178)
Increase in other assets	(12,694)	(2,303)
Increase in accounts payable and accrued expenses	334,350	58,262
Decrease in accounts payable, related parties	(37,200)	-
Increase in other payable	1,931	-
Increase in customer deposits	651,363	64,904
Net cash provided by (used in) operating activities	<u>832,963</u>	<u>27,909</u>
 Cash Flows from Investing Activities:		
Cash acquired from business combination	-	32,219
Cash paid for equipment	(3,248)	-
Cash paid for leaseholder improvements	(23,425)	(11,020)
Net cash used in investing activities	<u>(26,673)</u>	<u>21,199</u>
 Cash flows from financing activities:		
Proceeds from debt, related party	27,913	26,878
Repayment to debt	(150,000)	-
Repayments to debt, related party	(6,257)	(7,631)
Net cash provided by financing activities	<u>(128,344)</u>	<u>19,247</u>
 Effect of exchange rate changes on cash	(1,650)	(1,559)
 Net increase (decrease) in cash	676,296	66,796
Cash-beginning of period	376,007	3,435
Cash-end of period	<u>\$ 1,052,303</u>	<u>\$ 70,231</u>
 SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 5,725	\$ -
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>
 NON-CASH INVESTING AND FINANCING ACTIVITIES		
Other assets, offset debt, related party	<u>\$ -</u>	<u>\$ 9,000</u>
Net assets acquired from share exchange agreement (excluding cash acquired)	<u>\$ -</u>	<u>\$ (48,769)</u>

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

CECORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(Unaudited)

NOTE 1: ORGANIZATION AND DESCRIPTION OF BUSINESS

CeCors, Inc. (“the Company”) was incorporated in the State of Nevada on April 16, 2002.

On December 31, 2020, the Board of Directors and controlling shareholders of the Company approved an increase of the authorized common stock to 500,000,000 common shares, par value \$0.001. Concurrently, the shareholders of the Company appointed new officers and directors and approved the acquisition of PsyKey, Inc., a federally incorporated Canadian corporation, (“PsyKey”). Under the terms of the purchase agreement between the Company and the shareholders of PsyKey, the Company acquired 100% of the outstanding shares of PsyKey in exchange for a total of 290,000,000 shares of the Company’s common stock. At the time of the transaction PsyKey and the Company were under common control by virtue of officers and directors in common.

On July 30, 2021, the Company’s board of directors and controlling shareholders approved a resolution to change the name of the Corporation from CeCors, Inc. to PsyKey, Inc. and to increase the authorized capital from 500,000,000 shares to 511,000,000 shares of which 500,000,000 shares are designated as Common Shares, par value \$0.001 and 11,000,000 shares as Preferred Shares; with such Preferred shares being allocated as follows:

- a. 5,000,000 Series A Preferred Stock; par value \$0.001
- b. 5,000,000 Series B Preferred Stock; par value \$0.001
- c. 1,000,000 Series C Preferred Stock; par value \$0.001

The aforementioned name change did not receive approval from the Financial Industry Regulatory Authority (“FINRA”) and the Company continues to operate under the name CeCors, Inc., dba PsyKey, Inc.

On January 10, 2022, the Company’s board of directors resolved to eliminate in their entirety, the designation, rights, and preferences of the 5,000,000 designated Series B Preferred Stock and the 1,000,000 designated Series C Preferred Stock, and further revised the designation of the Series A Preferred Stock to include conversion terms to common stock on the basis of 10 for 1 and voting rights whereunder, if at least one share of Series A Preferred Stock is issued and outstanding, then the total aggregate number of issued shares of Series A Preferred Stock at any given time, regardless of their number, shall have voting rights equal to 67% of the sum of the total number of shares of common stock which are issued and outstanding at the time of voting.

On January 18, 2022, the Board of Directors of the Company approved and completed the following additional transactions:

1. Each of Sukhinder Kalsi, CFO and director and Amar Bhatl, President and director surrendered 87,750,000 shares of common stock to treasury for cancellation;
2. As consideration, each of Mr. Bhatl, President and Mr. Kalsi, CFO subscribed for 1,275,000 shares of Series A Preferred Stock.

PsyKey Inc. is in the business of research, development, and commercialization of entheogenic, adaptogenic, and nootropic ingredients and formulations, for use in its premium quality functional product lines to help improve and optimize everyday life. PsyKey is also engaged in the scientific development of patentable technologies pertaining to the composition, bioavailability, and targeted delivery of entheogen-based therapeutics for the fast-evolving psychedelic market.

On March 6, 2023, the Company announced that it had entered into an Acquisition and Exchange of Shares Agreement (the “Agreement”) with VETCOMM (“VETCOMM”), a corporation incorporated under the laws of Wyoming. Pursuant to the Agreement, CeCors acquired a 100% equity interest in VETCOMM in exchange for the issuance of 20,000,000 shares of the Company’s restricted common stock and 637,500 shares of the Company’s Series A preferred stock to VETCOMM founding shareholder, Kate Monroe. In order to facilitate the transaction and mitigate dilution to CeCors shareholders, the Company’s officers concurrently returned 20,000,000 shares of common stock and 637,500 shares of Series A preferred stock, for cancelation, without consideration. The transaction closed on April 10, 2023. VETCOMM is a leading provider of Veterans’ benefits courses and services. Ms. Monroe was appointed the CEO of CeCors on May 25, 2023.

CECORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(Unaudited)

NOTE 1: ORGANIZATION AND DESCRIPTION OF BUSINESS (CONTINUED)

Going Concern

These unaudited condensed consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of June 30, 2024, the Company had a working capital deficit of approximately \$1.81 million with approximately \$1 million of cash on hand and an accumulated deficit of \$2.68 million. While the Company is currently operating in a working capital deficit, management of CeCors is accruing salary and VETCOMM is able to retire its financial obligations as they come due. As the current business plan anticipates continuing growth through fiscal 2024, the Company does not believe it will require additional capital to attain profitability. Management has committed to re-evaluating the Company's financial strategy and capital requirements at the end of the fiscal year, ensuring that decisions will be data-driven and in alignment with the Company's sustained growth and profitability targets. The continuation of the Company as a going concern is dependent upon the successful attainment of profitable operations from the Company's current business operations. If the Company is unable to reach its revenue targets and operational goals, the Company may be required to raise additional capital, reduce the scope, delay, or eliminate some or all of its planned operations. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The financial statements reflect all adjustments consisting of normal recurring adjustments, which, in the opinion of management, are necessary for a fair presentation of the results for the periods shown. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

Other factors

Factors which may impact the Company's ongoing operations include inflation, the recent war in the Ukraine, ongoing supply chain issues as a result of the recent Covid-19 pandemic, climate change and others. These events may have serious adverse impact on domestic and foreign economies which may impact the Company's operations as a result of a variety of factors including the potential for reduced consumer spending. The Company is unable to predict the ongoing impact of these factors on the Company's financial operations.

Use of Estimates

The preparation of these consolidated financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to long-lived assets and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States ("GAAP").

Year end

The Company has selected December 31 as its fiscal year end.

CECORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(Unaudited)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation

These condensed consolidated financial statements include the accounts of CeCors, Inc., its 100% controlled subsidiaries, VETCOMM and PsyKey Inc., and PsyKey's 51% controlled Canadian federal incorporation, Fungi Co Ltd., as of June 30, 2024. All significant intercompany accounting transactions have been eliminated as a result of consolidation.

Cash and Cash Equivalents

For financial accounting purposes, cash and cash equivalents are considered to be all highly liquid investments with a maturity of three (3) months or less at the time of purchase. The Company's cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of June 30, 2024 and December 31, 2023, the Company's cash and cash equivalents exceeded FDIC insured limits by \$699,922 and \$0, respectively.

Translation of Foreign Currencies

Assets and liabilities of the Company's foreign subsidiary, PsyKey Inc., whose functional currency is its local currency, Canadian Dollar, are translated into U.S. dollars at the exchange rate in effect at the end of the quarter and the income and expense accounts of PsyKey Inc. have been translated at average rates prevailing during each respective quarter. Resulting translation adjustments are made to a separate component of stockholders' equity within accumulated other comprehensive loss. Foreign exchange transaction gains and losses are included in the accompanying condensed consolidated statement of operations.

Fair Value of Financial Instruments

Statement of financial accounting standard FASB Topic 820, Disclosures about Fair Value of Financial Instruments, requires that the Company disclose estimated fair values of financial instruments. The carrying amounts reported in the statements of financial position for assets and liabilities qualifying as financial instruments are a reasonable estimate of fair value.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and amortization, and depreciated over their estimated lives using the straight-line method. The useful lives of leasehold improvements are determined by the economic useful lives of the assets or the term of the leases, whichever is shorter.

Depreciation and amortization is provided for by the straight-line method over the estimated useful lives as follows:

<u>Property and Equipment</u>	<u>Estimated Useful Life</u>
Computer and other equipment	3-7 years
Office furniture and fixtures	5-7 years
Leasehold improvements	Shorter of lease or useful life

Expenditures for repairs and maintenance are expensed as incurred. When assets have been retired or sold, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the results of operations.

Business Combinations

The Company accounts for business combinations using the purchase method of accounting. The purchase method requires the Company to determine the fair value of all acquired assets, including identifiable intangible assets and all assumed liabilities. The total cost of acquisitions is allocated to the underlying identifiable net assets, based on their respective estimated fair values. Determining the fair value of assets acquired and liabilities assumed requires management's judgment and the utilization of independent valuation experts, and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items.

CECORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(Unaudited)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price over the fair market value of the net assets acquired on April 10, 2023. The Company has implemented the Business Combinations Topic of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 350, *Intangibles - Goodwill and Other*. Goodwill is deemed to have an indefinite life. Goodwill is not amortized but are subject to, at a minimum, annual impairment test.

Intangible assets represent the development costs of certain software assets agreed to be paid to several consultants on August 3, 2021. The in-development APP, “PsyKey Live” will have a definite life of approximately 10 years from commercial launch and is recorded at cost.

The Company reviews intangible assets (with a definite life), excluding goodwill for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. We measure the recoverability of these assets by comparing the carrying amounts to the future undiscounted cash flows that the assets are expected to generate. If the carrying value of the assets are not recoverable, the impairment recognized is measured as the amount by which the carrying value of the asset exceeds its fair value. During the year ended December 31, 2023 the Company determined to fully impair its intangible assets in the amount of \$500,000 due to a delay in commercialization.

The Company tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. There were no goodwill impairments for the periods presented.

Long-Lived Assets

The Company evaluates the recoverability of its long-lived assets for impairment, other than goodwill, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. The Company had no long-lived asset impairments as of June 30, 2024 and December 31, 2023, respectively.

Research and Development Costs

We charge research and development costs to operations as incurred in accordance with ASC 730-Research and Development, except in those cases in which such costs are reimbursable under customer funded contracts. These amounts are not reflected in the reported research and development expenses in each of the respective periods but are included in net sales with the related costs included in cost of sales in each of the respective periods.

Revenue Recognition

The Company follows ASC 606, *Revenue from Contracts with Customers*, the core principle of which is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To achieve this core principle, five basic criteria must be met before revenue can be recognized: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to performance obligations in the contract; and (5) recognize revenue when or as the Company satisfies a performance obligation.

CECORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (cont'd)

Revenue from functional coffee products.

During the three and six months ended June 30, 2024 and 2023, the Company generated modest revenues from selling its functional coffee products infused with functional medicinal mushrooms and packed in boxes of 24 single serve coffee pods, sold and shipped direct to customers using its eCommerce website. The Company considers its performance obligations satisfied upon shipment and/or delivery of the purchased products to the customer. The Company evaluates returns from customers purchasing product using its eCommerce site on a case-by-case basis and generally will issue replacement product in the limited cases of product returns. The Company has a case-by-case policy with respect to cash refunds.

Revenue from VETCOMM subscriptions and services

VETCOMM's business model provides that company charges fees to its users for each of: one-time services with fees due upon provision of service, access to educational materials and support services to assist veterans in filing claims for benefits from Veteran's Affairs which is paid monthly as a part of a 3 or 6-month installment plan and access to educational materials and support services paid up front at a discounted rate. The Company offers fixed fee service extension plans for customers wishing to extend service packages previously acquired if claims have been unsuccessful or additional claims are required to be filed. The majority of VETCOMM's revenue is earned through sale of educational tools and claim assistance services which are considered complete once an initial successful claim has been filed with Veteran's Affairs. Customers must continue to pay in order to consume the service if they have selected a 3- or 6-month installment plan. VETCOMM receives payments and provides services based on the package period. The Company records unearned revenue for all services paid in advance and reclassifies such deposits to revenue during the period over which fees are earned.

Cost of Sales

Cost of sales includes actual product cost, labor, packaging materials and direct overhead, which is applied on a per unit basis for our sales of functional coffee products. Costs of sales for our VETCOMM membership services include direct costs in providing the service to the customer.

Inventory

Inventory consists of ready for sale, finished goods on site at the Company's facility, and totaled \$1,238 and \$1,315 at June 30, 2024 and December 31, 2023. The Company values inventory at the lower of cost or market value, with cost determined using First-In-First-Out Method.

Sales Commissions

Sales commissions paid to third parties are a selling-related expense. ASC 606 requires that commission expenses be amortised over the anticipated life of the customer when the contract is longer than a year.

Segment Reporting

The Company's operations are classified into two reportable segments that provide different products or services. Separate management of each segment is required because each business unit is subject to different marketing, operational, and growth and technology development strategies.

PsyKey

The consumer goods segment of the Company operating through subsidiary Psykey and includes operations related to the sales of a line of functional coffee products both direct to consumer and wholesale.

CECORS, INC.
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NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment Reporting (Cont'd)

VETCOMM

The membership services operations of the Company are operated through subsidiary VETCOMM and include recurring services such as education and resources in order to allow veterans to access the benefits they are entitled to, but not presently receiving from the United States government.

We derive revenue from both of our operating segments. There are no-segment sales between each of our operating divisions.

	As of June 30, 2024	As of June 30, 2023
Assets by segment		
PsyKey and corporate	\$ 1,347,715	\$ 1,853,107
VETCOMM	1,350,999	86,237
Total assets	<u>\$ 2,698,714</u>	<u>\$ 1,939,344</u>

Three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues by segment:				
PsyKey and corporate	\$ 123	\$ 238	\$ 230	\$ 5,968
VETCOMM	1,324,817	58,028	2,010,296	58,028
Total revenue	<u>\$ 1,324,840</u>	<u>\$ 58,266</u>	<u>\$ 2,010,526</u>	<u>\$ 63,996</u>
Segment profit (loss)				
PsyKey and corporate	\$ (36,009)	\$ (111,280)	\$ (259,633)	\$ (227,246)
VETCOMM	(48,098)	(66,991)	(42,334)	(66,991)
Total segment profit (loss)	<u>\$ (84,107)</u>	<u>\$ (178,271)</u>	<u>\$ (301,967)</u>	<u>\$ (294,237)</u>

Convertible debt and beneficial conversion features

The Company evaluates embedded conversion features within convertible debt under ASC 815 "Derivatives and Hedging" to determine whether the embedded conversion feature(s) should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings. If the conversion feature does not require derivative treatment under ASC 815, the instrument is evaluated under ASC 470-20 "Debt with Conversion and Other Options" for consideration of any beneficial conversion features.

Stock settled debt

In certain instances, the Company will issue convertible notes which contain a provision in which the price of the conversion feature is priced at a fixed discount to the trading price of the Company's shares of Common Stock as traded in the over-the-counter market. In these instances, the Company records a liability, in addition to the principal amount of the convertible note, as stock-settled debt for the fixed value transferred to the convertible note holder from the fixed discount conversion feature.

CECORS, INC.
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NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets, operating lease liabilities-current, and operating lease liabilities-noncurrent on the balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our balance sheets. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As our two leases do not provide an implicit rate, we have used our incremental borrowing rate (“IBR”) based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date.

The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amounts expected to be realized.

Basic and Diluted Earnings (Loss) Per Share

Basic earnings (loss) per share is based on the weighted average number of common shares outstanding. Diluted earnings (loss) per share is based on the weighted average number of common shares outstanding and dilutive common stock equivalents. Basic earnings (loss) per share is computed by dividing net income/loss available to common stockholders (numerator) by the weighted average number of common shares outstanding (denominator) during the period. Weighted average number of shares used to calculate basic and diluted earnings (loss) per share is considered the same as the effect of dilutive shares is anti-dilutive for all periods presented. At June 30, 2024 there were 67,446,309 anti-dilutive shares of common stock available for issue upon conversion of certain Series A Preferred shares and certain convertible notes payable.

Recently Issued Financial Accounting Standards

Management has considered all recent accounting pronouncements issued. The Company’s management believes that these recent pronouncements will not have a material effect on the Company’s financial statements.

NOTE 3: BUSINESS COMBIATION

On March 6, 2023, the Company announced that it has entered into an Acquisition and Exchange of Shares Agreement (the “Agreement”) with VETCOMM (“VETCOMM”), a corporation incorporated under the laws of Wyoming. Pursuant to the Agreement, CeCors will acquire a 100% equity interest in VETCOMM in exchange for the issuance of 20,000,000 shares of the Company’s restricted common stock and 637,500 shares of the Company’s Series A preferred stock to VETCOMM founding shareholder, Kate Monroe. In order to facilitate the transaction and mitigate dilution to CeCors shareholders, the Company’s officers will be concurrently returning 20,000,000 shares of common stock and 637,500 shares of Series A preferred stock, for cancelation, without consideration. Kate Monroe, CEO of VETCOMM, along with key management of VETCOMM, shall continue in their existing roles running the operations of VETCOMM, pursuant to mutually acceptable management and/or employment agreements. The transaction closed on April 10, 2023.

CECORS, INC.
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NOTE 3: BUSINESS COMBIATION (continued)

The following is a summary of the estimated fair values of acquisition costs at the date of April 10, 2023:

Consideration Paid – Fair Value	
Stock issued:	
Number of shares of Common Stock issued:	20,000,000
Number of shares of Series A Preferred Stock issued:	<u>637,500</u>
Total number of shares of common stock if converted	26,375,000
Value per share of common stock	\$ 0.0481
Total consideration	<u>\$ 1,268,638</u>

The following is a summary of the estimated fair values of the assets acquired and liabilities assumed and additional information regarding the intangible assets acquired:

Tangible assets acquired:	
Cash	\$ 32,219
Accounts receivable	291
Prepaid expenses and other assets	3,600
Leaseholder improvement	<u>2,200</u>
Total assets acquired	<u>38,310</u>
Assumed liabilities	
Accounts payable and accrued liabilities	(10,411)
Debt, related party	(18,630)
Customer deposits	<u>(25,818)</u>
Total liabilities assumed	<u>(54,859)</u>
Net tangible assets/(liabilities)	<u>(16,550)</u>
Total liabilities acquired	<u>(16,549)</u>
Goodwill	<u>1,285,187</u>
Total Net asset acquired	<u>\$ 1,268,638</u>

NOTE 4: “PSYKEY LIVE” APP and CONVERTIBLE NOTE

On August 3, 2021, the Company agreed to pay certain software development consultants a total of \$500,000 for the work product related to currently in-development APP, “PsyKey Live”, which amount has been recorded and reflected in accounts payable. The App will provide counselling on demand at any time and location with registered psychologists in every area of mental wellness, allowing individuals to take control of their mental health. Offering simple, direct access to caring mental health professionals for all conditions, from daily challenges to more severe treatments, the App will allow users to book an appointment on their phone or desktop to receive immediately counseling. The development costs of the App have been capitalized as an intangible asset and will be amortized over its useful life once the App goes live on the Apple Store and Google. Revenue will be generated on a commission basis per appointment booked, and also from in App advertising of health-related products and featured clinics. On December 31, 2023 the Company fully impaired capitalized costs of development as a result of a delay in commercialization.

On November 30, 2021, \$500,000 under accounts payable was assigned to certain convertible notes. The convertible notes had a maturity date of November 30, 2023 and bear interest at 5% per annum with a fixed conversion price of a 20% discount to the closing price of the Company’s common stock as of the date of receipt of a Notice of conversion.

CECORS, INC.
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NOTE 4: “PSYKEY LIVE” APP and CONVERTIBLE NOTE (continued)

The Company recorded \$125,000 as liability on stock settled debt associated with these convertible notes. In October 2023, the Noteholders extended the maturity date of the Notes to November 30, 2024, and further agreed to the following amendment to the terms and conditions of the Notes: “The Company shall have the right to cancel the Note, upon written notice to the Consultant, for lack of performance; or failure to deliver the agreed upon services or products related to the APP “PsyKey Live”. Such cancellation shall be subject to a cure period of thirty (30) days following the written notice to the Consultant, during which period the Consultant may remedy the lack of performance or failure to deliver.” Details of the Notes at June 30, 2024 and December 31, 2023 are below:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Principal amount	\$ 500,000	\$ 500,000
Liability on stock settled debt	125,000	125,000
Convertible notes payable, net	<u>\$ 625,000</u>	<u>\$ 625,000</u>
Interest payable under accounts payable	<u>\$ 64,658</u>	<u>\$ 52,192</u>

Interest expenses associated with the convertible notes are as follows:

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest expense on notes	<u>\$ 6,233</u>	<u>\$ 6,165</u>	<u>\$ 12,466</u>	<u>\$ 12,329</u>

NOTE 5: PREPAID EXPENSES

The following table summarizes prepaid expenses as of June 30, 2024, and December 31, 2023:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Research and development ^(a)	\$ 5,000	\$ 5,000
Advances to suppliers ^(b)	46,982	48,625
Others	40,673	6,955
Grand Total	<u>\$ 92,655</u>	<u>\$ 60,580</u>

- (a) During the year ended December 31, 2021, the Company engaged the services of a third-party research facility to conduct certain research and development activities on behalf of the Company, including the application of psilocybin to treat trauma-related disorders and depression, and other mental health disorders, as well as the filing of provisional applications for patents at the direction of the Company. The Company remitted an initial payment of \$5,000 towards the scope of work which has not yet commenced.
- (b) Consists of funds advanced to partner MycoVita, who manufactures and packages our functional coffee blends for raw materials including coffee, functional ingredients, packaging materials and supplies (See Note 10.)

NOTE 6 - PROPERTY AND EQUIPMENT

As of June 30, 2024, and December 31, 2023, property and equipment consisted of the following:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Leasehold improvements	\$ 23,425	\$ -
Equipment	3,248	-
Less accumulated depreciation	(1,507)	-
Total property and equipment	<u>\$ 25,166</u>	<u>\$ -</u>

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NOTE 6 - PROPERTY AND EQUIPMENT (continued)

Depreciation expense totaled \$1,507 for each of the three and six months ended June 30, 2024, respectively.

NOTE 7: RELATED PARTY TRANSACTIONS

	June 30, 2024	December 31, 2023
Payable to management ^{(a)(b)}	\$ 1,003,900	\$ 850,000
Payable for rent	3,600	7,200
Advances to the Company ^(c)	252,721	235,600
Total	<u>\$ 1,260,221</u>	<u>\$ 1,092,800</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Amar Bhatl, President ^(a)	\$ 31,250	\$ 31,250	\$ 62,500	\$ 62,500
Sukhinder Kalsi, CFO ^(a)	31,250	31,250	62,500	62,500
Kate Monroe, CEO ^(b)	106,250	15,000	182,500	15,000
Total	<u>\$ 168,750</u>	<u>\$ 77,500</u>	<u>\$ 307,500</u>	<u>\$ 140,000</u>

(a) During the year ended December 31, 2021, CeCors entered into compensation agreements with each of its President, Amar Bhatl, and its CFO, Sukhinder Kalsi, whereunder the Board of Directors approved compensation of \$125,000 for each of Mr. Kalsi and Mr. Bhatl for services provided between December 30, 2020 and December 31, 2021. In addition, under the terms of the agreement services shall be provided by each officer on an ongoing basis thereafter and shall be compensated at a rate of \$125,000 per annum. These fees are currently accruing and remain unpaid.

As of June 30, 2024 and December 31, 2023, the Company owed \$437,500 and \$375,000 to Mr. Bhatl, respectively.

As of June 30, 2024 and December 31, 2023, the Company owed \$437,500 and \$375,000 to Mr. Kalsi, respectively.

(b) During the three months ended June 30, 2023, The Company's CEO, Kate Monroe (“Monroe”) invoiced the Company's subsidiary, VETCOMM, a stipend of \$5,000 per month. During the six months ended December 31, 2023, Monroe invoiced the Company's subsidiary, VETCOMM, a stipend of \$7,500 per month. On July 1, 2023, the Company entered into compensation agreements of \$125,000 per annum for services provided by Monroe to CeCors, and compensation of \$7,500 monthly for services provided by Monroe to VETCOMM in addition to the \$7,500 per month stipend provided to Monroe. Commencing May 1, 2024, the compensation from VETCOMM increased to \$30,000 per month. Fees for Ms. Monroe are paid to her controlled corporate entity ROI Ventures LLC.

As of June 30, 2024 and December 31, 2023, the Company owed \$132,500 and \$100,000 to Kate Monroe, respectively for fees charged to CeCors which are accruing and remain unpaid.

(c) Amounts advanced by officers, directors and entities controlled by them are unsecured, non-interest bearing, and due on demand with no specified repayment schedule.

Lease with related party

The Company’s subsidiary VETCOMM entered into a lease agreement expiring December 31, 2023, with a company controlled by the husband of our CEO, Kate Monroe (the “Lessor”), under which VETCOMM is invoiced \$3,600 per month and is required to pay utilities.

The Company and the Lessor agreed to an extension of use of the facility through April 2024, at which time the Company relocated to an alternate location. (See Note 12 below)

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NOTE 7: RELATED PARTY TRANSACTIONS (continued)

Lease with related party (cont'd)

As of June 1, 2024, the Company entered into a new lease agreement with the Lessor at a reduced rent of \$1,500 per month. This lease runs until May 31, 2025, with the Company utilizing this location as its In-House Call Center. If not renewed in writing by the end date, the lease will convert to a month-to-month tenancy, allowing either party to terminate with proper notice. The Company continues to be responsible for paying utilities.

NOTE 8: DEBT

On October 31, 2023, the Company and SDHP IX, LLC (“SDHP”) entered into an agreement whereunder SDHP agreed to provide a loan of US\$150,000 (the “Debt”) to VETCOMM, bearing interest at 10% per annum (the “Original Agreement”), including a Promissory Note (the “Note”) maturing on October 31, 2024. The debt was retired in full prior to maturity with the cash payment of \$155,725 including principal of \$150,000, interest and late fees.

	June 30, 2024	December 31, 2023
Interest payable under accounts payable	\$ -	\$ 2,507

NOTE 9: PARTNERSHIP WITH MYCOVITA

In 2021, the Company, through its wholly owned subsidiary, PsyKey Inc., entered into a definitive agreement to form an exclusive strategic partnership with MycoVita Canada Inc., that is expected to accelerate the growth and market share for both companies, in the fast-growing mycology-based markets. The purpose of the partnership is the research, development, and commercialization of Mycology based formulations, products, and therapeutics, as well as the development of innovative sustainable food production strategies. On May 6, 2021, PsyKey Inc. incorporated a Canadian federal entity called Fungi Co Ltd., which is 51% controlled by PsyKey and 49% owned by MycoVita Canada Inc. The incorporation carries out all operations contemplated by the aforementioned agreement.

During fiscal 2022 and 2021 the Company has advanced funds to MycoVita for raw ingredients and packing supplies in order to fulfil purchase orders for our customers. MycoVita holds these materials on hand and produces finished goods for delivery to the Company as needed, consisting of cases of various blends of branded 24 single-serve functional coffee pods. During the year ended December 31, 2022, the Company commenced selling its functional coffee blends online and directly to wholesale customers. MycoVita continues to hold raw ingredients, packaging and finished goods for the Company, which is recorded in the Company’s records as prepaid expenses. At June 30, 2024 and December 31, 2023, respectively, a total of \$46,982 and \$48,625 is included on the balance sheets of the Company as prepaid deposits in respect to this partnership (ref: Note 5).

NOTE 10: DEFERRED REVENUE

	As of June 30, 2024	As of December 31, 2023
Customer deposits by segment		
PsyKey and corporate ⁽¹⁾	\$ 18,757	\$ 19,411
VETCOMM ⁽²⁾	999,642	348,279
Total assets	\$ 1,018,399	\$ 367,690

(1) The Company received a customer deposit of \$50,000 CAD in respect to the purchase of 1,850 units of its infused, functional blended single-serve coffee products and has shipped 900 units of product to date, with a total of 950 units remaining to be shipped at a future date. A total of \$18,757 (CAD\$25,673) and \$19,411 (CAD\$25,673) remains on the balance sheets as a customer deposit at June 30, 2024 and December 31, 2023, respectively.

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NOTE 10: DEFERRED REVENUE (continued)

(2) Up-front payments received for our VETCOMM services are initially attributed to a deferred revenue account and are subsequently recognized as revenue as the required performance obligation is met.

NOTE 11: STOCKHOLDERS EQUITY

The Company has authorized share capital of 511,000,000 shares of which 500,000,000 are authorized as Common Stock and 11,000,000 are authorized as Preferred Stock, each par value \$0.001 per share. On January 10, 2022, the Company designated 5,000,000 shares of Preferred Stock as Series A Preferred Stock. The Series A Preferred Stock is convertible at a ratio of ten shares of common stock for every one share of Series A Preferred Stock, with mandatory conversion after 24 months at the election of the Board of Directors. The holders of Series A Preferred Stock vote as a single holder and are entitled to 67% of the voting power of the Company's stockholders. The Series A Preferred stock shares are entitled to dividends.

In April 2023, Each of Sukhinder Kalsi, CFO and Amar Bhatl, President surrendered 10,000,000 shares of common stock and 318,750 shares of Series A Preferred Stock to treasury for cancellation.

On April 10, 2023, the Company issued 20,000,000 shares of common stock and 637,500 shares of Series A Preferred Stock to acquire a 100% equity interest in VETCOMM.

At June 30, 2024 and December 31, 2023 there were 332,079,838 common shares issued and outstanding. At June 30, 2024 and December 31, 2023 there were 2,550,000 shares of Series A Preferred Stock issued and outstanding.

NOTE 12 – OPERATING LEASES

The Company entered into a two-year lease for a new corporate headquarters with a lease commencement date of April 15, 2024, at 1010 S Coast Hwy, Encinitas, CA 92024. The facility is approximately 2,751 square feet with base monthly rent of \$10,866.45 and operating costs of approximately \$1,850 per month. The Company paid a security deposit, and first month's rent upon entry into the lease totaling approximately \$25,000. At inception of the lease, the Company recorded a right of use asset and liability. The Company used an effective borrowing rate of 6.75% within the calculation.

The following are the expected lease payments as of June 30, 2024. The lease is considered an "operating lease".

Year Ending December 31,	Total
2024	\$ 65,199
2025	130,397
2026	<u>43,466</u>
Total lease payments	239,062
Less: imputed interest/present value discount	<u>(3,889)</u>
Total	<u>\$ 235,173</u>

Lease expense was \$26,260 for the three months ended June 30, 2024. The Company's other premises has a lease term of one year or less and as a result no right of use asset and liability has been recorded.

NOTE 13. SUBSEQUENT EVENTS

The Company has evaluated events occurring after the date of these financial statements through the date that these financial statements were issued. There have been no events that would require adjustment to or disclosure in the financial statements.