

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 333-257323

**SPECIFICITY, INC.**

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of  
incorporation or organization)

85-4017786

(I.R.S. Employer  
Identification No.)

8429 Lorraine Rd., Suite 377, Lakewood Ranch, FL

(Address of principal executive offices)

34202

(Zip Code)

(813) 364-4744

(Registrant's telephone number, including area code)

N/A

(Former name, former address, and former fiscal year, if changed since last report)

Securities Registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock	SPTY	OTCQB

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated Filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 13,823,743 shares of common stock issued and outstanding as of August 8, 2025.

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**(UNAUDITED)**

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**(UNAUDITED)**

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**SPECIFICITY, INC**  
**BALANCE SHEETS**  
**(EXPRESSED IN U.S. DOLLARS)**

	JUNE 30, 2025	DECEMBER 31, 2024
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,508	\$ 3,413
Accounts receivable, net of allowance for doubtful accounts	5,000	-
Prepaid and other current assets	11,250	3,840
Total current assets	23,758	7,253
NONCURRENT ASSETS		
Property and equipment, net	582	1,047
Intangibles, net	1,550,246	1,550,996
TOTAL ASSETS	\$ 1,574,586	\$ 1,559,296
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Working capital funding loans	\$ 253,396	\$ 165,896
Accounts payable and accrued expenses	247,182	173,941
Accrued payroll, taxes, benefits and penalties	325,154	233,898
Accrued interest payable - related party	125,000	100,000
Convertible note payable, net of discount	209,671	209,671
Related party advances	164,564	295,669
Total current liabilities	1,324,967	1,179,075
NON-CURRENT LIABILITIES		
Related party notes payable (Pickpocket)	1,000,000	1,000,000
TOTAL LIABILITIES	2,324,967	2,179,075
COMMITMENTS AND CONTINGENCIES (Note 12)		
STOCKHOLDERS' DEFICIT		
Preferred stock, Series A, \$0.001 par value; 1,000,000 shares authorized; shares issued and outstanding were 1,000,000, respectively	1,000	1,000
Preferred stock, Series B, \$0.001 par value; 560,000 shares authorized; shares issued and outstanding were 560,000, respectively	450,260	450,260
Common stock, \$0.001 par value; 50,000,000 shares authorized issued and outstanding were 13,637,870 and 13,539,544, respectively	13,638	13,539
Stock Subscription	-	(32,720)
Additional paid-in capital	7,086,622	7,030,034
Accumulated deficit	(8,301,901)	(8,081,892)
Total stockholders' deficit	(750,381)	(619,779)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,574,586	\$ 1,559,296

See accompanying notes to the financial statements.

**SPECIFICITY, INC**  
**STATEMENT OF OPERATIONS**  
**(EXPRESSED IN U.S. DOLLARS)**

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS END JUNE 30,	
	2025	2024	2025	2024
	(Unaudited)			
Revenues, net	\$ 266,300	\$ 234,690	\$ 564,350	\$ 633,551
Cost of services	154,929	128,136	309,705	242,795
Gross profit	<u>111,371</u>	<u>106,554</u>	<u>254,645</u>	<u>390,756</u>
Operating expenses:				
Sales and marketing	26,391	26,566	83,122	53,143
Capital raise promotion expense	5,906	5,146	9,796	18,475
General and administrative expenses	139,686	109,268	343,835	312,863
Share-based compensation expense	6,118	-	11,686	-
Depreciation and amortization	563	1,622	1,215	6,742
Total operating expenses	<u>178,664</u>	<u>142,602</u>	<u>449,654</u>	<u>391,223</u>
Loss from operations	(67,293)	(36,048)	(195,009)	(467)
Other expense:				
Interest expense	-	-	-	(18,910)
Interest expense - related party	(12,500)	(12,500)	(25,000)	(25,000)
Loss on extinguishment of debt	-	-	-	(11,409)
Loss on termination of operating lease	-	-	-	(29,242)
Total other expense	<u>(12,500)</u>	<u>(12,500)</u>	<u>(25,000)</u>	<u>(84,561)</u>
Loss before provision for income taxes	(79,793)	(48,548)	(220,009)	(85,028)
Provision for income taxes	-	-	-	-
Net loss	<u>\$ (79,793)</u>	<u>\$ (48,548)</u>	<u>\$ (220,009)</u>	<u>\$ (85,028)</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>	<u>\$ (0.01)</u>
Basic and diluted weighted average shares outstanding	<u>13,603,212</u>	<u>11,377,993</u>	<u>13,654,011</u>	<u>11,336,267</u>

See accompanying notes to the financial statements.

**SPECIFICITY, INC**  
**STATEMENT OF STOCKHOLDERS' DEFICIT**  
**(EXPRESSED IN U.S. DOLLARS)**

	Preferred Stock, Series A		Preferred Stock, Series B		Common Stock		Additional Paid-In		Subscription	Accumulated	
<i>(Three Months Ended June 30, 2024)</i>	Issued	Amount	Issued	Amount	Issued	Amount	Capital	Receivable	Deficit	Total	
	(Unaudited)										
Balances, March 31, 2024	1,000,000	\$ 1,000	560,000	\$450,260	11,339,009	\$11,339	\$5,188,781	\$ -	\$ (7,503,111)	\$(1,851,731)	
Common stock issued in exchange for services rendered	-	-	-	-	50,433	50	22,450		-	22,500	
Net loss	-	-	-	-	-	-	-	-	(48,548)	(48,548)	
Balances, June 30, 2024	1,000,000	\$ 1,000	560,000	\$450,260	11,389,442	\$11,389	\$5,211,231	\$ -	\$ (7,551,659)	\$(1,877,779)	
	Preferred Stock, Series A		Preferred Stock, Series B		Common Stock		Additional Paid-In		Subscription	Accumulated	
<i>(Six Months Ended June 30, 2024)</i>	Issued	Amount	Issued	Amount	Issued	Amount	Capital	Receivable	Deficit	Total	
	(Unaudited)										
Balances, December 31, 2023	1,000,000	\$ 1,000	560,000	\$450,260	11,216,438	\$11,216	\$5,116,403	\$ -	\$ (7,466,631)	\$(1,887,752)	
Common stock issued in partial convertible note conversion	-	-	-	-	100,000	100	49,900	-	-	50,000	
Common stock issued in exchange for services rendered	-	-	-	-	73,004	73	44,928		-	45,001	
Net loss	-	-	-	-	-	-	-	-	(85,028)	(85,028)	
Balances, June 30, 2024	1,000,000	\$ 1,000	560,000	\$450,260	11,389,442	\$11,389	\$5,211,231	\$ -	\$ (7,551,659)	\$(1,877,779)	
	Preferred Stock, Series A		Preferred Stock, Series B		Common Stock		Paid-In	Subscription	Accumulated		



(Three Months Ended June 30, 2025)							Capital	Receivable	Deficit	Total
	Issued	Amount	Issued	Amount	Issued	Amount				
	(Unaudited)									
Balances, March 31, 2025	<u>1,000,000</u>	<u>\$ 1,000</u>	<u>560,000</u>	<u>\$450,260</u>	<u>13,588,714</u>	<u>\$13,589</u>	<u>\$7,058,053</u>	<u>\$ -</u>	<u>\$ (8,222,108)</u>	<u>\$(699,206)</u>
Common stock issued in exchange for services rendered	-	-	-	-	38,656	39	22,461		-	22,500
Common stock issued as compensation to employee	-	-	-	-	10,500	10	6,108		-	6,118
Net loss	-	-	-	-	-	-	-	-	(79,793)	(79,793)
Balances, June 30, 2025	<u>1,000,000</u>	<u>\$ 1,000</u>	<u>560,000</u>	<u>\$450,260</u>	<u>13,637,870</u>	<u>\$13,638</u>	<u>\$7,086,622</u>	<u>\$ -</u>	<u>\$ (8,301,901)</u>	<u>\$(750,381)</u>
	Preferred Stock, Series A		Preferred Stock, Series B		Common Stock		Paid-In	Subscription	Accumulated	
(Six Months Ended June 30, 2025)	Issued	Amount	Issued	Amount	Issued	Amount	Capital	Receivable	Deficit	Total
	(Unaudited)									
Balances, December 31, 2024	<u>1,000,000</u>	<u>\$ 1,000</u>	<u>560,000</u>	<u>\$450,260</u>	<u>13,539,544</u>	<u>\$13,539</u>	<u>\$7,030,034</u>	<u>\$ (32,720)</u>	<u>\$ (8,081,892)</u>	<u>\$(619,779)</u>
Common stock issued in connection with 506 offering	-	-	-	-	-	-	-	32,720	-	32,720
Common stock issued in exchange for services rendered	-	-	-	-	77,326	78	44,922	-	-	45,000
Common stock issued as compensation to employee	-	-	-	-	21,000	21	11,666		-	11,687
Net loss	-	-	-	-	-	-	-	-	(220,009)	(220,009)
Balances, June 30, 2025	<u>1,000,000</u>	<u>\$ 1,000</u>	<u>560,000</u>	<u>\$450,260</u>	<u>13,637,870</u>	<u>\$13,638</u>	<u>\$7,086,622</u>	<u>\$ -</u>	<u>\$ (8,301,901)</u>	<u>\$(750,381)</u>

See accompanying notes to the financial statements.

**SPECIFICITY, INC**  
**STATEMENTS OF CASH FLOWS**  
**(EXPRESSED IN U.S. DOLLARS)**

	SIX MONTHS END JUNE 30,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (220,009)	\$ (85,028)
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation expense	465	2,496
Amortization of intangibles	750	4,246
Loss on extinguishment of debt	-	11,409
Loss on termination of operating lease	-	29,242
Share-based compensation expense	11,687	-
Changes in operating liabilities:		
Accounts receivable	(5,000)	4,000
Prepaid expenses and other current assets	(7,409)	(831)
Accounts payable and accrued expenses	118,241	80,748
Accrued liabilities	91,255	(54,415)
Accrued interest payable	-	6,530
Deferred revenue	-	(53,000)
Accrued interest payable - related party	25,000	25,000
Net cash provided by (used in) operating activities	<u>14,980</u>	<u>(29,603)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from working capital funding loans	-	38,125
Repayments of working capital funding loans	-	(52,143)
Strata agreement working capital advances	87,500	-
Advances from related party	51,750	1,669
Repayments to related party	(182,855)	-
Proceeds from sale of common stock (private placement)	32,720	-
Net cash used in financing activities	<u>(10,885)</u>	<u>(12,349)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	4,095	(41,952)
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>	3,413	49,149
<b>CASH AND CASH EQUIVALENTS, end of period</b>	<u>\$ 7,508</u>	<u>\$ 7,197</u>

	SIX MONTHS END JUNE 30,	
	2024	2023
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -
<b>NON-CASH FINANCING ACTIVITIES:</b>		
Common stock issued in exchange for services rendered	\$ 45,000	\$ 45,000
Common stock issued in partial convertible note conversion	\$ -	\$ 50,000
Common stock issued to employees as compensation	\$ 11,687	\$ -

See accompanying notes to the financial statements.

**SPECIFICITY, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**(EXPRESSED IN U.S. DOLLARS)**  
**(UNAUDITED)**

**NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS**

Specificity, Inc. (hereinafter referred to as the “Company”) was incorporated in the State of Nevada on November 25, 2020 (“Inception”). The Company’s principal headquarters is located at 8429 Lorraine Rd., Suite 377, Lakewood Ranch, FL 34202.

The Company is a full service digital marketing firm that delivers cutting-edge marketing solutions to identify and market in real-time to potential customers who are actively in the buying cycle. The Company’s digital marketing solutions focus on Business to Business (“B2B”) and Business to Consumer (“B2C”) consumer markets and give small and medium sized businesses a fair chance to capture online traffic. The Company’s underlying technology solution utilizes BiToS and Mobile Advertising Identifiers (MAIDs) to build audiences, effectively eliminating bot traffic and ad waste and produces real-time messaging opportunities to reach target audiences more efficiently than broad based market messaging platforms. The Company also implements intuitive ad sequencing, audience ID technology, Artificial Intelligence (“AI”) integration, saturation modeling, conversion funneling, Customer Relationship Management (“CRM”) integration, traffic resolution, and comprehensive analytics reporting.

The Company’s digital marketing capabilities were acquired through organic development in-house and through its efforts as a tech incubator and early adopter of innovative marketing tools. The Company principally generates revenue from its primary digital marketing solution; however, it has three other digital marketing solutions for which development is in varying stages of completion and/or waiting to be deployed to the marketplace. Refer to Note 3 – Revenue from Contracts with Customers for additional discussion about our digital marketing solution offerings.

**NOTE 2 – GOING CONCERN**

The Company is a development stage corporation. The Company has performed an annual assessment of its ability to continue as a going concern as required under Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2014-15, Presentation of Financial Statements – Going Concern (“ASU No. 2014-15”) and concluded that the ability of the Company to continue as a going concern is dependent upon the Company’s ability to increase revenues and raise additional funds to implement its full business plan.

The Company’s unaudited financial statements have been prepared assuming that it will continue as a going concern, which contemplates continuity of operations and liquidation of liabilities in the normal course of business. As reflected in the financial statements, the Company has \$1,574,586 in assets, and an accumulated deficit and working capital deficit of \$8,301,901 and \$1,301,209, respectively, as of June 30, 2025, and incurred a net loss and cash provided by operations of \$220,009 and \$14,980, respectively, for the six month period ended June 30, 2025. These circumstances raise substantial doubt about the Company’s ability to continue as a going concern for a period of 12 months from the date of this report. Although the Company has generated revenue from contracts with customers since its inception, the Company has reported a cumulative net loss due to costs associated with sale growth initiatives and capital raises.

In the interim, the Company raised capital through short term bridge loans and also entered into a 24-month Strata Purchase Agreement (“Strata Agreement”) with a private investor who committed to purchase up to \$5,000,000 of the Company’s registered common stock (see Note 9 – Strata Purchase Agreement). The Company intends to leverage this Strata Agreement to raise equity necessary to execute its full business plan.

The ability of the Company to continue as a going concern is dependent on its ability to implement the business plan, raise capital, and generate sufficient revenues to generate positive net income and cash flow. There is no guarantee that the Company will ever be able to raise sufficient capital or generate a level of revenue to sustain its operations. The unaudited financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Company’s unaudited interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and pursuant to the rules and regulations of the United States Securities and Exchange

Commission ("SEC"). Certain information and disclosures normally included in annual financial statements prepared in accordance with US GAAP have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these unaudited interim financial statements have been included. Such adjustments consist of normal recurring adjustments. These unaudited interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2024 as reported on Form 10-K. The results of operations for the three and six month period ended June 30, 2025 are not indicative of the results that may be expected for the full year.

**Reportable Operating Segments**

The Company operates its digital marketing business as a single segment business. The Company considers a combination of factors when evaluating the composition of potential reportable segments, including the results regularly provided to our Chief Executive Officer, who is our chief operating decision maker, economic characteristics of our digital marketing services offered, classes of clients (when applicable), geographic considerations (e.g. United States versus the rest of the world), and regulatory environment considerations (if applicable).

**SPECIFICITY, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**(EXPRESSED IN U.S. DOLLARS)**  
**(UNAUDITED)**

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP and pursuant to SEC rules and regulations 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 the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's significant estimates include the valuation of share-based compensation, embedded derivatives within convertible note issuances, and allowance against deferred tax assets.

**Revenue from Contracts with Customers**

The Company's performance obligation, associated with digital marketing solutions generally consist of the promise to deliver digital marketing services. Digital marketing solutions are delivered as a service and as such the performance obligation is complete once marketing tools or solutions are made available to the customer, or as determined by the specific terms of the contract, if applicable. The Company charges its clients a fixed monthly retainer for its services and such retainer is automatically renewed on a monthly basis on the first of the month unless cancelled by the client in accordance with the terms of the service agreement. If any customer pays for digital marketing services in advance, those payments are initially recorded as deferred revenue and then recognized as revenue when digital marketing services are delivered. As of June 30, 2025 and December 31, 2024, the Company had no deferred revenue recorded.

The Company's standard sales terms generally do not generally allow for a right of return due to the nature of digital marketing services. After completion of the Company's performance obligation, there is an unconditional right to consideration as outlined in the contract. Revenue is recognized when performance obligations under the terms of the contracts with customers are satisfied.

The Company offers these three digital marketing solutions for its customers to choose from.

1. ***Tradigital Partners - White-Label Digital Marketing Solutions for Ad Agencies.*** Tradigital Partners is a specialized white-label digital marketing service designed exclusively for advertising agencies to partner their traditional campaigns with digital. This solution allows agencies to expand their service offerings by providing cutting-edge digital marketing solutions under their own brand, without the need for in-house expertise or infrastructure.
2. ***Put-Thru - Enterprise-Grade Digital Marketing, Scaled for SMBs.*** Put-Thru is a digital marketing tech stack designed specifically for small and medium-sized businesses ("SMBs"). Unlike enterprise-level marketing platforms that require significant investment and expertise, Put-Thru delivers powerful digital advertising solutions at an affordable price point, helping SMBs compete with larger brands.
3. ***Pickpocket - DIY Digital Marketing Platform for Small Business Owners.*** Pickpocket is a do-it-yourself digital marketing platform built for small business owners who want to take control of their advertising efforts while cutting out the waste of audiences that don't make sense for their product or service. Designed for businesses with annual revenues between \$500,000 and \$5 million, Pickpocket leverages behavior-based ID technology to help users build ideal customer profiles and directly target potential buyers through their mobile devices. The main goal of Pickpocket is to directly target your competitors. Although fully developed, Pick Pocket has not yet generated revenue, presenting an opportunity for future monetization strategies, including subscriptions, performance-based pricing, or value-added services.

Adhoc marketing services are available on a fee for service basis and include email marketing, automated marketing, content marketing, social media content creation, digital production marketing, branding standards, logo creation, website creature, brochure creation, print marketing, targeted print campaigns, Google and Bing display ads, Google and Bing pay per click campaigns, Google local service ads, Test campaigns, search engine optimization, blog creation, voice marketing, radio commercial creation, influencer marketing collaboration and proximity marketing.

**Concentration of Credit Risk**

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of \$250,000 per institution that pays Federal Deposit Insurance Corporation insurance premiums. The Company has never experienced any losses related to these balances.

### **Fair Value Measurements**

The Company follows FASB ASC 820, *Fair Value Measurements and Disclosures* (“ASC 820”) to measure and disclosure the fair value of its financial instruments. ASC 820 establishes a framework for measuring fair value in U.S. GAAP and expands disclosures about fair value measurements and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The three levels of fair value hierarchy defined by ASC 820 are described below:

- |                |                                                                                                                                                             |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Level 1</b> | Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.                                              |
| <b>Level 2</b> | Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. |
| <b>Level 3</b> | Pricing inputs that are generally unobservable inputs and not corroborated by market data.                                                                  |

**SPECIFICITY, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**(EXPRESSED IN U.S. DOLLARS)**  
**(UNAUDITED)**

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts reported in the Company's financial statements for cash, accounts receivable, prepaids and other current assets, accounts payable, etc. approximate their fair value because of the immediate or short-term nature of these financial instruments.

**Per Share Information**

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the year. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period, increased by the potentially dilutive common shares that were outstanding during the period. See Note 11 for additional information.

**New Accounting Pronouncements**

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date that amend the original text of ASC. The Company believes those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to the Company or (iv) are not expected to have a significant impact on the Company.

**NOTE 4 – RELATED PARTY TRANSACTIONS**

*Employment Agreements*

On January 1, 2021, the Company entered into a 1-year employment agreement ("Agreement") with Mr. Jason Wood, the Company's Chief Executive Officer ("CEO"). The Agreement renews automatically on an annual basis. If the CEO is terminated without cause, then the remaining current contract year shall be paid upon termination. The Company currently pays the CEO's personal living expenses in lieu of a direct salary. During the three month period ended June 30, 2025 and 2024, the Company paid compensation totaling approximately \$0 and \$24,137, respectively. During the six month period ended June 30, 2025 and 2024, the Company paid compensation totaling approximately \$5,075 and \$76,147, respectively.

*Related Party Notes Payable (Pickpocket)*

On January 13, 2021, the Company entered into a share purchase agreement with the Company's CEO to acquire an 80% equity interest in Pickpocket Inc. ("Pickpocket") for a purchase price of \$1 million and paid consideration in the form of a promissory note bearing simple interest at a rate of 5% per annum. As of the date of acquisition, Pickpocket did not have any operations or significant assets. Upon acquisition, the Company expensed the purchase price as compensation to the officer. The transaction was accounted for on a carryover basis as the CEO was the controlling shareholder in both entities. As of June 30, 2025 and December 31, 2024, the Company has accrued interest of \$75,000 and \$50,000, respectively, included within accrued interest – related party on the accompanying balance sheets. During the six month period ended June 30, 2025, there were no changes in terms or conditions under the Pickpocket share purchase agreement. As of June 30, 2025 and December 31, 2024, related party notes payable was \$1,000,000, respectively, and reported on the accompanying balance sheets.

*Executive Officer Advances to the Company (Related Party Advances)*

The Company's CEO provided unsecured credit advances to the Company to fund payroll and digital marketing platform operating costs in between financing rounds. These advances do not incur interest and are due on demand. During the six month period ended June 30, 2025 and 2024, the shareholder advances were \$51,750 and \$11,668, respectively. During the six month period ended June 30,



2025 and 2024, the shareholder advance repayments were \$182,876 and \$0, respectively. As of June 30, 2025 and December 31, 2024, cumulative unpaid credit advances were \$164,564 and \$295,669, respectively.

#### **NOTE 5 – WORKING CAPITAL FUNDING LOANS**

The Company finances short term working capital requirements in between capital raises by entering into secured borrowing agreements for which future receivables are pledged to repay these short-term obligations. Funding is generally nonrecourse one-time fixed amount financing arrangements and contain a performance and personal guarantee by the CEO and COO. Repayments are made generally on a weekly basis out of available daily deposits until the financing has been repaid in full. Future sales of revenues are not within the scope of ASC 860 (Transfers and Servicing of Financial Assets), as such these arrangements are accounted for under ASC 470 (Debt) as short term working capital loans. Accordingly, these working capital funding loans are reported current liabilities on the balance sheets. Upon receipt of financing proceeds the Company recognizes a liability equal to the loan proceeds received and accrued interest payable equal to the spread between total agreed upon repayments and the cash loan proceeds. Working capital funding loans consisted of the following:

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	JUNE 30, 2025	DECEMBER 31, 2024
	(Unaudited)	
NewCo Capital Group Future Revenue Purchase Agreement dated March 3, 2023 (1)	\$ 40,630	\$ 40,630
Parkside Funding Group LLC Revenue Purchase Agreement dated August 3, 2023		
(2)	49,284	49,284
Funding Futures Revenue Purchase Agreement dated February 27, 2024 (3)	25,982	25,982
ClearThink Capital Partners LLC (4)	137,500	50,000
Total working capital funding loans	<u>\$ 253,396</u>	<u>\$ 165,896</u>

- (1) On March 2, 2023, the Company entered into a future revenue purchase agreement and received proceeds of \$120,000 (net of underwriting and original fees of \$7,200) for which \$169,200 will be repaid in 36 weekly installments of \$4,700, with a minimum payment of 10% of banking deposits. This working capital loan is secured by substantially all of the Company's assets and a personal guarantee by the Company's CEO and COO. The percentage purchased factor representing interest expense under this arrangement was approximately 29.1% (including underwriting fees, origination fees and financing spread). In the event of default, the Company may be required to pay additional fees of 30% of the unpaid balance to cover legal fees required by the third party to pursue collection in the event of default.
- (2) On August 3, 2023, the Company entered into a future revenue purchase agreement and received proceeds of \$57,000 (net of \$3,000 in underwriting fees) for which \$84,000 will be repaid in weekly installments of \$3,231 with a minimum payment of 22% of banking deposits. This working capital loan is secured by substantially all of the Company's assets and a personal guarantee by the Company's CEO and COO. The percentage purchased factor representing interest expense under this arrangement was approximately 32.1% (including underwriting fees, origination fees and financing spread). In the event of default, the Company may be required to pay a fixed default penalty of \$2,500 and additional fees of 33% of the unpaid balance to cover legal fees required to pursue collection in the event of default.
- (3) On March 7, 2024, the Company entered into a future revenue purchase agreement and received proceeds of \$18,000 (net of \$2,000 in underwriting fees) for which \$29,980 will be repaid in daily installments of \$428, with a minimum payment of 9% of banking deposits. This working capital loan is secured by substantially all of the Company's assets and a personal guarantee by the Company's CEO. The percentage purchased factor representing interest expense under this arrangement was approximately 40.1% (including underwriting fees, origination fees and financing spread). In the event of default, the Company may be required to pay a fixed default penalty of \$2,500 or up to 25% of the unpaid balance to cover legal fees required to pursue collection in the event of default.
- (4) On October 3, 2024, as more fully described in Note 9, the Company entered into short term securities lending agreement to borrow up to \$150,000 to cover professional service fees associated with the reaudit of the financial statements and costs to maintain reporting compliance. As of June 30, 2025, there was no unused portion of the securities lending agreement.

**NOTE 6 – CONVERTIBLE NOTE AGREEMENT**

On April 25, 2023, the Company entered into Securities Purchase Agreement ("SPA Agreement") with a third party to obtain bridge financing. Pursuant to the SPA Agreement, the Company entered into an unsecured 9-month convertible promissory note ("Convertible Note") with a principal amount of \$220,000. The Company paid additional consideration of 50,000 restricted shares of common stock and a detachable warrant to purchase up to 200,000 shares of common stock at an exercise price of \$5.00 per warrant. The Company previously recognized at issuance an original issue discount ("OID") of \$82,500, which included \$20,000 discount and \$62,500 additional OID related to the fair value of restricted stock awarded as an additional inducement to the noteholder. Additionally, the Company recorded total accrued interest of \$75,778, which included an additional interest charge of \$22,000 at the time of issuance and default penalty interest of \$53,778 as a result of not paying in accordance with the terms and conditions of the Convertible Note.

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Convertible Note was classified as current and was comprised as follows:

	JUNE 30, 2025	DECEMBER 31, 2024
	(Unaudited)	
Convertible Note, dated April 25, 2023, fixed installments of \$26,889, matured in June 2024 and currently in default (1)	\$ 133,894	\$ 133,894
Add: Convertible Note interest payable (2)	75,777	75,777
Total Convertible Note payable	<u>\$ 209,671</u>	<u>\$ 209,671</u>
 Total Convertible Note payable at maturity	 <u>\$ 218,888</u>	 <u>\$ 218,888</u>

- (1) The Convertible Note required a fixed monthly repayment of approximately \$26,889 starting July 24, 2023, and ending on March 24, 2024. Unpaid principal and interest may be converted by the noteholder into shares of the Company's common stock at a conversion price of \$1.50 per share at any time while the Convertible Note remains outstanding. On January 29, 2024, the Company decreased the conversion price from \$1.50 to \$0.50. The Company and the note holder agreed to decrease the conversion ratio to compensate for the debt default position. The conversion ratio modification did not substantively change the cash flows associated with the original Convertible Note; however, the modification resulted in a substantive change in the conversion feature. There were no other modifications made to the Convertible Note. On February 3, 2024, the note holder converted \$50,000 in outstanding principal into 100,000 shares of common stock.
- (2) The Convertible Note assessed an additional 10% interest on the face value of the Convertible Note upon issuance which increased the amount due from \$220,000 to \$242,000. Pursuant to Section 2(a)(i) of the Convertible Note Agreement, failure to pay the noteholder amounts when due constitutes an event of default and recognition of a penalty equal to 125% of the unpaid principal and interest due to the note holder. As of June 30, 2025 and December 31, 2024, unpaid accrued interest payable included \$22,000 of interest since issuance of the Convertible Note and penalty interest of \$53,778. The note holder has not made any demand for payment.

**NOTE 7 – INCOME TAXES**

The Company's effective tax rate is 0% for the three and six month period ended June 30, 2025 and 2024, as the Company did not have any taxable income due to its continued net operating losses. The Company's deferred tax assets increased primarily due to its net operating losses, for which a full valuation allowance has been applied. There were no significant changes in the types of temporary differences which resulted in deferred taxes. The Company is not currently under examination by any federal, state or local tax authority in connection with their prior tax filings.

**NOTE 8 – CAPITAL STRUCTURE**

During the three and six month periods ended June 30, 2025, there were no equity transactions that resulted in a change in control of the Company that would trigger any conversion provision contained within the Company's Convertible Note, Series A or B preferred stock agreements. The following is a description of the Company's equity instruments and changes during the quarter reporting periods:

- **Series A Preferred Stock**

The Company is authorized to issue 1 million shares \$0.001 par value Series A preferred stock ("Series A"). The holder of Series A preferred stock is entitled to 80% of all voting rights available at the time of any vote. In the event of liquidation or dissolution of the Company, the holders of Series A preferred stock are entitled to share ratably in all assets remaining after payment of liabilities and have no liquidation preferences. Holders of Series A preferred stock have a right to convert each share of Series A into five shares of common stock. On December 1, 2020, the Company issued 1 million shares of Series A preferred stock to the CEO of the Company for no consideration. There were no changes in Series A shares during the three

and six month periods ended June 30, 2025 and 2024. As of June 30, 2025 and December 31, 2024, the Company had 1,000,000 shares of Series A Preferred Stock authorized, issued and outstanding.

- **Series B Preferred Stock**

The Company was authorized to issue 260,000 shares \$0.001 par value Series B preferred stock (“Series B”). In September 2022, the Company increased the Series B preferred stock authorized shares to 560,000. The holder of Series B preferred stock do not have any voting rights. In the event of liquidation or dissolution of the Company, the holders of Series B preferred stock are entitled to share ratably in all assets remaining after payment of liabilities and have no liquidation preferences. Holders of Series B preferred stock have a right to convert each share of Series B on a prorated basis of exactly ten (10) percent of the issued and outstanding common stock of the Company. The ultimate redemption value of Series B Preferred stock is tied to the value of the Company’s common stock.

In 2020, the Company issued 260,000 shares of Series B preferred stock for no additional consideration at a fair value of \$260. In 2022, the Company issued 300,000 shares of Series B preferred stock as compensation to the Chief Revenue Officer (“CRO”) of the Company. The Company estimated the fair value of Series B at \$1.50 per share (average transaction price for common stock sold during the same period), which resulted in a total fair value of \$450,000. As of June 30, 2025 and December 31, 2024, the Company’s CRO beneficially held 404,000 Series B shares, 104,000 Series B shares indirectly through his spouse and 52,000 Series B shares through his son. There were no changes in Series B shares during the three and six month periods ended June 30, 2025 and 2024. As of June 30, 2025 and December 31, 2024, the Company had 560,000 shares of Series B Preferred Stock authorized, issued and outstanding.

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- **Common Stock**

As of June 30, 2025, the Company had 50 million authorized shares of common stock with a par value of \$0.001, of which 13,637,870 were issued and outstanding. Common stockholders are entitled to one vote per share on all matters submitted to a vote of stockholders. As of June 30, 2025 and December 31, 2024, Company insiders held in aggregate 7.5 million shares of common stock, respectively. The Company's CEO controls approximately 93% of the voting power of the Company's common stock.

**NOTE 9 – CAPITAL MARKET RAISE CONSULTING AND FUNDING AGREEMENTS**

The Company decided to engage a single equity funder to streamline its equity raise requirement. The following summarizes its capital raise consulting and equity funding agreements:

Tysadco Partners ("Tysadco")

On September 1, 2022, the Company engaged Tysadco Partners to provide consulting services on a monthly basis. Under the terms of the consulting services agreement with Tysadco, the Company is billed \$7,500 for consulting services, consisting of a \$2,500 monthly cash retainer and a \$5,000 monthly equity retainer payable in common stock. Tysadco has the option to settle all consulting services invoices in the form of common stock. During the three month period ended June 30, 2025 and 2024, the Company accrued \$22,500, respectively. During the three month period ended June 30, 2025 and 2024, the Company issued 38,656 and 50,433 shares of common stock, respectively, in partial settlement of accrued consulting services. During the six month period ended June 30, 2025 and 2024, the Company issued 77,326 and 73,004 shares of common stock, respectively, in partial settlement of accrued consulting services. As of June 30, 2025 and December 31, 2024, the Company had accrued consulting services fees totaling approximately \$30,000 and \$12,500, respectively, which could be converted into 50,000 and 16,667 shares of common stock, respectively. As of June 30, 2025 and December 31, 2024, Tysadco held 279,019 and 201,693 shares of the Company's common stock, respectively.

ClearThink Capital Partners, LLC ("ClearThink") Strata Agreement

In August 2022, ClearThink commenced its relationship with the Company with a \$50,000 common stock private placement. On November 29, 2023, the Company entered into a 24-month Strata Purchase Agreement ("Strata Agreement") with ClearThink. Under the terms of the Strata Agreement, ClearThink committed to purchase up to \$5,000,000 of the Company's registered common stock with a purchase price equal to 80% of the average of the two lowest daily stock prices during a ten (10) day trading period. The Strata Agreement requires a minimum purchase of \$25,000 with a maximum purchase at the lesser of \$1,000,000 or 500% of the daily average shares traded for the prior 10-day period. At no time shall the total number of shares purchased under this Strata Agreement exceed 9.99% of the Company's outstanding common stock. ClearThink made an initial purchase of 400,000 shares of restricted stock in exchange for \$100,000. Additionally, the Company issued an additional 200,000 shares of common stock to ClearThink as additional consideration which had a fair value of \$50,000. During the three and six month periods ended June 30, 2025, there were no proceeds received in connection with the Strata Agreement.

ClearThink Advance Funding Agreement

In October 2024, ClearThink agreed to provide interim working capital funding ("funding advances") to cover additional compliance costs associated with its requirement to reaudit its 2022 and 2023 annual financial statements and 2024 quarterly interim financial statements due to the permanent censure of its former auditor BF Borgers PC. As of June 30, 2025, and December 31, 2024, the Company had cumulative funding advances of \$137,500 and \$50,000, respectively. On June 26, 2025, the Company and ClearThink formalized a working capital funding agreement to provide \$150,000 in total advances with fixed interest of \$50,000 and additional ten (10) percent interest on the total outstanding balance. All amounts shall be due and payable when the Company is fully compliant with public company financial reporting requirements. Subsequent to June 30, 2025, the Company used the remaining working capital funding to cover audit and compliance costs.

As of June 30, 2025 and December 31, 2024, ClearThink held 600,000 shares of common stock, respectively.

**NOTE 10 – SHARE-BASED COMPENSATION AND WARRANTS**

### **Share-Based Compensation**

During the three and six month period ended June 30, 2025, the Company issued 10,500 and 21,000 shares of common stock, respectively, to the Company's COO in connection with his employment agreement. During the three and six month period ended June 30, 2025, the Company issued 38,656 and 77,326 shares of common stock, respectively, in partial satisfaction of amounts owed to its capital raise consultants. The fair value of share based compensation issued during the three month period ended June 30, 2025 and 2024 both were \$22,500, respectively. The fair value of share based compensation issued during the six month period ended June 30, 2025 and 2024 was \$45,000 and \$45,001, respectively.

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The Company did not adopt stock option incentive plan or issue any stock options or other service based awards to any employee, advisor or consultant during the three and six month periods ended June 30, 2025 or 2024.

**Warrants to Purchase Common Stock**

On October 1, 2021, the Company issued 200,000 detachable warrants at an exercise price of \$3.00 per warrant in connection with a private equity offering. While the Company contemporaneously issued warrants in connection with this capital raise transaction, these warrants are subject to separate agreements with different terms and conditions that are not closely related. The warrants issued in connection with the sale of common stock may be exercised at the option of the purchaser and may only be settled in shares of common stock upon payment of the exercise price stated in the stock purchase agreement. These freestanding warrants are classified as an equity instrument and have no expiration date. The fair value of detachable warrants on the grant date was \$0 using a Black-Scholes option pricing model with a stock price of \$0.25, exercise price of \$3.00, risk free rate of 4.57%, volatility of 10% to 25% (logarithmic average due to limited exchange pricing data) and a dividend rate of 0% and a warrant term of 10 years (as the Company's warrants have no expiration date). During the three and six month periods ended June 30, 2025, there were no exercises of warrants to purchase common stock.

On April 25, 2023, the Company issued 200,000 detachable freestanding warrants at an exercise price of \$5.00 per warrant, as additional consideration in connection with its Convertible Note (see Note 5). While the Company contemporaneously issued warrants in connection with a Convertible Note issuance, these warrants are subject to separate agreements with different terms and conditions that are not closely related. The settlement and/or termination of the Convertible Note does not cause the warrant agreement to terminate or cause the terms and conditions to change due to changes in the Note instrument. The warrants issued in connection with the sale of common stock may be exercised at the option of the purchaser and may only be settled in shares of common stock upon payment of the exercise price stated in the stock purchase agreement. These freestanding warrants are classified as an equity instrument and have no expiration date. During the three and six month periods ended June 30, 2025, there were no exercises of warrants to purchase common stock.

During the three and six month periods ended June 30, 2025 and 2024, there were no issuances, exercises or expired warrants. During the three and six month periods ended June 30, 2025 and 2024, warrants outstanding and exercisable both were 400,000. During the three and six month periods ended June 30, 2025 and 2024, the weighted average exercise price was \$4.00, respectively.

The table below summarizes the status of warrants outstanding and exercisable as follows:

**NOTE 11 – WEIGHTED AVERAGE COMMON SHARES**

The Company reported a net loss during the three and six month periods ended June 30, 2025 and 2024, as such, the inclusion of potentially dilutive securities in the computation of Diluted EPS would be anti-dilutive. Potentially dilutive securities excluded from the computation of diluted EPS was as follows:

	THREE AND SIX MONTHS ENDED JUNE 30,	
	2025	2024
	(Unaudited)	
Convertible Note (see Note 6)	437,776	437,776
Series A Preferred (see Note 8)	5,000,000	5,000,000
Series B preferred stock (see Note 8)	1,363,787	1,138,944
Detachable common stock warrants (see Note 9)	400,000	400,000
Total anti-dilutive securities excluded from diluted weighted average common shares	7,201,563	6,976,720

The above potentially diluted securities were excluded from the calculation as the exercise prices were in excess of the fair market value of the Company's common stock.

#### **NOTE 12 – COMMITMENTS AND CONTINGENCIES**

In the ordinary course of business, it is possible that the Company may be the subject of lawsuits and claims from time to time. The Company's management, with input from legal counsel, assesses such contingent liabilities, and such assessment inherently involves an exercise in judgment. In assessing loss contingencies related to legal proceedings pending against us or unasserted claims that may result in proceedings, evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates that a probable and material loss has been incurred and the amount of liability can be estimated, then the estimated liability would be accrued in the financial statements. If the assessment indicates a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, is disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. The Company is not currently party to any pending or threatened litigation in connection with its principal business activities.



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**NOTE 13 – SUBSEQUENT EVENTS**

In accordance with ASC 855-10 the Company has analyzed its operations subsequent to June 30, 2025, to the date these financial statements were issued, and determined that the following were no material subsequent events to disclose in these financial statements.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Cautionary Note Regarding Forward-Looking Information and Factors That May Affect Future Results

This quarterly report on Form 10-Q contains forward-looking statements regarding our business, financial condition, results of operations and prospects. The Securities and Exchange Commission (the "SEC") encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This quarterly report on Form 10-Q and other written and oral statements that we make from time to time contain such forward-looking statements that set out anticipated results based on management's plans and assumptions regarding future events or performance. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will" and similar expressions in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated sales efforts, expenses, the outcome of contingencies, such as legal proceedings, and financial results. Factors that could cause our actual results of operations and financial condition to differ materially are set forth in the "Risk Factors" section of our Form 10-K for the year ended December 31, 2024 filed with and accepted by the SEC on June 23, 2025.

As used in this "Management's Discussion and Analysis of Financial Condition and Results of Operation," except where the context otherwise requires, the term "we," "us," "our," or "the Company," refers to the business of Specificity, Inc.

We caution that these factors could cause our actual results of operations and financial condition to differ materially from those expressed in any forward-looking statements we make and that investors should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. New factors emerge from time to time, and it is not possible for us to predict all of such factors. Further, we cannot assess the impact of each such factor on our results of operations or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

The following discussion should be read in conjunction with our unaudited financial statements and the related notes that appear elsewhere in this quarterly report on Form 10-Q.

### Business Overview

At our core we are a full service digital marketing firm that delivers cutting-edge marketing solutions to identify and market in real-time to potential customers who are actively in the buying cycle. Our digital marketing solutions focus on B2B and B2C consumer markets and give small and medium sized businesses a fair chance to capture online traffic. Our underlying technology solution utilizes BiToS and MAIDs to build audiences, effectively eliminating bot traffic and ad waste and produces real-time messaging opportunities to reach target audiences more efficiently than broad based market messaging platforms. We also implement intuitive ad sequencing, audience ID technology, AI integration, saturation modeling, conversion funneling, CRM integration, traffic resolution, and comprehensive analytics reporting.

Our digital marketing capabilities were acquired through organic development in-house and through our efforts as a tech incubator and early adopter of innovative marketing tools. Currently, our operations are focused on 3 service offerings within our single segment business.

- Put-Thru - Enterprise-Grade Digital Marketing, Scaled for SMBs. Put-Thru is a digital marketing tech stack designed specifically for SMBs. Unlike enterprise-level marketing platforms that require significant investment and expertise, Put-Thru delivers powerful digital advertising solutions at an affordable price point, helping SMBs compete with larger brands.
- Tradigital Partners - White-Label Digital Marketing Solutions for Ad Agencies. Tradigital Partners is a specialized white-label digital marketing service designed exclusively for advertising agencies to partner their traditional campaigns with digital. This solution allows agencies to expand their service offerings by providing cutting-edge digital marketing solutions under their own brand, without the need for in-house expertise or infrastructure.
- PickPocket - DIY Digital Marketing Platform for Small Business Owners. Pick Pocket is a DIY digital marketing platform built for small business owners who want to take control of their advertising efforts while cutting out the waste of audiences that don't make sense for their product or service. Designed for businesses with annual revenues between \$500,000 and \$5

million, Pick Pocket leverages behavior-based ID technology to help users build ideal customer profiles and directly target potential buyers through their mobile devices. The main goal of Pickpocket is to directly target your competitors.

We primarily generate revenue through recurring fixed monthly digital services agreements for the vast majority of our clients. We bill for our services at the beginning of each month and our services are completed at the end of the month. We also generate revenue through marketing campaigns for product or service launches and other non-recurring events.

## **Results of Operations – Three Months Ended June 30, 2025, as compared to June 30, 2024**

### ***Revenues***

For the three month period ended June 30, 2025 our revenues increased to \$266,300 as compared to \$234,690 during the same period last year, primarily due to an additional client in the current quarter. In the ordinary course of our business, large marketing campaigns for specific events or promotions that are nonrecurring in nature could create some variability in our revenues quarter to quarter.

### ***Cost of Revenues***

For the three month period ended June 30, 2025 cost of revenues increased to \$154,929 as compared to \$128,136 in the same period last year. The increase in cost of revenues was due to higher quality and higher cost digital marketing data sources and related platform costs to manage our client base.

### ***Operating Expenses***

Operating expenses include sales and marketing, capital raise promotion costs, general and administrative, share-based compensation and depreciation and amortization. The primary drivers of operating expenses are sales and marketing and general and administrative expenses (of which professional fees represent more than 50% of the total costs). For the three month period ended June 30, 2025 operating expenses increased to \$178,664 as compared to \$142,602 in the same period last year primarily driven by onboarding of a new COO, higher legal, accounting and advisory fees to guide our capital market raise and public company reporting compliance costs. We anticipate higher operating expenses as we continue to rise over time as we support sales growth initiatives and capital market equity raise activity.

### ***Other Expenses***

For the three month period ended June 30, 2025 other expenses solely consisted of related party interest expense and remained unchanged at \$12,500 as compared to \$12,500 in the same period last year.

### ***Provision for Income Taxes***

For the three month period ended June 30, 2025 there was no provision for income taxes as we had continuing net operating losses. We placed a full valuation allowance on net deferred tax assets.

### ***Net Loss***

For the three month period ended June 30, 2025 our net loss increased to \$79,793 as compared to \$48,548 in the same period last year, primarily due to higher cost of revenues and operating expenses as described above.

## **Results of Operations – Six Months Ended June 30, 2025, as compared to June 30, 2024**

### ***Revenues***

For the six month period ended June 30, 2025 our revenues decreased to \$564,350 as compared to \$633,551 during the same period last year, primarily due to a large financial services clients' temporary deferral of marketing and advertising spend to allow them time to catch up with lead generation created by our team from prior months services. In the ordinary course of our business, our contractual arrangements allow our clients to occasionally pause their marketing services and spend to allow them to catch up with our lead generation volume. Additionally, large marketing campaigns for specific events or promotions that are nonrecurring in nature could create some variability in our revenues quarter to quarter.

### ***Cost of Revenues***

For the six month period ended June 30, 2025 cost of revenues increased to \$309,705 as compared to \$242,795 in the same period last year. The increase in cost of revenues was due to higher quality and higher cost digital marketing data sources and related platform costs to manage our client base.

### ***Operating Expenses***

Operating expenses include sales and marketing, capital raise promotion costs, general and administrative, share-based compensation and depreciation and amortization. The primary drivers of operating expenses are sales and marketing and general and administrative expenses (of which professional fees represent more than 50% of the total costs). For the six month period ended June 30, 2025 operating expenses increased to \$449,654 as compared to \$391,223 in the same period last year primarily driven by onboarding of a new COO, higher legal, accounting and advisory fees to guide our capital market raise and public company reporting compliance costs. We anticipate higher operating expenses as we continue to rise over time as we support sales growth initiatives and capital market equity raise activity.

### ***Other Expenses***

For the six month period ended June 30, 2025 other expenses solely consisted of related party interest expense and remained unchanged at \$12,500 as compared to \$12,500 in the same period last year.

### ***Provision for Income Taxes***

For the six month period ended June 30, 2025 and 2024 there was no provision for income taxes as we had continuing net operating losses. We placed a full valuation allowance on net deferred tax assets.

### ***Net Loss***

For the six month period ended June 30, 2025 our net loss increased to \$220,009 as compared to \$85,028 in the same period last year, primarily due to higher cost of revenues and operating expenses as described above.

### ***Liquidity, Capital Resources, and Off-Balance Sheet Arrangements***

We may need to raise additional capital to fund our operations and there can be no assurance that additional capital will be available on acceptable terms or at all. In the short term, we must raise additional capital through debt or equity financing to support our business operations and to grow our business. Over the long term, we must successfully execute our growth plans to increase profitable revenue and income streams to generate positive cash flows to sustain adequate liquidity to meet minimum operating requirements.

#### **Net Working Capital**

At June 30, 2025, we had a net working capital deficit of approximately \$1,301,209 compared to a net working capital deficit of \$1,171,822 at December 31, 2024. Our immediate sources of liquidity include cash and cash equivalents and accounts receivable; however, these cashflows from operations at this stage of our development will not sustain our operations. As shown in our audited financial statements, we have, since inception, financed operations and limited capital expenditures through the sale of stock and convertible notes and working capital funded debt. We relied on proceeds from customer payments and financing activities from the sale of common stock to fund our business operations and growth plans.

We must successfully execute our business plan to increase profitability in order to achieve positive cash flows to sustain adequate liquidity without requiring additional funds from external sources to meet minimum operating requirements. We anticipate that we will need to raise additional capital to fund our operations and to execute our business plan; and there can be no assurance that additional capital will be available on acceptable terms or at all.

#### **Cash Flows from Operating Activities**

Cash provided by (used in) operating activities provides an indication of our ability to generate sufficient cash flow from our recurring business activities. For the six month period ended June 30, 2025, net cash provided by operations was \$14,980 driven primarily by conversion of outstanding accounts payable due to service provider in exchange for common stock, which preserved our operating cash flow. For the six month period ended June 30, 2024, net cash used in operations was \$29,603 driven primarily by current year operating loss.

#### **Cash Flows from Investing Activities**

For the six month period ended June 30, 2025 or 2024, there were no inflows or outflows for investing activities.

#### **Cash Flows from Financing Activities**

Cash provided by (used in) financing activities provides an indication of our debt financing and proceeds from capital raise transactions. For the six month period ended June 30, 2025, net cash used in financing activities was \$10,885, primarily due to repayments of working capital funding advances from shareholder loans, partially offset by advances expected to be settled under the Strata agreement. For the six month period ended June 30, 2024, net cash used in financing activities was \$12,349, primarily due to the repayment of working capital funding advances from specialty lenders.

#### **Future Funding**

Our management does not believe that our current capital resources will be adequate to continue operating our company and maintaining our business strategy for much more than 12 months. At the date hereof, we have minimal cash at hand. We require additional capital to implement our business and fund our operations.

Since inception we have funded our operations primarily through debt and equity financing and we expect that we will continue to fund our operations through equity and debt financing, either alone or through strategic alliances. Additional funding may not be available on favorable terms, if at all. We intend to continue to fund our business by way of equity or debt financing until natural revenues can support the Company. If we raise additional capital through the issuance of equity or convertible debt securities, the percentage ownership of our company held by existing shareholders will be reduced and those shareholders may experience significant dilution. In addition, new securities may contain certain rights, preferences or privileges that are senior to those of our common stock. We cannot assure you that we will be able to raise the working capital as needed in the future on terms acceptable to us, if at all.

If we are unable to raise capital as needed, we are required to reduce the scope of our business development activities, which could harm our business plans, financial condition, and operating results, or cease our operations entirely, in which case, you will lose all of your investment.

### **Off-Balance Sheet Arrangements**

We have no off-balance sheet financing arrangements.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### ***Disclosure controls and procedures***

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports, filed under the Securities Exchange Act of 1934, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute assurance of achieving the desired control objectives. In reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. In addition, the design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may become inadequate because of changes in conditions or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

As required by the SEC Rules 13a-15(b) and 15d-15(b), we carried out an evaluation under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective at the reasonable assurance level due to material weaknesses in internal controls over financial reporting.

To address these material weaknesses, management engaged financial consultants, performed additional analyses and other procedures to ensure that the financial statements included herein fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented.

A material weakness is a deficiency, or a combination of deficiencies, within the meaning of Public Company Accounting Oversight Board ("PCAOB") Audit Standard No. 5, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. Management has identified the material weaknesses which have caused management to conclude that as of June 30, 2025, our internal controls over financial reporting were not effective as a result of continuing weaknesses principally due to the following:

- We had not established adequate financial reporting monitoring activities to mitigate the risk of management override, specifically because there are few employees and only one officers with management functions and therefore there is lack of segregation of duties.
- We had inadequate document retention policies and procedures to ensure that all financial transactions were maintained and easily accessible.
- We had inadequate policies and procedures related to internal control over financial reporting and as such relied heavily on outside consultants and advisors to assist us in the preparation of the annual and quarterly financial statements and partners with us to ensure compliance with US GAAP and SEC disclosure requirements.
- We had inadequate policies and procedures related to internal control over financial reporting and as such relied heavily on outside consultants and advisors to assist us in the preparation of the annual and quarterly financial statements and partners



with us to ensure compliance with US GAAP and SEC disclosure requirements.

At such time as we raise additional working capital, we plan to add staff, initiate training, add additional subject matter expertise so that we may improve our processes, policies, procedures, and documentation of our internal control processes.

### ***Changes in internal control over financial reporting***

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

We know of no material, existing, or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers, or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

### **ITEM 1A. RISK FACTORS**

As a smaller reporting company, we are not required to provide the information required by this item. However, please refer to our 2024 Form 10-K as filed with and accepted by the SEC on June 23, 2025, to see those Risk Factors listed therein.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

Except for initial founders shares all unregistered shares have since been registered pursuant to the Form S-1 registration statement deemed effective on September 16, 2021, and the Form S-1 registration statement deemed effective on June 1, 2022, and the Form S-1 registration statement deemed effective on September 23, 2022.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

None.

### **ITEM 6. EXHIBITS**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
<a href="#"><u>31.1*</u></a>	<a href="#"><u>Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act Of 2002.</u></a>
<a href="#"><u>32.1*</u></a>	<a href="#"><u>Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002.</u></a>
<a href="#"><u>10.1</u></a>	<a href="#"><u>Purchase Agreement dated October 3, 2024, by and between Specificity, Inc. and ClearThink Capital Partners, LLC.</u></a>
101.INS*	XBRL INSTANCE DOCUMENT
101.SCH*	XBRL TAXONOMY EXTENSION SCHEMA
101.CAL*	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
101.DEF*	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE
101.LAB*	XBRL TAXONOMY EXTENSION LABEL LINKBASE

\* Filed herewith

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### **Specificity, Inc.**

Date: August 18, 2025

By: /s/ Jason Wood

Name: Jason Wood

Title: Chairman of the Board of Directors, Chief Executive Officer,  
Chief Financial Officer  
(Principal Executive Officer)  
(Principal Financial and Accounting Officer)

I, Jason Wood, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Specificity, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 18, 2025

By: /s/ Jason Wood

Name: Jason Wood

Title: Chief Executive Officer  
(Principal Executive Officer)  
Chief Financial Officer  
(Principal Accounting Officer)  
(Principal Financial Officer)

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**STATEMENT FURNISHED PURSUANT TO SECTION 906 OF THE  
SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350**

In connection with the Quarterly Report on Form 10-Q of Specificity, Inc. (the “Company”) for the quarter ended June 30, 2025 (the “Report”), I, Jason Wood, Chief Executive Officer and Chief Financial Officer, certify as follows:

- A) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)), and
- B) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods covered by the Report.

This statement is authorized to be attached as an exhibit to the Report so that this statement will accompany the Report at such time as the Report is filed with the Securities and Exchange Commission, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350. Pursuant to Securities and Exchange Commission Release 33-8238, dated June 5, 2003, this certification is being furnished and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any registration statement of the Company filed under the Securities Act of 1933, as amended, except to the extent that the Company specifically incorporates it by reference. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 18, 2025

By: /s/ Jason Wood

Name: Jason Wood

Title: Chief Executive Officer  
(Principal Executive Officer)  
Chief Financial Officer  
(Principal Accounting Officer)  
(Principal Financial Officer)

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