

## **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

### **Halberd Corporation**

A Colorado Corporation  
PO Box 25 Jackson Center, PA 16133

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(814) 786-8849  
<https://halberdcorporation.com>  
[support@halberdcorporation.com](mailto:support@halberdcorporation.com)  
SIC Code: 6719

**Quarterly Report For the Period Ending:**  
**October 31, 2023**  
(the "Reporting Period")

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

565,874,842 as of October 31, 2023

565,874,842 as of July 31, 2023

### **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 Control<sup>1</sup> of the company has occurred over this reporting period:

Yes:                      No: ☒

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

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

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

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

Halberd Corporation, which was incorporated in Nevada on January 26, 2009. It changed its name to Tykhe Corporation on April 22, 2014. It then redomiciled to Colorado and changed its name to Alaric Corporation on January 25, 2017. Finally, on March 22, 2020, it changed its name to HALB Transition Corporation, before engaging in a reorganization whereby the name of the public company again became Halberd Corporation with a subsidiary named Alaric Corporation.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Halberd Corporation, currently a Colorado Corporation was incorporated in 2009 (Active)

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

None

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

None

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

1362 Springfield, Church Road, Jackson Center, PA 16133

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

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

N/A

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:

N/A

**2) Security Information**

**Transfer Agent**

Name: Issuer Direct Corporation

Phone: (919) 744-2722

Email: [justin.jebesen@issuerdirect.com](mailto:justin.jebesen@issuerdirect.com)

Address: One Glenwood Avenue, Suite 1001, Raleigh, NC 27603

**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:	<u>HALB</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>90217F106</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>800,000,000</u>	as of date: <u>October 31, 2023</u>
Total shares outstanding:	<u>585,874,842</u>	as of date: <u>October 31, 2023</u>
Number of shares in the Public Float <sup>2</sup> :	<u>392,571,082</u>	as of date: <u>October 31, 2023</u>
Total number of shareholders of record:	<u>88</u>	as of date: <u>October 31, 2023</u>

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

N/A

**Other classes of authorized or outstanding equity securities:**

*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). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Trading symbol:	<u>HALB</u>	
Exact title and class of securities outstanding:	<u>Series A Preferred</u>	
CUSIP:	<u>N/A</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>25,000,000</u>	as of date: <u>October 31, 2023</u>
Total shares outstanding:	<u>10,000,000</u>	as of date: <u>October 31, 2023</u>
Total number of shareholders of record:	<u>2</u>	as of date: <u>October 31, 2023</u>

**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.**

Each share of Common Stock carries one vote; is entitled to dividends declared, if any; there are no preemptive rights

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

Each share of Preferred A Stock is entitled to a number of votes equal to the product of 0.000001 times the number of shares of common outstanding

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

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

None

### 1. 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

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 Second Fiscal Year End:  Opening Balance			Most Recent						
Date: 7/31/2021 Common: 511,621,968			*Right-click the rows below and select "Insert" to add rows as needed.						
Preferred: 10,000,000									
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	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.
02/18/22	New Issuance	27,044,110	Common	\$649,059	Yes	Ryan	Services	Unrestricted	Exempt
02/21/22	Cancelled	(25,015,740)	Common	(\$600,378)	No	George T	Non-	Unrestricted	Exempt
07/21/22	Cancelled	(2,028,370)	Common	(\$48,681)	No	George T	Non-	Unrestricted	Exempt
						Porrata	Performance		
08/03/22	New Issuance	4,252,874	Common	\$42,529	Yes	Mitchel Felder	Warrant Exerci	Restricted	Exempt
02/17/23	New Issuance	25,000,000	Common	\$412,500	Yes	Ryan	Services	Unrestricted	Exempt
						Goulding			
03/07/23	New Issuance	25,000,000	Common	\$410,000	Yes	Ryan Goulding	Services	Unrestricted	Exempt
08/12/23	New Issuance	10,000,000	Common	\$28,000	Yes	Ryan Goulding	Debt Conversion	Unrestricted	Exempt
10/10/23	New Issuance	10,000,000	Common	\$50,000	Yes	Harrison Schoenau	Cash	restricted	Exempt

Shares Outstanding on Date of This Report: Ending Balance:

Date 10/31/2023 Common: 585,874,842 Preferred 10,000,000

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

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.)
August 27, 2020	\$150,000	\$150,000	\$17,395	August 27, 2050	None	SBA	Working Capital
September 11, 2014	\$176,485	\$279,447	None	N/A	Converts at \$0.000633266 per share pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements	Ryan D. Goulding	Settle Debts
May 4, 2016	\$12,949	\$112,680	None	N/A	Converts at \$0.00035 per share pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements	Ryan D. Goulding	Settle Debts

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.  
(Please ensure that these descriptions are updated on the Company's Profile on [www.otcmarkets.com](http://www.otcmarkets.com)).

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

Halberd Corporation is a holding company and acquisition vehicle for established businesses. Halberd also is developing treatments for neurodegenerative diseases, such as PTSD/ CTE (Post Traumatic Stress Disorder/Chronic Traumatic Encephalopathy), Alzheimer's Disease, Parkinson's Disease, etc.

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

Alaric Corporation & Extendalife, Inc. are wholly-owned subsidiaries of the Company

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

Research and Development

## 5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

None

## 6) Officers, Directors, and Control Persons

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

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

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	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
William Hartman	CEO	Jackson Center, PA	5,000,000	Preferred & Warrants	Voting Rights 45.45%	& Warrants to acquire 150M shares at \$0.01/sh

John Borza	Director	Jackson Center, PA	-0-	Warrants	None	Warrants to acquire 75M shares at \$0.01/sh
Dr. Mitchell Felder	CTO	Jackson Center, PA	5,252,874 & 5,000,000	Common, Preferred shares & Warrants	45.45%	& Warrants to acquire 139,000,000 common shares at \$0.01/sh
_____	_____	_____	_____	_____	_____	_____

## 7) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

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

None

## 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.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: John Dolkart  
Firm: Dolkart Law  
Address 1: 100 Pine St., Suite 1250

Address 2: San Francisco, CA 94111  
Phone: (619) 501-1083  
Email: [John@dolkartlaw.com](mailto:John@dolkartlaw.com)  
  
Name: Gary L. Blum Esq.  
Firm: Law Offices of Gary L. Blum  
Address 1: 3278 Wilshire Blvd., Suite 603  
Address 2: Los Angeles, CA 90010  
Phone: (213) 369-8112  
Email: [gblum@gblumlaw.com](mailto:gblum@gblumlaw.com)

Accountant or Auditor

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

*All other means of Investor Communication:*

Twitter: \_\_\_\_\_  
Discord: \_\_\_\_\_  
LinkedIn: \_\_\_\_\_  
Facebook: \_\_\_\_\_  
[Other ] \_\_\_\_\_

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: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_



## 9) Financial Statements

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

- ☐ IFRS  
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)<sup>3</sup>:

Name: William Tynan  
Title: Accountant  
Relationship to Issuer: Consultant

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

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

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

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<sup>3</sup> 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.

## 10) Issuer Certification

*Principal Executive Officer:*

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

The certifications shall follow the format below:

I, William Hartman certify that:

5. I have reviewed this Disclosure Statement for Halberd Corporation;
6. 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
7. 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.

December 15, 2023 [Date]

/s/ William Hartman [CEO's Signature]

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

*Principal Financial Officer:*

I, William Hartman certify that:

8. I have reviewed this Disclosure Statement for Halberd Corporation;
9. 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
10. 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.

December 15, 2023 [Date]

/s/ William Hartman [CFO's Signature]

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

**Halberd Corporation**

**Consolidated Quarterly Financial  
Statements  
For the Period Ended  
October 31, 2023 and 2022  
(Unaudited)**

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**Halberd Corporation**  
**P.O. Box 25**  
**Jackson Center, PA 16133**

December 15, 2023

I hereby certify that the accompanying unaudited consolidated financial statements and related footnotes hereto are based on the best information currently available to the Company. To the best of my knowledge, this information presents fairly, in all material respects, the financial position and stockholders' equity of Halberd Corporation as of October 31, 2023 and July 31, 2023, and the results of its operations and cash flows for the three months ended October 31, 2023 and 2022 in conformity with accounting principles generally accepted in the United States of America.

/s/ William Hartman  
CEO

**HALBERD CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

	October 31, 2023	July 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash	\$ 8,867	\$ 6,915
Prepaid expense	1,830	1,830
Total current assets	8,745	8,745
Fixed assets, net	3,279	3,536
Total assets	\$ 12,024	\$ 12,281
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Accounts payable	\$ 552,849	\$ 581,818
Accrued expenses	17,695	17,395
Convertible judgments payable	189,434	189,434
Total current liabilities	759,978	788,647
Long term liabilities:		
Note payable, SBA loan	150,000	150,000
Total liabilities	909,978	938,647
Commitments and contingencies		
Stockholders' equity (deficit):		
Preferred stock, \$0.0001 par value, 25,000,000 shares authorized, 10,000,000 shares issued and outstanding	1,000	1,000
Common stock, \$0.0001 par value, 800,000,000 shares authorized, 585,874,842 and 565,874,842 shares issued and outstanding at October 31, 2023 and July 31, 2023, respectively	58,587	56,587
Additional paid in capital	5,990,913	5,914,913
Accumulated deficit	(6,948,454)	(6,898,866)
Total stockholders' equity (deficit)	(897,954)	(926,366)
Total liabilities and stockholders' equity (deficit)	\$ 12,024	\$ 12,281

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

**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	For the Three Months Ended October 31,	
	2023	2022
Revenue	\$ 165	\$ 913
Cost of sales	72	400
Gross profit	93	513
Operating expenses:		
General and administrative	105	26,986
Research and development	48,035	176,230
Professional fees	-	30,675
Total operating expenses	48,140	233,891
Operating loss	(48,047)	(233,878)
Other income (expense):		
Interest expense	(1,541)	(1,559)
Total other income (expense)	(1,541)	(1,559)
Net loss	\$ (49,588)	\$ (234,937)
Weighted average common shares outstanding - basic and diluted	537,107,719	515,874,842
Net loss per common share - basic and diluted	\$ (0.00)	\$ (0.00)

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

**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount			
Balance, July 31, 2021	10,000,000	\$ 1,000	511,621,968	\$ 51,162	\$ 4,282,530	\$ (4,820,050)	\$ (485,358)
Common stock issued for settlement of	-	-	27,044,110	2,704	6,762	-	9,466
Shares cancelled	-	-	(27,044,110)	(2,704)	2,704	-	-
Warrants granted for services	-	-	-	-	479,322	-	479,322
Contributed capital	-	-	-	-	893,400	-	893,400
Net loss for the year ended July 31, 2022	-	-	-	-	-	(1,624,744)	(1,624,744)
Balance, July 31, 2022	10,000,000	\$ 1,000	511,621,968	\$ 51,162	\$ 5,664,718	\$ (6,444,794)	\$ (727,914)
Common stock issued for settlement of	-	-	50,000,000	5,000	12,500	-	17,500
Cashless exercise of warrants	-	-	4,252,874	425	(425)	-	-
Contributed capital	-	-	-	-	238,120	-	238,120
Net loss for the year ended July 31, 2023	-	-	-	-	-	(454,072)	(454,072)
Balance, July 31, 2023	10,000,000	\$ 1,000	565,874,842	56,587	5,914,913	(6,898,866)	(926,366)
Common stock issued			20,000,000	2,000	76,000		78,000
Contributed Capital							
Net Loss						(49,588)	(49,588)
Balance, October 31, 2023	10,000,000	\$ 1,000	585,874,842	\$ 58,587	\$ 5,990,913	\$ (6,948,454)	\$ (897,954)

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



**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	For the Three Months Ended October 31,	
	2023	2022
<b>CASH FLOWS FROM OPERATING</b>		
Net loss	\$ (49,588)	\$ (234,937)
Adjustments to reconcile net loss to net cash used in		
Depreciation	257	257
Common stock warrants issued for services	-	-
Decrease (increase) in assets:		
Prepaid expense		(1,085)
Increase (decrease) in liabilities:		
Accounts payable	1,283	147,223
Accrued expenses		1,458
Net cash used in operating activities	(48,048)	(87,084)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from capital contributions	50,000	82,550
Net cash used in investing activities	50,000	82,550
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	-	-
Net cash provided by financing activities	0	0
<b>NET CHANGE IN CASH</b>	1,952	(4,534)
<b>CASH AT BEGINNING OF PERIOD</b>	6,915	9,535
<b>CASH AT END OF PERIOD</b>	\$ 8,867	\$ 5,001
<b>SUPPLEMENTAL INFORMATION:</b>		
Interest paid	\$ 1,541	\$ 101
Income taxes paid	\$ -	\$ -
<b>NON-CASH INVESTING AND FINANCING</b>		
	\$ 0	\$ 0

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

# Halberd Corporation

## Notes to Consolidated Financial Statements

(Unaudited)

### Note 1 – Basis of Presentation and Significant Accounting Policies

#### Nature of Business

Halberd Corporation (“Halberd”, “We”, “Us”, “the Company”) was formed in the State of Nevada on January 26, 2009. It changed its name to Tykhe Corporation on April 22, 2014, and then redomiciled to Colorado and changed its name to Alaric Corporation on January 25, 2017. On March 22, 2020, it changed its name to HALB Transition Corporation, before completing a reorganization whereby the name of the public company again became Halberd Corporation, and Alaric Corporation then became its wholly-owned subsidiary. The merger was accounted for as a reverse purchase acquisition in accordance with the Financial Accounting Standards Board’s (FASB) Accounting Standards Codification (ASC) 805-50, whereby the financial statements of the Target company (Halberd Corporation) were treated as the acquiring company, and the equity section of the balance sheet and earnings per share of Halberd Corporation were retroactively restated to reflect the effect of the 1:1 exchange ratio of the equity of Alaric Corporation exchanged for the equity of Halberd Corporation. There were no assets or liabilities of either entity prior to the business combination, therefore there was no Goodwill or gain or loss on the business combination.

Halberd’s primary business is the pursuit of treatments for neurodegenerative diseases, such as PTSD/CTE (Post Traumatic Stress Disorder/Chronic Traumatic Encephalopathy), Alzheimer's Disease, Parkinson's Disease, etc.

#### Basis of Accounting

Our financial statements are prepared using the accrual method of accounting as generally accepted in the United States of America (U.S. GAAP) and the rules of the Securities and Exchange Commission (SEC). All references to Generally Accepted Accounting Principles (“GAAP”) are in accordance with The FASB Accounting Standards Codification (“ASC”) and the Hierarchy of Generally Accepted Accounting Principles.

#### Basis of Presentation

The accompanying financial statements include the accounts of the following entities, all of which are under common control and ownership as of the date of this report:

Name of Entity	Form of Entity	State of Incorporation	Relationship
Halberd Corporation	Corporation	Colorado	Parent
Halberd Covid Therapeutics, Ltd. (formerly Alaric Corporation)	Corporation	Colorado	Subsidiary
Extendalife, Inc.	Corporation	Colorado	Subsidiary

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

These statements reflect all adjustments, which in the opinion of management, are necessary for fair presentation of the information contained therein. Except as otherwise disclosed, all such adjustments are of a normal recurring nature.

The Company has adopted a fiscal year end of July 31<sup>st</sup>.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the 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. Actual results could differ from those estimates.

#### Segment Reporting

FASB ASC 280-10-50 requires annual and interim reporting for an enterprise’s operating segments and related disclosures about its products, services, geographic areas and major customers. An operating segment is defined as a component of an enterprise that engages in business activities from which it may earn revenues and expenses, and about which separate financial information is regularly evaluated by the chief operating decision maker in deciding how to allocate resources. All of the Company’s stores are considered operating segments, and will be aggregated into one reportable segment given the similarities in economic characteristics among the operations represented by the stores and the common nature of the products, customers and methods of distribution.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

Fair Value of Financial Instruments

Under FASB ASC 820-10-05, the Financial Accounting Standards Board establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Company's financial statements as reflected herein. The carrying amounts of cash, accounts payable and accrued expenses reported on the balance sheet are estimated by management to approximate fair value primarily due to the short-term nature of the instruments. The Company had a convertible note payable that required fair value measurement on a recurring basis.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 — Revenue from Contracts with Customers. Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

We determine revenue recognition through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

The Company's revenues currently consist of the sale of CBD products, including patches, roll-on applications, sprays and ointments. These products are primarily sold direct-to-consumers online, and occasionally directly to local pharmacies.

Sales are recorded when the earnings process is complete or substantially complete, and the revenue is measurable and collectability is reasonably assured, which is typically when products are shipped. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue from sales in which payment has been received, but the earnings process has not been completed.

Cost of Merchandise Sales and Occupancy Costs

Cost of merchandise sales and occupancy costs includes the following types of expenses: purchase price of inventory sold, including inbound freight charges; shipping and handling costs; inventory shrinkage costs and valuation adjustments; payroll and benefits costs; store occupancy costs, including rent, common area maintenance, property taxes, utilities, insurance, and depreciation of leasehold improvements and capitalized lease assets. Also included in cost of merchandise sales and occupancy costs is certain consideration received from vendors for vendor rebates, allowances and discounts.

Advertising and Promotion

All costs associated with advertising and promoting products are expensed as incurred. These expenses approximated \$41,037 and \$66,091 for the years ended July 31, 2023 and 2022, respectively, as presented in general and administrative expenses within the consolidated statements of operations.

Research and Development

The Company performs research and development on its extracorporeal technological method of treating many disease states, including Alzheimer's Disease, PTSD, Parkinson's Disease, epilepsy and other neurodegenerative diseases, sepsis, meningitis and pandemics. The Company currently does not have any employees dedicated to research and development, but outsources these activities to Arizona State University (ASU) pursuant to an Industry Sponsored Research Agreement, which the Company and ASU entered into on September 1, 2020 (Research Agreement). The Research Agreement, which terminated on November 30, 2022, calls for monthly payments of \$50,000, not to exceed \$1,371,782. The Company's research and development activities have primarily been funded by related parties (Securities Counselors Group and Epidemiologic Solutions Corp.). In accordance with ASC 730-10-25, these expenditures contracted to another party are expensed as incurred. Research and development expenses approximated \$48,035 and \$176,230\$ for the period ended October 31, 2023 and 2022, respectively.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

Basic and Diluted Loss per Share

The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an “as if converted” basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the periods presented, there were no outstanding potential common stock equivalents and therefore basic and diluted earnings per share result in the same figure.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees in accordance with the provisions of ASC 718 Stock Compensation (ASC 718) and Equity-Based Payments to Non-employees pursuant to ASC 2018-07 (ASC 2018-07). All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date of the fair value of the equity instrument issued is the earlier of the date on which the counterparty's performance is complete or the date at which a commitment for performance by the counterparty to earn the equity instruments is reached because of sufficiently large disincentives for nonperformance.

Uncertain Tax Positions

In accordance with ASC 740, “Income Taxes” (“ASC 740”), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

The assessment of the Company’s tax position relies on the judgment of management to estimate the exposures associated with the Company’s various filing positions.

Adoption of New Accounting Standards and Recently Issued Accounting Pronouncements

There are no recently issued accounting pronouncements that the Company has yet to adopt that are expected to have a material effect on its financial position, results of operations, or cash flows.

**Note 2 – Going Concern**

As shown in the accompanying condensed consolidated financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of \$6,948,454, negative working capital of \$751,233, and as of October 31, 2023, the Company’s cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Management is actively pursuing new customers to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute toward achieving profitability. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company’s ability to continue as a going concern. These financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 3 – Convertible Judgments Payable and Contingent Liabilities**

On May 7, 2014, the Company entered into a court ordered settlement in *Securities Counselors, Inc. v. Halberd Corporation*, Case No. 13 L 00000668 for a total of \$279,447 that is to be settled with the payment of 441,278,914 shares of common stock to be issued in tranches pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements. Through July 31, 2022, there were a total of 162,588,671 shares issued in partial extinguishment of this nonmonetary obligation. As of October 31, 2023, there was a balance outstanding of \$176,485 on this judgment that could be converted into approximately 278,690,243 shares of the Company's common stock at a rate of approximately \$0.00063 per share.

On November 25, 2014, in *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.*, Case No. 14 L 825, Halberd Corporation, then named Tykhe Corporation, agreed to a settlement in the amount of \$2,822,209, whereby the Company agreed to issue 486,850,070 shares of its common stock at an issuance price of \$0.0057969 per-share in exchange for an interest in various cannabis farming operations in accordance with the November 25, 2014 court order. This November 25, 2014 court order covered several different public companies which participated in this initiative, agreeing to issue shares in exchange for interests in such cannabis farming operations. The Texas Wyoming court order further provided that Securities Counselors Inc. was entitled to 19,438,077 shares of common stock in Halberd Corporation in extinguishment of its accrued liability of \$112,680 for additional legal services rendered, which were in addition to the legal services rendered immediately prior to, and covered by, the *Securities Counselors, Inc. v. Halberd Corporation* Case No. 13 L 00000668.

That November 25, 2014, *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* order, however, was later modified in May 2016, effectively extinguishing for Halberd, both the obligation to issue shares as well as any entitlements with respect thereto, except for the share entitlement for legal services. The most relevant provisions relating to this matter of *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* appear in paragraph 6 stating as follows: "Halberd is hereby relieved of its obligations in accordance with the *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* 2014 Order, including any obligation to issue the 486,850,070 shares ... and .... to receive shares in any of the other Issuers is hereby extinguished. The 19,438,077 shares, which Halberd was obligated to issue SCI shall increase to 321,943,143, to reflect the corresponding decrease in its share price." Mathematically, the \$112,680 divided by the 321,943,143 shares is \$0.00035 per-share.

As of October 31, 2023, there was a balance outstanding of \$12,949 on this judgment that could be converted into approximately 36,998,604 shares of the Company's common stock at a rate of approximately \$0.00035 per share. A total of 284,944,539 shares were issued in satisfaction of approximately \$99,731 of this obligation over various dates from August 5, 2020 through March 7, 2023.

**Note 4 – Fair Value of Financial Instruments**

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has certain financial instruments that must be measured under the new fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 4 – Fair Value of Financial Instruments (Continued)**

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheets as of October 31, 2023 and July 31, 2023, respectively:

	Fair Value Measurements at October 31, 2023		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$8,867	\$ -	\$ -
Total assets	8,867	-	-
<b>Liabilities</b>			
Convertible judgments payable	-	189,434	-
Note payable, SBA loan	-	150,000	-
Total liabilities	-	339,434	-
	\$8,867	\$ (339,434)	\$ -

  

	Fair Value Measurements at July 31, 2023		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$ 6,915	\$ -	\$ -
Total assets	6,915	-	-
<b>Liabilities</b>			
Convertible judgments payable	-	189,434	-
Note payable, SBA loan	-	150,000	-
Total liabilities	-	339,434	-
	\$ 6,915	\$ (339,434)	\$ -

The fair value of our convertible judgments payable is based on the fair market value of the underlying shares that are to be used to settle the judgments, and are considered Level 3 inputs as defined by ASC Topic 820-10-35.

There were no transfers of financial assets or liabilities between Level 1, Level 2 and Level 3 inputs for the year ended October 31, 2023 or July 31, 2023.

**Note 5 – Note Payable, SBA Loan**

Note payable, SBA loan consisted of the following at October 31, 2023 and 2022, respectively:

	October 31, 2023	October 31, 2022
On September 2, 2020, the Company, borrowed \$150,000 from Standard Financing, pursuant to a Promissory Note issued by the Company to Standard Financing (the “SBA Loan”). The loan was made pursuant to the Covid-19 Economic Injury Disaster Loan Program established as part of the Coronavirus Aid, Relief, and Economic Security Act (the “EIDL Program”). The SBA Loan carried interest at 3.75% per annum, payable in \$731 monthly payments over thirty (30) years from the date of the note, with the initial payment deferred until September 2, 2022. The Company has not yet paid the required monthly payments.	\$ 150,000	\$ 150,000
Total note payable, SBA loan	\$ 150,000	\$ 150,000

The Company recorded interest expense on notes payable in the amount of \$ 1,541 and \$ 1,559 for the period ended October 31, 2023 and 2022, respectively.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 6 – Changes in Stockholders' Equity (Deficit)**

Series A Preferred Stock

The Company is authorized to issue 25,000,000 shares of preferred stock with a par value of \$0.0001 per share, of which 10,000,000 have been designated as Series A Preferred Stock ("Series A Preferred"), with the remaining 15,000,000 shares available for designation from time to time by the Board as set forth below. As of Oct. 31, 2023, there were 10,000,000 shares of Series A Preferred issued and outstanding. The Board of Directors is authorized to determine any number of series into which the undesignated shares of preferred stock may be divided and to determine the rights, preferences, privileges and restrictions granted to any series of the preferred stock.

Common Stock

Common stock consists of \$0.0001 par value, 800,000,000 shares authorized, of which 585,874,842 shares were issued and outstanding as of October 31, 2023.

Common Stock Issued in Satisfaction of Convertible Judgments Payable

On March 7, 2023, the Company issued 25,000,000 shares in satisfaction of \$8,750 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

On February 17, 2023, the Company issued 25,000,000 shares in satisfaction of \$8,750 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

On February 18, 2022, the Company issued 27,044,110 shares in satisfaction of \$9,466 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

Warrant Exercise

On August 3, 2022, a Director exercised warrants to purchase 10,000,000 shares of common stock. The warrants were exercised on a cashless basis, resulting in the issuance of 4,252,874 shares of common stock.

Cancellation of Common Stock

On July 21, 2022, the Company cancelled 2,028,370 previously issued shares due to non-performance.

On February 21, 2022, the Company cancelled 25,015,740 previously issued shares due to non-performance.

Contributed Capital

On various dates during the fiscal year ended July 31, 2023, Securities Counselors Group and Epidemiologic Solutions Corp. contributed capital in the combined amount of \$238,120 to pay expenses for operations.

**Note 7 – Common Stock Warrants**

Warrants to purchase a total of 475,850,000 shares of common stock at a weighted average strike price of \$0.01 were outstanding as of October 31, 2023. The warrants have a weighted average remaining life of 6.85 years.

Warrants Granted for Services

On April 24, 2022, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.019 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 239% and a weighted average call option value of \$0.0188, was \$18,768.

On April 24, 2022, the Company issued warrants to purchase 500,000 shares, exercisable at \$0.019 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 239% and a weighted average call option value of \$0.0188, was \$9,384.

On January 22, 2022, the Company issued warrants to purchase 750,000 shares, exercisable at \$0.0196 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 292% and a weighted average call option value of \$0.0196, was \$14,685.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 7 – Common Stock Warrants (Continued)**

Warrants Granted for Services (Continued)

On January 15, 2022, the Company issued warrants to purchase 10,000,000 shares, exercisable at \$0.0206 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 293% and a weighted average call option value of \$0.0206, was \$205,788.

On December 15, 2021, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.0175 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 297% and a weighted average call option value of \$0.0175, was \$17,484.

On December 5, 2021, the Company issued warrants to purchase 10,000,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$187,853.

On December 5, 2021, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$18,785.

On December 5, 2021, the Company issued warrants to purchase 350,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$6,575.

Amended Warrants

On December 5, 2021, the Company cancelled previously issued warrants to purchase 250,000 shares, exercisable at \$0.0235 per share and issued new warrants to purchase 250,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$4,696, which was not materially different than the value of the cancelled warrants.

Warrant Exercise

On August 3, 2022, a Director exercised warrants to purchase 10,000,000 shares of common stock. The warrants were exercised on a cashless basis, resulting in the issuance of 4,252,874 shares of common stock.

**Note 8 – Income Taxes**

The Company accounts for income taxes under FASB ASC 740-10, which requires use of the liability method. FASB ASC 740-10-25 provides that deferred tax assets and liabilities are recorded based on the differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences.

As of October 31, 2023, the Company incurred a taxable net operating loss and, accordingly, no provision for income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. The Company had approximately \$4,650,000 of federal net operating loss carry forwards at October 31, 2023. The net operating loss carry forwards, if not utilized, will begin to expire in 2029.

The components of the Company's deferred tax asset are as follows:

	October 31, 2023	July 31, 2023
Deferred tax assets:		
Net operating loss carry forwards	\$ 976,500	\$ 880,950
Net deferred tax assets before valuation allowance	\$ 976,500	\$ 880,950
Less: Valuation allowance	(976,500)	(880,950)
Net deferred tax assets	\$ -	\$ -



**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 8 – Income Taxes (Continued)**

Based on the available objective evidence, including the Company's history of losses, management believes it is more likely than not that the net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at October 31, 2023 and 2022, respectively. The Company had no uncertain tax positions as of October 31, 2023. A reconciliation between the amounts of income tax benefit determined by applying the applicable U.S. and State statutory income tax rate to pre-tax loss is as follows:

	October 31, 2023	July 31, 2023
Federal and state statutory rate	21%	21%
Change in valuation allowance on deferred tax assets	(21%)	(21%)

**Note 9 – Commitments and Contingencies**

The Company may be involved in various inquiries, administrative proceedings and litigation relating to matters arising from our operations prior to the change in management and spin-off of our subsidiary on July 31, 2012. The Company is not currently a defendant in any material litigation and is not aware of any threatened litigation that could have a material effect on the Company. Management is not able to estimate the minimum loss to be incurred, if any, as a result of the final outcome of these matters but believes they are not likely to have a material adverse effect upon the Company's financial position or results of operations and, accordingly, no provision for loss has been recorded.

The Company has received a binding funding commitment from Epidemiological Solutions Corporation, a charitable organization recently approved by the Internal Revenue Service and qualified under Internal Revenue Code section 501(c)(3), for \$2,000,000 to fund the Company's research and development endeavors. As of July 31, 2023, \$1,189,902 had been paid on this commitment, beginning with the first payment of \$21,782 on, or about, September 2, 2020, as presented as Contributed Capital within the Statement of Stockholders Equity (Deficit). The charitable organization was committed to monthly payments of \$50,000 pursuant to its sponsored research agreement with Arizona State University.

The Company performs research and development on its extracorporeal technological method of treating many disease states, including Alzheimer's Disease, PTSD, Parkinson's Disease, epilepsy and other neurodegenerative diseases, sepsis, meningitis and pandemics. These research and development activities are outsourced to Arizona State University (ASU) pursuant to an Industry Sponsored Research Agreement, which the Company and ASU entered into on September 1, 2020 (Research Agreement). The Research Agreement, which terminates on November 30, 2022, calls for monthly payments of \$50,000, not to exceed \$1,371,782. As of July 31, 2023, the Company has paid an aggregate \$1,034,282, leaving \$337,500 owed on the agreement.

On May 7, 2014, the Company entered into a court ordered settlement for a total of \$279,447 that is to be settled with the payment of shares of common stock pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements. As of July 31, 2023, there was a balance outstanding of \$176,485 on this judgment that could be converted into approximately 278,690,243 shares of the Company's common stock at a rate of approximately \$0.00063 per share.

On November 25, 2014, a judgment in the amount of \$2,934,889 was awarded against the Company's wholly-owned subsidiary, Alaric Corporation. On April 29, 2016, a total of \$2,822,209 of this was relinquished pursuant to an exchange of properties. The remaining \$112,680 judgment was replaced on May 4, 2016, pursuant to a new judgment. As of October 31, 2023, there was a balance outstanding of \$12,949 on this judgment that could be converted into approximately 36,998,604 shares of the Company's common stock at a rate of approximately \$0.00035 per share.

As of October 31, 2023 and July 31, 2023, the aggregate market value of the Company's judgments payable in common stock was \$3,062,182 and \$4,571,111, respectively, based on the closing stock prices of \$0.0097 and \$0.0125 per share, respectively.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 10 – Subsequent Events**

The Company evaluates events that have occurred after the balance sheet date through the date hereof, which these financial statements were issued. No events occurred of a material nature that would have required adjustments to or disclosure in these financial statements except as follows:

None

**Halberd Corporation**

**Consolidated Quarterly Financial  
Statements  
For the Period Ended  
October 31, 2023 and 2022  
(Unaudited)**

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**Halberd Corporation**  
**P.O. Box 25**  
**Jackson Center, PA 16133**

December 15, 2023

I hereby certify that the accompanying unaudited consolidated financial statements and related footnotes hereto are based on the best information currently available to the Company. To the best of my knowledge, this information presents fairly, in all material respects, the financial position and stockholders' equity of Halberd Corporation as of October 31, 2023 and July 31, 2023, and the results of its operations and cash flows for the three months ended October 31, 2023 and 2022 in conformity with accounting principles generally accepted in the United States of America.

/s/ William Hartman  
CEO

**HALBERD CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

	October 31, 2023	July 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash	\$ 8,867	\$ 6,915
Prepaid expense	1,830	1,830
Total current assets	8,745	8,745
Fixed assets, net	3,279	3,536
Total assets	\$ 12,024	\$ 12,281
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Accounts payable	\$ 552,849	\$ 581,818
Accrued expenses	17,695	17,395
Convertible judgments payable	189,434	189,434
Total current liabilities	759,978	788,647
Long term liabilities:		
Note payable, SBA loan	150,000	150,000
Total liabilities	909,978	938,647
Commitments and contingencies		
Stockholders' equity (deficit):		
Preferred stock, \$0.0001 par value, 25,000,000 shares authorized, 10,000,000 shares issued and outstanding	1,000	1,000
Common stock, \$0.0001 par value, 800,000,000 shares authorized, 585,874,842 and 565,874,842 shares issued and outstanding at October 31, 2023 and July 31, 2023, respectively	58,587	56,587
Additional paid in capital	5,990,913	5,914,913
Accumulated deficit	(6,948,454)	(6,898,866)
Total stockholders' equity (deficit)	(897,954)	(926,366)
Total liabilities and stockholders' equity (deficit)	\$ 12,024	\$ 12,281

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

**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	For the Three Months Ended October 31,	
	2023	2022
Revenue	\$ 165	\$ 913
Cost of sales	72	400
Gross profit	93	513
Operating expenses:		
General and administrative	105	26,986
Research and development	48,035	176,230
Professional fees	-	30,675
Total operating expenses	48,140	233,891
Operating loss	(48,047)	(233,878)
Other income (expense):		
Interest expense	(1,541)	(1,559)
Total other income (expense)	(1,541)	(1,559)
Net loss	\$ (49,588)	\$ (234,937)
Weighted average common shares outstanding - basic and diluted	537,107,719	515,874,842
Net loss per common share - basic and diluted	\$ (0.00)	\$ (0.00)

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

**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
(Unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Stockholders' Equity (Deficit)
Balance, July 31, 2021	10,000,000	\$ 1,000	511,621,968	\$ 51,162	\$ 4,282,530	\$ (4,820,050)	\$ (485,358)
Common stock issued for settlement of	-	-	27,044,110	2,704	6,762	-	9,466
Shares cancelled	-	-	(27,044,110)	(2,704)	2,704	-	-
Warrants granted for services	-	-	-	-	479,322	-	479,322
Contributed capital	-	-	-	-	893,400	-	893,400
Net loss for the year ended July 31, 2022	-	-	-	-	-	(1,624,744)	(1,624,744)
Balance, July 31, 2022	10,000,000	\$ 1,000	511,621,968	\$ 51,162	\$ 5,664,718	\$ (6,444,794)	\$ (727,914)
Common stock issued for settlement of	-	-	50,000,000	5,000	12,500	-	17,500
Cashless exercise of warrants	-	-	4,252,874	425	(425)	-	-
Contributed capital	-	-	-	-	238,120	-	238,120
Net loss for the year ended July 31, 2023	-	-	-	-	-	(454,072)	(454,072)
Balance, July 31, 2023	10,000,000	\$ 1,000	565,874,842	56,587	5,914,913	(6,898,866)	(926,366)
Common stock issued			20,000,000	2,000	76,000		78,000
Contributed Capital							
Net Loss						(49,588)	(49,588)
Balance, October 31, 2023	10,000,000	\$ 1,000	585,874,842	\$ 58,587	\$ 5,990,913	\$ (6,948,454)	\$ (897,954)

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



**HALBERD CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	For the Three Months Ended October 31,	
	2023	2022
<b>CASH FLOWS FROM OPERATING</b>		
Net loss	\$ (49,588)	\$ (234,937)
Adjustments to reconcile net loss to net cash used in		
Depreciation	257	257
Common stock warrants issued for services	-	-
Decrease (increase) in assets:		
Prepaid expense		(1,085)
Increase (decrease) in liabilities:		
Accounts payable	1,283	147,223
Accrued expenses		1,458
Net cash used in operating activities	(48,048)	(87,084)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from capital contributions	50,000	82,550
Net cash used in investing activities	50,000	82,550
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	-	-
Net cash provided by financing activities	0	0
<b>NET CHANGE IN CASH</b>	1,952	(4,534)
<b>CASH AT BEGINNING OF PERIOD</b>	6,915	9,535
<b>CASH AT END OF PERIOD</b>	\$ 8,867	\$ 5,001
<b>SUPPLEMENTAL INFORMATION:</b>		
Interest paid	\$ 1,541	\$ 101
Income taxes paid	\$ -	\$ -
<b>NON-CASH INVESTING AND FINANCING</b>		
	\$ 0	\$ 0

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

# Halberd Corporation

## Notes to Consolidated Financial Statements

(Unaudited)

### Note 1 – Basis of Presentation and Significant Accounting Policies

#### Nature of Business

Halberd Corporation (“Halberd”, “We”, “Us”, “the Company”) was formed in the State of Nevada on January 26, 2009. It changed its name to Tykhe Corporation on April 22, 2014, and then redomiciled to Colorado and changed its name to Alaric Corporation on January 25, 2017. On March 22, 2020, it changed its name to HALB Transition Corporation, before completing a reorganization whereby the name of the public company again became Halberd Corporation, and Alaric Corporation then became its wholly-owned subsidiary. The merger was accounted for as a reverse purchase acquisition in accordance with the Financial Accounting Standards Board’s (FASB) Accounting Standards Codification (ASC) 805-50, whereby the financial statements of the Target company (Halberd Corporation) were treated as the acquiring company, and the equity section of the balance sheet and earnings per share of Halberd Corporation were retroactively restated to reflect the effect of the 1:1 exchange ratio of the equity of Alaric Corporation exchanged for the equity of Halberd Corporation. There were no assets or liabilities of either entity prior to the business combination, therefore there was no Goodwill or gain or loss on the business combination.

Halberd’s primary business is the pursuit of treatments for neurodegenerative diseases, such as PTSD/CTE (Post Traumatic Stress Disorder/Chronic Traumatic Encephalopathy), Alzheimer's Disease, Parkinson's Disease, etc.

#### Basis of Accounting

Our financial statements are prepared using the accrual method of accounting as generally accepted in the United States of America (U.S. GAAP) and the rules of the Securities and Exchange Commission (SEC). All references to Generally Accepted Accounting Principles (“GAAP”) are in accordance with The FASB Accounting Standards Codification (“ASC”) and the Hierarchy of Generally Accepted Accounting Principles.

#### Basis of Presentation

The accompanying financial statements include the accounts of the following entities, all of which are under common control and ownership as of the date of this report:

Name of Entity	Form of Entity	State of Incorporation	Relationship
Halberd Corporation	Corporation	Colorado	Parent
Halberd Covid Therapeutics, Ltd. (formerly Alaric Corporation)	Corporation	Colorado	Subsidiary
Extendalife, Inc.	Corporation	Colorado	Subsidiary

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

These statements reflect all adjustments, which in the opinion of management, are necessary for fair presentation of the information contained therein. Except as otherwise disclosed, all such adjustments are of a normal recurring nature.

The Company has adopted a fiscal year end of July 31<sup>st</sup>.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the 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. Actual results could differ from those estimates.

#### Segment Reporting

FASB ASC 280-10-50 requires annual and interim reporting for an enterprise’s operating segments and related disclosures about its products, services, geographic areas and major customers. An operating segment is defined as a component of an enterprise that engages in business activities from which it may earn revenues and expenses, and about which separate financial information is regularly evaluated by the chief operating decision maker in deciding how to allocate resources. All of the Company’s stores are considered operating segments, and will be aggregated into one reportable segment given the similarities in economic characteristics among the operations represented by the stores and the common nature of the products, customers and methods of distribution.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

Fair Value of Financial Instruments

Under FASB ASC 820-10-05, the Financial Accounting Standards Board establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Company's financial statements as reflected herein. The carrying amounts of cash, accounts payable and accrued expenses reported on the balance sheet are estimated by management to approximate fair value primarily due to the short-term nature of the instruments. The Company had a convertible note payable that required fair value measurement on a recurring basis.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 — Revenue from Contracts with Customers. Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

We determine revenue recognition through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

The Company's revenues currently consist of the sale of CBD products, including patches, roll-on applications, sprays and ointments. These products are primarily sold direct-to-consumers online, and occasionally directly to local pharmacies.

Sales are recorded when the earnings process is complete or substantially complete, and the revenue is measurable and collectability is reasonably assured, which is typically when products are shipped. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue from sales in which payment has been received, but the earnings process has not been completed.

Cost of Merchandise Sales and Occupancy Costs

Cost of merchandise sales and occupancy costs includes the following types of expenses: purchase price of inventory sold, including inbound freight charges; shipping and handling costs; inventory shrinkage costs and valuation adjustments; payroll and benefits costs; store occupancy costs, including rent, common area maintenance, property taxes, utilities, insurance, and depreciation of leasehold improvements and capitalized lease assets. Also included in cost of merchandise sales and occupancy costs is certain consideration received from vendors for vendor rebates, allowances and discounts.

Advertising and Promotion

All costs associated with advertising and promoting products are expensed as incurred. These expenses approximated \$41,037 and \$66,091 for the years ended July 31, 2023 and 2022, respectively, as presented in general and administrative expenses within the consolidated statements of operations.

Research and Development

The Company performs research and development on its extracorporeal technological method of treating many disease states, including Alzheimer's Disease, PTSD, Parkinson's Disease, epilepsy and other neurodegenerative diseases, sepsis, meningitis and pandemics. The Company currently does not have any employees dedicated to research and development, but outsources these activities to Arizona State University (ASU) pursuant to an Industry Sponsored Research Agreement, which the Company and ASU entered into on September 1, 2020 (Research Agreement). The Research Agreement, which terminated on November 30, 2022, calls for monthly payments of \$50,000, not to exceed \$1,371,782. The Company's research and development activities have primarily been funded by related parties (Securities Counselors Group and Epidemiologic Solutions Corp.). In accordance with ASC 730-10-25, these expenditures contracted to another party are expensed as incurred. Research and development expenses approximated \$48,035 and \$176,230\$ for the period ended October 31, 2023 and 2022, respectively.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

Basic and Diluted Loss per Share

The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an “as if converted” basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the periods presented, there were no outstanding potential common stock equivalents and therefore basic and diluted earnings per share result in the same figure.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees in accordance with the provisions of ASC 718 Stock Compensation (ASC 718) and Equity-Based Payments to Non-employees pursuant to ASC 2018-07 (ASC 2018-07). All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date of the fair value of the equity instrument issued is the earlier of the date on which the counterparty's performance is complete or the date at which a commitment for performance by the counterparty to earn the equity instruments is reached because of sufficiently large disincentives for nonperformance.

Uncertain Tax Positions

In accordance with ASC 740, “Income Taxes” (“ASC 740”), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

The assessment of the Company’s tax position relies on the judgment of management to estimate the exposures associated with the Company’s various filing positions.

Adoption of New Accounting Standards and Recently Issued Accounting Pronouncements

There are no recently issued accounting pronouncements that the Company has yet to adopt that are expected to have a material effect on its financial position, results of operations, or cash flows.

**Note 2 – Going Concern**

As shown in the accompanying condensed consolidated financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of \$6,948,454, negative working capital of \$751,233, and as of October 31, 2023, the Company’s cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Management is actively pursuing new customers to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute toward achieving profitability. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company’s ability to continue as a going concern. These financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 3 – Convertible Judgments Payable and Contingent Liabilities**

On May 7, 2014, the Company entered into a court ordered settlement in *Securities Counselors, Inc. v. Halberd Corporation*, Case No. 13 L 00000668 for a total of \$279,447 that is to be settled with the payment of 441,278,914 shares of common stock to be issued in tranches pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements. Through July 31, 2022, there were a total of 162,588,671 shares issued in partial extinguishment of this nonmonetary obligation. As of October 31, 2023, there was a balance outstanding of \$176,485 on this judgment that could be converted into approximately 278,690,243 shares of the Company's common stock at a rate of approximately \$0.00063 per share.

On November 25, 2014, in *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.*, Case No. 14 L 825, Halberd Corporation, then named Tykhe Corporation, agreed to a settlement in the amount of \$2,822,209, whereby the Company agreed to issue 486,850,070 shares of its common stock at an issuance price of \$0.0057969 per-share in exchange for an interest in various cannabis farming operations in accordance with the November 25, 2014 court order. This November 25, 2014 court order covered several different public companies which participated in this initiative, agreeing to issue shares in exchange for interests in such cannabis farming operations. The Texas Wyoming court order further provided that Securities Counselors Inc. was entitled to 19,438,077 shares of common stock in Halberd Corporation in extinguishment of its accrued liability of \$112,680 for additional legal services rendered, which were in addition to the legal services rendered immediately prior to, and covered by, the *Securities Counselors, Inc. v. Halberd Corporation* Case No. 13 L 00000668.

That November 25, 2014, *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* order, however, was later modified in May 2016, effectively extinguishing for Halberd, both the obligation to issue shares as well as any entitlements with respect thereto, except for the share entitlement for legal services. The most relevant provisions relating to this matter of *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* appear in paragraph 6 stating as follows: "Halberd is hereby relieved of its obligations in accordance with the *Securities Counselors, Inc. v. Texas Wyoming Drilling, Inc.* 2014 Order, including any obligation to issue the 486,850,070 shares ... and .... to receive shares in any of the other Issuers is hereby extinguished. The 19,438,077 shares, which Halberd was obligated to issue SCI shall increase to 321,943,143, to reflect the corresponding decrease in its share price." Mathematically, the \$112,680 divided by the 321,943,143 shares is \$0.00035 per-share.

As of October 31, 2023, there was a balance outstanding of \$12,949 on this judgment that could be converted into approximately 36,998,604 shares of the Company's common stock at a rate of approximately \$0.00035 per share. A total of 284,944,539 shares were issued in satisfaction of approximately \$99,731 of this obligation over various dates from August 5, 2020 through March 7, 2023.

**Note 4 – Fair Value of Financial Instruments**

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has certain financial instruments that must be measured under the new fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 4 – Fair Value of Financial Instruments (Continued)**

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheets as of October 31, 2023 and July 31, 2023, respectively:

	Fair Value Measurements at October 31, 2023		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$8,867	\$ -	\$ -
Total assets	8,867	-	-
<b>Liabilities</b>			
Convertible judgments payable	-	189,434	-
Note payable, SBA loan	-	150,000	-
Total liabilities	-	339,434	-
	\$8,867	\$ (339,434)	\$ -

  

	Fair Value Measurements at July 31, 2023		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$ 6,915	\$ -	\$ -
Total assets	6,915	-	-
<b>Liabilities</b>			
Convertible judgments payable	-	189,434	-
Note payable, SBA loan	-	150,000	-
Total liabilities	-	339,434	-
	\$ 6,915	\$ (339,434)	\$ -

The fair value of our convertible judgments payable is based on the fair market value of the underlying shares that are to be used to settle the judgments, and are considered Level 3 inputs as defined by ASC Topic 820-10-35.

There were no transfers of financial assets or liabilities between Level 1, Level 2 and Level 3 inputs for the year ended October 31, 2023 or July 31, 2023.

**Note 5 – Note Payable, SBA Loan**

Note payable, SBA loan consisted of the following at October 31, 2023 and 2022, respectively:

	October 31, 2023	October 31, 2022
On September 2, 2020, the Company, borrowed \$150,000 from Standard Financing, pursuant to a Promissory Note issued by the Company to Standard Financing (the “SBA Loan”). The loan was made pursuant to the Covid-19 Economic Injury Disaster Loan Program established as part of the Coronavirus Aid, Relief, and Economic Security Act (the “EIDL Program”). The SBA Loan carried interest at 3.75% per annum, payable in \$731 monthly payments over thirty (30) years from the date of the note, with the initial payment deferred until September 2, 2022. The Company has not yet paid the required monthly payments.	\$ 150,000	\$ 150,000
Total note payable, SBA loan	\$ 150,000	\$ 150,000

The Company recorded interest expense on notes payable in the amount of \$ 1,541 and \$ 1,559 for the period ended October 31, 2023 and 2022, respectively.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 6 – Changes in Stockholders' Equity (Deficit)**

Series A Preferred Stock

The Company is authorized to issue 25,000,000 shares of preferred stock with a par value of \$0.0001 per share, of which 10,000,000 have been designated as Series A Preferred Stock ("Series A Preferred"), with the remaining 15,000,000 shares available for designation from time to time by the Board as set forth below. As of Oct. 31, 2023, there were 10,000,000 shares of Series A Preferred issued and outstanding. The Board of Directors is authorized to determine any number of series into which the undesignated shares of preferred stock may be divided and to determine the rights, preferences, privileges and restrictions granted to any series of the preferred stock.

Common Stock

Common stock consists of \$0.0001 par value, 800,000,000 shares authorized, of which 585,874,842 shares were issued and outstanding as of October 31, 2023.

Common Stock Issued in Satisfaction of Convertible Judgments Payable

On March 7, 2023, the Company issued 25,000,000 shares in satisfaction of \$8,750 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

On February 17, 2023, the Company issued 25,000,000 shares in satisfaction of \$8,750 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

On February 18, 2022, the Company issued 27,044,110 shares in satisfaction of \$9,466 of Judgments Payable at a conversion rate of \$0.00035 per share pursuant to a court ordered judgment under Rule 3(a)(10).

Warrant Exercise

On August 3, 2022, a Director exercised warrants to purchase 10,000,000 shares of common stock. The warrants were exercised on a cashless basis, resulting in the issuance of 4,252,874 shares of common stock.

Cancellation of Common Stock

On July 21, 2022, the Company cancelled 2,028,370 previously issued shares due to non-performance.

On February 21, 2022, the Company cancelled 25,015,740 previously issued shares due to non-performance.

Contributed Capital

On various dates during the fiscal year ended July 31, 2023, Securities Counselors Group and Epidemiologic Solutions Corp. contributed capital in the combined amount of \$238,120 to pay expenses for operations.

**Note 7 – Common Stock Warrants**

Warrants to purchase a total of 475,850,000 shares of common stock at a weighted average strike price of \$0.01 were outstanding as of October 31, 2023. The warrants have a weighted average remaining life of 6.85 years.

Warrants Granted for Services

On April 24, 2022, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.019 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 239% and a weighted average call option value of \$0.0188, was \$18,768.

On April 24, 2022, the Company issued warrants to purchase 500,000 shares, exercisable at \$0.019 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 239% and a weighted average call option value of \$0.0188, was \$9,384.

On January 22, 2022, the Company issued warrants to purchase 750,000 shares, exercisable at \$0.0196 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 292% and a weighted average call option value of \$0.0196, was \$14,685.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 7 – Common Stock Warrants (Continued)**

Warrants Granted for Services (Continued)

On January 15, 2022, the Company issued warrants to purchase 10,000,000 shares, exercisable at \$0.0206 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 293% and a weighted average call option value of \$0.0206, was \$205,788.

On December 15, 2021, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.0175 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 297% and a weighted average call option value of \$0.0175, was \$17,484.

On December 5, 2021, the Company issued warrants to purchase 10,000,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$187,853.

On December 5, 2021, the Company issued warrants to purchase 1,000,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$18,785.

On December 5, 2021, the Company issued warrants to purchase 350,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$6,575.

Amended Warrants

On December 5, 2021, the Company cancelled previously issued warrants to purchase 250,000 shares, exercisable at \$0.0235 per share and issued new warrants to purchase 250,000 shares, exercisable at \$0.0188 per share over a ten-year term, to an individual for services provided. The estimated fair value of the warrants using the Black-Scholes Pricing Model, based on a weighted average volatility rate of 300% and a weighted average call option value of \$0.0188, was \$4,696, which was not materially different than the value of the cancelled warrants.

Warrant Exercise

On August 3, 2022, a Director exercised warrants to purchase 10,000,000 shares of common stock. The warrants were exercised on a cashless basis, resulting in the issuance of 4,252,874 shares of common stock.

**Note 8 – Income Taxes**

The Company accounts for income taxes under FASB ASC 740-10, which requires use of the liability method. FASB ASC 740-10-25 provides that deferred tax assets and liabilities are recorded based on the differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences.

As of October 31, 2023, the Company incurred a taxable net operating loss and, accordingly, no provision for income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. The Company had approximately \$4,650,000 of federal net operating loss carry forwards at October 31, 2023. The net operating loss carry forwards, if not utilized, will begin to expire in 2029.

The components of the Company's deferred tax asset are as follows:

	October 31, 2023	July 31, 2023
Deferred tax assets:		
Net operating loss carry forwards	\$ 976,500	\$ 880,950
Net deferred tax assets before valuation allowance	\$ 976,500	\$ 880,950
Less: Valuation allowance	(976,500)	(880,950)
Net deferred tax assets	\$ -	\$ -



**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 8 – Income Taxes (Continued)**

Based on the available objective evidence, including the Company's history of losses, management believes it is more likely than not that the net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at October 31, 2023 and 2022, respectively. The Company had no uncertain tax positions as of October 31, 2023. A reconciliation between the amounts of income tax benefit determined by applying the applicable U.S. and State statutory income tax rate to pre-tax loss is as follows:

	October 31, 2023	July 31, 2023
Federal and state statutory rate	21%	21%
Change in valuation allowance on deferred tax assets	(21%)	(21%)

**Note 9 – Commitments and Contingencies**

The Company may be involved in various inquiries, administrative proceedings and litigation relating to matters arising from our operations prior to the change in management and spin-off of our subsidiary on July 31, 2012. The Company is not currently a defendant in any material litigation and is not aware of any threatened litigation that could have a material effect on the Company. Management is not able to estimate the minimum loss to be incurred, if any, as a result of the final outcome of these matters but believes they are not likely to have a material adverse effect upon the Company's financial position or results of operations and, accordingly, no provision for loss has been recorded.

The Company has received a binding funding commitment from Epidemiological Solutions Corporation, a charitable organization recently approved by the Internal Revenue Service and qualified under Internal Revenue Code section 501(c)(3), for \$2,000,000 to fund the Company's research and development endeavors. As of July 31, 2023, \$1,189,902 had been paid on this commitment, beginning with the first payment of \$21,782 on, or about, September 2, 2020, as presented as Contributed Capital within the Statement of Stockholders Equity (Deficit). The charitable organization was committed to monthly payments of \$50,000 pursuant to its sponsored research agreement with Arizona State University.

The Company performs research and development on its extracorporeal technological method of treating many disease states, including Alzheimer's Disease, PTSD, Parkinson's Disease, epilepsy and other neurodegenerative diseases, sepsis, meningitis and pandemics. These research and development activities are outsourced to Arizona State University (ASU) pursuant to an Industry Sponsored Research Agreement, which the Company and ASU entered into on September 1, 2020 (Research Agreement). The Research Agreement, which terminates on November 30, 2022, calls for monthly payments of \$50,000, not to exceed \$1,371,782. As of July 31, 2023, the Company has paid an aggregate \$1,034,282, leaving \$337,500 owed on the agreement.

On May 7, 2014, the Company entered into a court ordered settlement for a total of \$279,447 that is to be settled with the payment of shares of common stock pursuant to a Section 3(a)(10) exemption from the Securities Act of 1933's registration requirements. As of July 31, 2023, there was a balance outstanding of \$176,485 on this judgment that could be converted into approximately 278,690,243 shares of the Company's common stock at a rate of approximately \$0.00063 per share.

On November 25, 2014, a judgment in the amount of \$2,934,889 was awarded against the Company's wholly-owned subsidiary, Alaric Corporation. On April 29, 2016, a total of \$2,822,209 of this was relinquished pursuant to an exchange of properties. The remaining \$112,680 judgment was replaced on May 4, 2016, pursuant to a new judgment. As of October 31, 2023, there was a balance outstanding of \$12,949 on this judgment that could be converted into approximately 36,998,604 shares of the Company's common stock at a rate of approximately \$0.00035 per share.

As of October 31, 2023 and July 31, 2023, the aggregate market value of the Company's judgments payable in common stock was \$3,062,182 and \$4,571,111, respectively, based on the closing stock prices of \$0.0097 and \$0.0125 per share, respectively.

**Halberd Corporation**  
**Notes to Consolidated Financial Statements**  
(Unaudited)

**Note 10 – Subsequent Events**

The Company evaluates events that have occurred after the balance sheet date through the date hereof, which these financial statements were issued. No events occurred of a material nature that would have required adjustments to or disclosure in these financial statements except as follows:

None