

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Helo Corp.

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3571

Annual Report

For the Period Ending: December 31, 2019

(the "Reporting Period")

As of December 31, 2019, the number of shares outstanding of our Common Stock was: 36,722,244.

As of September 30, 2019, the number of shares outstanding of our Common Stock was: 36,722,244.

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

Yes: No:

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

Yes: No:

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

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

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

Helo Corp. (October 31, 2018 – present)

World Technology Corp. (December 4, 2017 – October 30, 2018)

World Media & Technology Corp. (December 22, 2014 – December 3, 2017)

Halton Universal Brands, Inc. (May 2014 – December 21, 2014)

The issuer was incorporated on October 22, 2010 in the State of Nevada. The issuer is currently active and in good standing in Nevada.

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

Yes: No:

2) Security Information

Trading symbol: HLOC
Exact title and class of securities outstanding: Common Stock
CUSIP: 42349A 109
Par or stated value: \$0.001

Total shares authorized: 75,000,000 as of date: December 31, 2019
Total shares outstanding: 36,722,244 as of date: December 31, 2019
Number of shares in the Public Float²: 1,414,714 as of date: December 31, 2019
Total number of shareholders of record: 208 as of date: December 31, 2019

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

Trading symbol: N/A
Exact title and class of securities outstanding: Preferred Stock
CUSIP: N/A
Par or stated value: \$0.001
Total shares authorized: 10,000 as of date: December 31, 2019
Total shares outstanding: 0 as of date: December 31, 2019.

Transfer Agent

Name: ClearTrust, LLC
Phone: (813) 235-4490
Email: inbox@cleartrusttransfer.com

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

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

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

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

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

3) Issuance History

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

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

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Dec 31, 2017</u>		Opening Balance							
		Common: <u>36,722,244</u>							
		Preferred: <u>0</u>							
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	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.
Shares Outstanding on Date of This Report: <u>December 31, 2019</u>		Ending Balance:							
		Common: <u>36,722,244</u>							
		Preferred: <u>0</u>							

B. Debt Securities, Including Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
<u>07/01/19</u>	<u>\$40,000</u>	<u>\$50,000</u>	<u>0</u>	<u>12/31/20</u>	<u>None</u>	<u>Anthony Chan, former CFO</u>	<u>Services</u>
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

4) Financial Statements

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

- U.S. GAAP
 IFRS

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

Name: Seán McVeigh
Title: Chief Executive Officer & Financial Officer
Relationship to Issuer: Chief Executive Officer & Financial Officer

Financial statement information is appended to this report and is considered current until the due date for the subsequent report.

5) Issuer's Business, Products and Services

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

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

We are a technology company that designs and has third parties manufacture our wearable devices for use in the quantified-self, wellness market. Our wearable devices and related applications provide our end-users with health related knowledge acquired through self-tracking. Our Life Sensing Technology which is embedded into our devices uses state-of-the-art sensors, enhanced signal processing and algorithms to collect and process specific data from end-users.

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

Our strategic goal is to build a growing community of loyal users in the wellness market who enjoy meaningful information from the user-friendly smartphone applications connected to their wearable devices.

Our business model is akin to a traditional wholesale model whereby our distributor places its order directly with us on a prepaid basis and at a price equivalent to our cost plus an agreed upon mark-up. We instruct our suppliers to build and ship our devices based on these orders and in accordance with our distributor's instructions.

In early 2019, Helo discontinued the exclusivity rights to its distribution agreement with its only distributor, World Global Network Pte Ltd. At that time, Helo agreed to produce products to order for a new, third party distributor, Vyvo Hong Kong Ltd, which at that time was in the process of establishing its customer referral sales model and establishing sales channels in Asia.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

On May 29, 2019 Helo Corp. established a subsidiary in Dublin, Ireland (Seán McVeigh is the only Officer and Director) and on July 5, 2019 Helo Corp. established a subsidiary in San Francisco, California (Fabio Galdi is the only Officer and Director). These subsidiaries are not trading.

Fabio Galdi is Chief Executive Officer and Alessandro Senatore is Chief Operating Officer of our distributor VYVO HK Ltd and they also hold the same roles with our former exclusive distributor, World Global Network Pte Ltd where they are also ultimate beneficial owners.

- C. Describe the issuers' principal products or services, and their markets

Our wearable devices are designed to satisfy the demand from customers in the quantified-self, wellness market. We have built a platform where both our *Helo* users leverage our device to monitor their wellness and where our devices serve as a gateway to an automated data collection capability that we believe opens up the opportunity for the development of a huge range of wellness Apps and data mining opportunities.

In response to market demand and leveraging our prior product experience, in 2019 the Company expanded its product range and focused on the development of a range of smartwatches and smart weighing scales, targeting the fitness and wellness market. Our first-generation smart devices connect to the wearer's smartphone app via Bluetooth so that the data captured can be converted into actionable information for the wearer. These devices, together with some of their capabilities are listed below:

- *Vista* – a smartwatch with GPS that has been designed to continuously and seamlessly capture data that can be used to analyze resting and exercising Heart Rates, Blood Pressure Estimation, Breath Rate, and Energy Levels as well as provide insights into mood and sleep. The Company shipped its first Vista device in May 2019.
- *Icon* – a smartwatch with a Bioelectrical Impedance (BI) sensor enabling data to be collected to allow third parties to deduce parameters such as body fat percentage, visceral fat levels, muscle and bone mass together with a sensor that gathers data to generate a third-party representation of an electrocardiogram (ECG) and provide continuous detection of possible irregular heartbeat, such as an atrial fibrillation or other arrhythmias. Icon devices first shipped in August 2019.
- *Sense* – a smartband with 6 axes movement detection and an ECG sensor. The Company shipped its first Sense device in July 2019.
- *Leggera* – a smart weighing scale that can measure body weight and has a BI sensor to capture data used to deduce bone weight, visceral fat and body mass index. The first Leggera devices shipped in August 2019.
- *Vista+* - a smartwatch that combines the sensors and capabilities of the Vista and Icon devices into one smartwatch. The Company shipped its first Vista+ in Sept 2019.

Helo Corp launched the first of its second-generation products in 2020:

- *Watch Lite* - is an "Ultra-thin" (7mm thick) smartwatch that is silver in color and has data collection capabilities that enable features which include continuous atrial fibrillation detection, mood and energy monitoring, fall detection, SpO₂ measurement capability and sleep apnea detection.

6) Issuer's Facilities

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

The Company subleases mailing and other facilities for its operations on a month-to-month basis. Its office is located at 180 Steuart Street #192750, San Francisco, CA 94119.

7) Officers, Directors, and Control Persons

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

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Seán McVeigh</u>	<u>CEO/CFO/Director</u>	<u>Dublin, Dublin, Ireland</u>	<u>2,607,564</u>	<u>Common</u>	<u>7.1%</u>	<u>0.02% held personally and 7.08% held via Anch Holdings Ltd</u>
<u>Fabio Galdi</u>	<u>CTO/Director</u>	<u>Singapore, Singapore</u>	<u>2,774,080</u>	<u>Common</u>	<u>7.6%</u>	
<u>Alessandro Senatore</u>	<u>Director</u>	<u>Singapore, Singapore</u>	<u>6,669,631</u>	<u>Common</u>	<u>18.2%</u>	<u>7.4% personally and 10.8% as UBO in World Global Holdings Pte Ltd</u>
<u>Alfonso Galdi</u>	<u>Control Person</u>	<u>Singapore, Singapore</u>	<u>8,590,483</u>	<u>Common</u>	<u>23.4%</u>	<u>9.7% personally and 13.7% as UBO in World Global Holdings Pte Ltd</u>
<u>Gabriele Galdi</u>	<u>Control Person</u>	<u>Singapore, Singapore</u>	<u>8,820,000</u>	<u>Common</u>	<u>24.0%</u>	<u>24% as UBO in World Global Holdings Pte Ltd</u>
<u>Jean Paul Salman</u>	<u>Control Person</u>	<u>Miami, Florida</u>	<u>2,500,000</u>	<u>Common</u>	<u>6.8%</u>	

8) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

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

None

9) Third Party Providers

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

Securities Counsel

Name: Heidi Mortensen
Firm: CrowdCheck Law LLP
Address 1: 700 12th Street NW, Suite 700
Address 2: Washington DC 20005
Phone: (646) 229-2599
Email: heidi@crowdchecklaw.com

Accountant or Auditor

Name: Donald Damore
Firm: Wei Wei & Co., LLP
Address 1: 133-10 39th Avenue
Address 2: Flushing, NY 11354
Phone: (718) 445-6308
Email: ddamore@weiweico.com

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, advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: Sharon T. Brenner
Firm: Janover LLC
Nature of Services: Accounting
Address 1: 100 Quentin Roosevelt Blvd, Suite 516.
Address 2: Garden City NY 11530
Phone: (516) 542-6300
Email: Sharon.Brenner@janoverllc.com

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).

The certifications shall follow the format below:

I, Seán McVeigh certify that:

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

30th April, 2020

/s/ Seán McVeigh

Principal Financial Officer:

I, Seán McVeigh certify that:

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

30th April, 2020

/s/ Seán McVeigh

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)

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• **CALIFORNIA OFFICE**

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ALHAMBRA, CA 91801
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Helo Corp.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Helo Corp. (the “Company”) (formerly World Technology Corp.) as of December 31, 2019 and 2018, and the related statements of operations, changes in stockholders’ (deficit) equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that Helo Corp. will continue as a going concern. As more fully described in Note 3 to the financial statements, the Company reported net losses of approximately \$1,555,000 for the year ended December 31, 2019. At December 31, 2019, the Company has a significant working capital deficiency of approximately \$3,248,000, a stockholders’ deficit of approximately \$3,240,000 and has had to rely on additional borrowings to continue its operations. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regards to these matters are also described in Note 3 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.



The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Wei, Wei & Co., LLP

Flushing, New York
April 29, 2020

We have served as the Company's auditor since 2017.

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)
BALANCE SHEETS

ASSETS	December 31, 2019	December 31, 2018
Current assets:		
Cash and cash equivalents	\$ 383,695	\$ 64,219
Inventory	-	100,156
Prepaid expenses	2,874	7,541
Advance to suppliers	343,852	47,022
Total current assets	730,421	218,939
Deferred registration costs	-	381,094
Intangible assets, net	7,596	15,192
TOTAL ASSETS	\$ 738,017	\$ 615,224
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Payable to former customer	\$ 1,046,176	\$ 433,409
Advance from customer	897,080	-
Accounts payable and accrued expenses	443,059	516,475
Note payable	40,000	-
Due to related parties, net	1,551,987	1,012,654
Total current liabilities	3,978,302	1,962,538
Payable to customer	-	337,767
TOTAL LIABILITIES	3,978,302	2,300,305
Stockholders' deficit:		
Preferred stock, \$0.001 par value; 10,000 shares authorized, none issued and outstanding	-	-
Common stock, \$0.001 par value; 75,000,000 shares authorized, 36,722,244 shares issued and outstanding at December 31, 2019 and 2018	36,722	36,722
Additional paid-in capital	6,416,066	6,416,066
Deficit	(9,693,073)	(8,137,869)
Total stockholders' (deficit)	(3,240,285)	(1,685,081)
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	\$ 738,017	\$ 615,224

See report of independent registered public accounting firm and accompanying notes to financial statements.

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)
STATEMENTS OF OPERATIONS

	Year Ended December 31,	
	2019	2018
Revenue:		
Products	\$ 1,991,982	\$ 5,031,650
Costs of revenue:		
Products	1,564,037	3,882,000
Gross profit	427,945	1,149,650
Operating expenses		
Management fees - related party	1,026,000	935,500
General and administrative	332,365	1,434,227
Research and development	193,690	364,663
Total operating expenses	1,552,055	2,734,390
Operating (loss)	(1,124,110)	(1,584,740)
Other expense:		
Loss on contract termination	(50,000)	(337,767)
Write-off of deferred registration costs	(381,094)	-
Net (loss)	\$ (1,555,204)	\$ (1,922,507)
Net (loss) per share - basic and diluted	\$ (0.04)	\$ (0.05)
Weighted average shares outstanding, basic and diluted	36,722,244	36,722,244

See report of independent registered public accounting firm and accompanying notes to financial statements.

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)
STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY

	Common stock		Series A Preferred stock		Additional paid-in capital	Deficit	Total
	Shares	Amount	Shares	Amount			
Balance - January 1, 2018	36,722,244	\$ 36,722	-	\$ -	\$ 6,416,066	\$ (6,215,362)	\$ 237,426
Net (loss)	-	-	-	-	-	(1,922,507)	(1,922,507)
Balance - December 31, 2018	36,722,244	36,722	-	-	6,416,066	(8,137,869)	(1,685,081)
Net (loss)	-	-	-	-	-	(1,555,204)	(1,555,204)
Balance - December 31, 2019	36,722,244	\$ 36,722	-	\$ -	\$ 6,416,066	\$ (9,693,073)	\$ (3,240,285)

See report of independent registered public accounting firm and accompanying notes to financial statements.

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)
STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Net (loss)	\$ (1,555,204)	\$ (1,922,507)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization expense	7,595	7,595
Write off of deferred registration costs	381,094	-
Change in operating assets and liabilities:		
Decrease (increase) in inventory	100,156	(100,156)
Decrease in prepaid expenses	4,667	303,981
(Increase) decrease in advance to suppliers	(296,830)	752,978
Decrease in security deposit	-	5,500
Increase (decrease) in payable to former customer	275,000	(370,877)
Increase in advance from customer	897,080	-
(Decrease) increase in accounts payable and accrued expenses	(23,415)	104,293
Increase in payable to customer	-	337,767
Net cash used in operating activities	(209,857)	(881,426)
Cash flows from financing activities:		
Deferred registration costs	-	(326,392)
Payment on note payable	(10,000)	-
Cash repayments to related parties	(516,667)	(816,668)
Expenses paid by related party	1,056,000	1,207,466
Net cash provided by financing activities	529,333	64,406
Net change in cash	319,476	(817,020)
Cash, beginning of year	64,219	881,239
Cash, end of year	\$ 383,695	\$ 64,219
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -
Noncash activities:		
Deferred registration costs included in accounts payable and accrued expenses	\$ -	\$ 54,702
Account payable transferred to note payable	\$ 50,000	\$ -

See report of independent registered public accounting firm and accompanying notes to financial statements.

HELO CORP.
(FORMERLY WORLD TECHNOLOGY CORP. AND SUBSIDIARY)
NOTES TO FINANCIAL CONDITIONS

Note 1. Organization and Business

History

Helo Corp. (formerly World Technology Corp. and World Media & Technology Corp., referred to herein as the “Company” or “HELO”) was incorporated in the State of Nevada on October 22, 2010, under the name Halton Universal Brands Inc. (“Halton”). Halton was originally a brokerage, consulting and marketing firm specializing in brand consulting and new product strategy consulting for emerging brands.

Effective October 29, 2014:

- 1) Power Clouds Inc. (“PWCL”) (formerly World Assurance Group, Inc.), acquired 15,095,000 shares of HELO common stock, representing 98% of the Company’s issued and outstanding share capital, for cash consideration of \$2,378,000,
- 2) HELO discontinued its previously existing brokerage and brand consultancy business, and
- 3) HELO acquired the SPACE technology business and related assets from PWCL for consideration of \$557,898, funded by way of debt from PWCL (collectively “the October 29, 2014 Transactions”).

The Company accounted for the October 29, 2014 Transactions as a reverse merger of PWCL’s SPACE technology business and related assets into HELO. This reverse merger was accounted for as a reverse capitalization with PWCL’s SPACE technology business, the legally acquired business, being treated as the acquirer of HELO for accounting and financial reporting purposes.

In November 2014, the Company’s board of directors and a majority of the stockholders authorized a name change of the Company from Halton Universal Brands, Inc. to World Media & Technology Corp. The name change became effective with the Financial Industry Regulatory Authority on December 22, 2014, and the Company’s ticker symbol was changed to WRMT as a result of the name change.

On March 5, 2015, the Company incorporated its wholly-owned subsidiary, Space Wireless Corp. (“Space Wireless”), in Florida. Space Wireless was set up to operate as the mobile virtual network business in the United States.

In October 2015, PWCL distributed 14,021,122 of the 15,095,000 shares of the Company’s common stock held by PWCL, the Company’s former parent company and former majority shareholder. PWCL shareholders received one share of the Company’s common stock for every six PWCL shares of common stock held as of the record date, which was October 1, 2015.

In December 2016, PWCL transferred its remaining 1,073,878 shares of the Company’s common stock to World Global Cash Pte. Ltd., a Singapore company owned and controlled at the time of this share transfer by Fabio Galdi, the Company’s major shareholder and Chief Executive Officer then and currently our Chairman of the Board and Chief Technology Officer. In October 2017, Mr. Galdi sold World Global Cash Pte. Ltd. to an unrelated third-party.

On January 6, 2017, the Company issued 100 shares of its Series A Super Voting Preferred Stock to Fabio Galdi in exchange for the cancellation of \$250,000 of unpaid management service fees.

Corporate Re-organization

On October 1, 2017, the Company, Fabio Galdi, World Global Network Pte. Ltd. (“WGN”) and WGN’s wholly-owned subsidiary, World Global Assets Pte. Ltd., entered into a Stock Exchange, Debt Forgiveness and Intellectual Property Assignment Agreement (the “Exchange Agreement”). The main objective of the Exchange Agreement was to re-organize and restructure HELO so that:

- HELO operates as a technology company that recognizes revenues and operating profits through the sale of its Helo wearable devices in the wellness market sector;

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- HELO sells its Helo wearable devices exclusively to WGN at an agreed upon mark-up of the underlying production cost;
- WGN has the exclusive right to sell the wearable devices to the end-users through its distribution network; and
- HELO has the business model and ownership structure that is attractive to potential investors; and the opportunity to register its stock for potential sale in the public markets, raise additional capital, and up-list to NASDAQ.

Pursuant to the terms of the Exchange Agreement, the Company:

- Issued 8,000,000 shares of its common stock, par value \$0.001 per share (“Common Stock”) to WGN;
- Transferred its equity investment in PayNovi Ltd. (i.e., 35% ownership interest in PayNovi which had no carrying value to HELO) to WGN; and agreed to forgive the remaining outstanding balance (\$1,140,506) owed by WGN for borrowed money. In exchange, Mr. Galdi returned to HELO for cancellation the 100 shares of the Company’s Series A Super Voting Preferred Stock held by him; Mr. Galdi forgave the amounts owed by HELO to him for past services rendered in the amount of \$150,000;
- WGN assigned and transferred to HELO all of its right, title and interest in and to certain technology, intellectual property and intellectual property rights for the Helo wearable devices;
- WGN and Mr. Galdi agreed not to source, promote or enter into any agreement for any technology similar to HELO’s Technology from any supplier other than HELO; and
- WGN agreed to terminate and forego its exclusive relationship with Quality Technology Industrial Co. Ltd. and to purchase Helo Devices directly from HELO upon the terms and subject to the conditions set forth in the Strategic Partner Master Sales and World Wide Distribution Agreement dated October 1, 2017 between the Company and WGN.

The Exchange Agreement was treated as a capital reorganization since the transactions were all with the major shareholder and his related entities.

On November 3, 2017, the Company dissolved its wholly-owned subsidiary, Space Wireless, due to the fact that the subsidiary no longer had any operations, assets or liabilities.

On December 4, 2017, the Company changed its name to World Technology Corp, with ticker symbol WCOR, to re-position itself as a technology company that produces wearable devices with embedded Life Sensing Technology for use in the wellness market segment.

On October 31, 2018, the Company changed its name to Helo Corp., with ticker symbol HLOC, to better reflect and support our new business strategy.

During 2019, the Company has formed two wholly-owned subsidiaries, in Ireland and California, respectively. Both subsidiaries have no activity and are inactive as of the date of these financial statements.

Business

While headquartered in Miami, Florida, the Company designed, produced and previously sold its own range of integrated mobile technology products (such as SPACE smartphones in 2015 and 2016) through its exclusive marketing and distribution partner, WGN, and WGN’s distribution network.

The Company changed its business model in the fourth quarter of 2016 when it executed the Preferred Supplier Agreement (“PSA”) with its wearable device supplier, Quality Technology Industrial Co., Ltd. (“QTI”), in October 2016. In accordance with the PSA, the Company granted a non-exclusive, revocable license to QTI to use and integrate its Life Sensing Technology in the manufacture of *Helo*, the wearable device. Under the PSA, QTI agreed to pay the Company a non-refundable fee of \$4.00 per *Helo* Classic and \$5.00 per *Helo* LX shipped from its manufacturing facility.

From the fourth quarter of 2016 through the third quarter of 2017, the Company earned license fees based on the number of *Helo* devices shipped by QTI.

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Effective October 1, 2017, and as a result of the corporate re-organization, the Company entered into a new PSA (“2017 PSA”) with QTI whereby QTI was granted a non-exclusive, revocable license to produce its *Helo* wearable devices; and the Company has been selling its *Helo* wearable devices directly to WGN at a selling price equivalent to cost plus an agreed upon markup. The Company’s business is akin to a traditional wholesale model whereby WGN will place its order directly with the Company on a prepaid basis, and based on such orders, the Company will instruct QTI to build and ship the *Helo* devices in accordance with WGN’s instructions.

As part of the Company’s strategy to mitigate its production risks,

- In November 2018, the Company entered into a Production Agreement (“PA”) with Shenzhen Med-Link Electronics Tech Co., Ltd. to produce its *Helo Extense*, a non-invasive, blood sugar trend measuring device on a pre-commercial production basis. The term of the PA is for one year and will be automatically extended for one-year successive terms unless cancelled by either party. Currently the Company is not producing the *Helo Extense*.
- On February 27, 2019, the Company entered into a Preliminary Exclusive Product Development Agreement with Goldtek Technology Co. Ltd. (“Goldtek” - an affiliate of the Foxconn Group) to explore opportunities for Goldtek to develop and manufacture its products. It is expected that Goldtek will start manufacturing such products in late 2020.
- On March 25, 2019, the Company notified QTI of its decision not to extend the term of the 2017 PSA. As disclosed in Note 8, the Company has written off all advances to QTI and recorded a loss on contract termination of \$337,767 for the year ended December 31, 2018 and \$50,000 for the year ended December 31, 2019.

In 2019, the Company has developed and launched a range of smart watches and smart scales. These products are being manufactured by independent third-party manufacturers on an order-by-order basis. At the same time, Helo’s exclusive distributor WGN completed its restructuring process and it was mutually agreed to terminate WGN’s exclusive agreement with Helo. The Company sought other distribution partners for its products.

In the second quarter of 2019, Helo agreed to produce its products to order under the “VYVO” brand for a new, distributor, Vyvo Hong Kong Ltd (“VYVO HK”) which was establishing its customer referral sales model and sales channels in Asia. Helo’s pricing was based on the same cost-plus model and terms it had established previously with WGN. Fabio Galdi and Alessandro Senatore are paid consultants of VYVO HK, in the roles of Chief Executive Officer and Chief Operating Officer, respectively. Neither are directors or shareholders of VYVO HK. For the year ended December 31, 2019, Mr. Galdi and Mr. Senatore were paid \$200,000 and \$150,000, respectively, from VYVO HK.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

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

Use of Estimates and Assumptions

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are adjusted to reflect actual experience when necessary. Significant accounting estimates reflected in the Company’s financial statements include revenue recognition, cost of revenues, and the valuation allowance for deferred income taxes.

Since the use of estimates is an integral component of the financial reporting process, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and other highly liquid investments which are unrestricted as to withdrawal or use, and which have maturities of three months or less when purchased.

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Fair Value Measurements

The Company follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (“ASC”) Topic 820, *Fair Value Measurements and Disclosures*, which clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

- Level 1 Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
- Level 2 Inputs, other than quoted prices in Level 1, that are observable for the asset or liability in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3 Unobservable inputs that reflect management’s assumptions based on the best available information.

The Company did not identify any assets and liabilities that are required to be presented in the balance sheets at fair value in accordance with the relevant accounting standards. The carrying amount of the Company’s cash and cash equivalents, inventory, prepaid expenses, advance to suppliers, deferred registration costs, payable to former customer, advance from customer, accounts payable and accrued expenses and due to related parties approximate their fair value because of the short-term nature of these instruments.

Revenue

Adoption of Recent Accounting Pronouncement

Effective January 1, 2018, the Company adopted the FASB Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 which supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. It also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue, cash flows arising from customer contracts, including significant judgments and changes in judgments, and assets recognized from costs incurred to obtain or fulfill a contract. The adoption of ASU 2014-09, using the modified retrospective approach, had no significant impact on the Company’s results of operation, cash flows or financial position.

Revenue Recognition

During 2018, the Company generated revenue from product sales to its exclusive distributor, WGN in accordance with the Strategic Partner Master Sales and Worldwide Distribution Agreement (the “Master Sales Agreement”) executed between the parties on October 1, 2017. All sales contracts with WGN are similarly structured in accordance with the Master Sales Agreement, and they create a performance obligation for the Company to transfer the finished products to WGN. As of December 31, 2019, WGN no longer has an exclusive agreement with the Company. During 2019, the Company partnered with VYVO HK to supply its products to market under a similar agreement. Such agreement is not written, is currently on an order by order basis and is not exclusive between the Company and VYVO HK.

Product Sales: The Company designs, produces and sells its own brand of wearable devices that are manufactured by third-party suppliers in China. During 2018, these products were shipped directly to WGN for onward delivery to end-users. During 2019, the products were shipped directly to VYVO HK. Title to the products passes to VYVO HK, and previously WGN (together, the “Customer”), on shipment from the supplier and sales invoices are issued at cost plus an agreed upon markup. The Customer is responsible for providing initial warranty support to end-users and holds spare unit inventory to service any claims. The Customer has the option to return faulty units once per quarter and the Company will issue credit notes for any returns, of which there were none during the years ending December 31, 2019 and 2018. The Company recognizes revenues from product sales only upon shipment of products when control of such products is obtained by the Customer.

The Company accounts for shipping and handling costs as fulfillment costs and such amounts are classified as part of cost of revenues in its statements of operations.

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During the year ended December 31, 2019, all of the revenue recognized by the Company was in connection with products sold to VYVO HK.

The timing of revenue recognition may differ from the timing of payments from customers. As of December 31, 2019, the Company has received \$897,080 in advance payments from VYVO HK which has been recorded as advances from customer. This amount will be recognized as revenue once control of the products is obtained by the Customer. Substantially all our sales are generated from Japan and Taiwan.

Income Taxes

The Company utilizes FASB ASC 740 Income Taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Deferred taxes are also recognized for net operating losses that can be carried forward. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

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 sustained on examination by the taxing authorities, based on the technical merits of the position. The Company does not have any uncertain tax positions; and it does not have any unrecognized tax liabilities or benefits in accordance with the provisions of Section 740-10-25.

Currently, the 2016, 2017, and 2018 tax years are open and subject to examination by the taxing authorities. However, the Company is not currently under audit nor has the Company been contacted by any of the taxing authorities.

Inventory

As of December 31, 2018, inventory consisted of raw materials related to the production of the *Helo Extense* and were stated at the lower of cost, as determined by the first-in first-out method, or net realizable value. At December 31, 2019, the Company had no inventory.

Advance to Suppliers

In accordance with industry practices, the Company makes advance payments to its suppliers. The advances are shown as a current asset and will be recorded as cost of revenues when the products are delivered.

Intangible Assets

In connection with the Exchange Agreement, WGN assigned and transferred to the Company all of its right, title and interest in and to certain technology, intellectual property and intellectual property rights for the *Helo* wearable devices on October 1, 2017. The amount capitalized consists primarily of legal fees incurred in registering the related trademarks. These intangible assets will be amortized on a straight-line basis over their estimated or remaining useful life of up to 10 years.

Deferred Registration Costs

As of December 31, 2018, deferred registration costs represent costs incurred in connection with a proposed public offering as disclosed in Note 8. During 2019, the offering was cancelled and such costs were expensed.

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Payable to Former Customer

The Company collected advance payments from its former customer, WGN, to secure production of its products. Changes in advance from customer, during the year ended December 31, 2019 and 2018, are as follows:

	<u>2019</u>	<u>2018</u>
Balance – January 1,	\$ 433,409	\$ 804,286
Cash advances	275,000	4,998,540
Recognition of revenue	-	(5,031,650)
Payable to customer	337,767	(337,767)
Balance – December 31,	<u>\$ 1,046,176</u>	<u>\$ 433,409</u>

In support of the Company’s decision to mitigate its production risks and not to extend its 2017 PSA agreement executed with QTI, WGN agreed to defer \$337,767 of the amount due to them until 2020. The amount deferred will be repaid based on the following agreed-upon schedule: \$80,000 due March 31, 2020; \$80,000 due June 30, 2020; \$80,000 due September 30, 2020 and \$97,767 due December 31, 2020; and it has been included in Payable to Former Customer as of December 31, 2019. The \$80,000 has not been paid as of the date of this report.

Related Parties

The Company follows FASB ASC subtopic 850-10 for the identification of related parties and disclosure of related party transactions. Based on an intercompany statement certified by Fabio Galdi allowing the net offset of intercompany balances, debts and obligations owed between WGN and the companies owned and/or controlled by him, the Company has netted its due to and due from account balances.

Research and Development

The Company follows FASB ASC subtopic 730-10 for research and development costs. Research and development costs are charged to expense when incurred. The Company’s research and development has primarily been focused on developing its products; the related research and development expenses include the design, parts sourcing and prototyping. The Company continues to outsource its development activities and will use expert consultants where required to ensure consistent iterations of products and related services. For the years ended December 31, 2019 and 2018, the Company incurred \$193,690 and \$364,663 respectively, in research and development costs.

Net Loss per Common Share

Net loss per common share is computed pursuant to FASB ASC section 260-10-45. Basic net (loss) per common share is computed by dividing the net (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through contingent shares issuance arrangements, stock options or warrants. Potentially dilutive shares are not included when there is a net loss because they would be anti-dilutive.

There were no potentially dilutive shares issued or outstanding during the years ended December 31, 2019 and 2018.

Subsequent Events

The Company follows the guidance in FASB ASC section 855-10-50 for disclosure of subsequent events. The Company evaluated subsequent events through, April XX, 2020, which is the date the financial statements were available to be issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them via OTC Markets Supplemental filings.

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Recent Accounting Pronouncements

In June 2018, the FASB issued ASU 2018-07, which simplifies the accounting for nonemployee share-based payments by expanding the scope of ASC Topic 718, *Compensation—Stock Compensation*, to include share-based payment transactions for acquiring goods and services from nonemployees. Under the new guidance, most of the initial and subsequent measurement for such payments to nonemployees is aligned with the requirements for share-based payments to employees. This ASU is effective for annual and interim reporting periods beginning after December 15, 2018, with early adoption permitted. Entities must transition to the new guidance through a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year of adoption. The Company has adopted this guidance as of January 1, 2019 and it did not have a material impact on its financial position, results of operations and cash flows.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes the existing guidance for lease accounting, *Leases (Topic 840)*. ASU 2016-02 requires lessees to recognize leases on their balance sheets, and leaves lessor accounting largely unchanged. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years for public companies. Early application is permitted for all entities. ASU 2016-02 requires a modified retrospective approach for all leases existing at, or entered into after, the date of initial application, with an option to elect to use certain transition relief. The Company adopted this guidance as of January 1, 2019. As disclosed in Note 8, the Company's only lease is short-term, and therefore the guidance in ASU 2016-02 did not have an impact on its financial position, results of operations and cash flows.

The Company does not believe other recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on its financial statements.

Note 3. Going Concern

As reflected in the accompanying financial statements, the Company reported a net loss of approximately \$1,555,000 and \$1,923,000 for the years ended December 31, 2019 and 2018, respectively. At December 31, 2019, the Company had an accumulated deficit of approximately \$9,693,000 and a stockholder's deficit of approximately \$3,240,000. Management has determined that these conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company is developing new products and will seek additional funds to finance its immediate and long-term operations and business plan through debt and/or equity financing. The successful outcome of future financing activities cannot be determined at this time and there is no assurance that if achieved, the Company will have sufficient funds to execute its intended business plans. Ultimately, the Company's ability to continue as a going concern is dependent upon its ability to attract new sources of capital, in order to attain a reasonable threshold of operating efficiency and achieve sustained profitable operations. If necessary, Fabio Galdi is willing and able to support the Company.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

Note 4. Concentration of Credit and Business Risk

The Company maintains its cash accounts at two commercial banks located in United States. The FDIC insures \$250,000 per bank for the total of all depository accounts. As of December 31, 2019, the Company had approximately \$133,000 in excess of the FDIC insured amount. The Company performs ongoing evaluation of its financial institutions to limit its concentration of risk exposure. Management believes this risk is not significant due to the financial strength of the financial institution utilized by the Company.

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The following table represents major customers that individually accounted for more than 10% of the Company's gross revenue for the years ended December 31, 2018 and 2019:

2018

	Gross Revenue	Percentage	Accounts Receivable	Percentage
Related Party - WGN	\$ 5,031,650	100%	\$ -	-%

2019

	Gross Revenue	Percentage	Accounts Receivable	Percentage
Related Party - VYVO HK	\$ 1,991,982	100%	\$ -	-%

Note 5. Stockholders' Deficit

As of December 31, 2019, the total number of common shares that the Company is authorized to issue is seventy-five million (75,000,000) shares, par value \$0.001 per share, of which 36,722,244 are issued and outstanding.

Exchange Agreement

Pursuant to the Exchange Agreement with Fabio Galdi and his related entities executed on October 1, 2017, the Company issued 8,000,000 shares of its restricted common stock, par value \$0.001 per share to WGN. The Exchange Agreement was treated as a capital reorganization since these transactions were all executed with the major shareholder and his related entities. The share issuance was accounted for as an equity transaction based on consideration of the following factors:

- 1) The main objective of the Exchange Agreement was to reorganize the Company's business giving it right, title and interest in certain intellectual property and intellectual property rights for the *Helo* wearable devices, which were transferred to the Company.
- 2) The intent of the share issuance, which was to restructure the Company's equity section whereby the super-voting preferred stock that Fabio Galdi previously held was retired and converted into 8 million shares of restricted common stock.
- 3) The effect of these transactions was the net change in Mr. Galdi's beneficial ownership, which increased from 75% as of September 30, 2017 to 80.8% as of October 1, 2017 after taking effect of the share issuance.
- 4) The elimination of certain amounts due to and due from Fabio Galdi and his related entities.

Note 6. Related Parties

Pursuant to a Strategic Partner Master Sales and World Wide Distribution Agreement dated as of October 1, 2017, between the Company and WGN, the Company had granted WGN a non-exclusive license to use its brands (including trademarks "*Wor(l)d*" and "*Helo*"), to promote sales of *Helo* devices to end-users in the wellness market worldwide as well as sales of *Helo* Apps to its users. WGN orders were at a selling price equivalent to cost plus an agreed upon markup.

During 2019, the Company began to produce products for VYVO HK. All revenue recognized during 2019 has been received from VYVO HK on a non-exclusive basis. Fabio Galdi and Alessandro Senatore are paid consultants to VYVO HK, in the roles of Chief Executive Officer and Chief Operating Officer, respectively. Neither are directors or shareholders of VYVO HK.

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The Company subleased, on a month-to-month basis, facilities from World Global Network Corp. (“WGN Corp”), a Florida company, and was charged rent for the property at a fixed rate of \$5,000 per month. WGN Corp is beneficially owned and controlled by Fabio Galdi, our Chairman of the Board, CTO and majority shareholder. The Company incurred \$30,000 and \$60,000 of rent expense for this lease during the year ended December 31, 2019 and 2018, respectively. This agreement was terminated by the Company in June 2019.

Effective January 12, 2018, Sean McVeigh resigned as the Company's Chairman of the Board, but remains a member of the Company's Board of Directors and remained the Company's CEO, President and Corporate Secretary. Also, effective January 12, 2018, and simultaneously with Mr. McVeigh's resignation, Mr. Fabio Galdi was named the Company's Chairman of the Board.

Effective as of February 1, 2018, Alessandro Senatore resigned as the Company's Chief Technology Officer, but remains as a member of the Company's Board of Directors. Also, as of February 1, 2018 and simultaneously with Mr. Senatore's resignation, Mr. Fabio Galdi was named the Company's Chief Technology Officer.

Effective as of February 1, 2018, the Company and Anch Holdings Ltd. (Anch) entered into a Professional Services Agreement (as amended) with an initial term of 1 year, pursuant to which Mr. McVeigh serves as the Company's Chief Executive Officer for \$200,000 per annum. Such agreement, automatically extends after the initial term on a month to month basis. Our Chief Executive Officer, Sean McVeigh, owns and controls Anch Holdings Ltd...

Effective as of March 22, 2018, the Company entered into a Professional Services Agreement (as amended) with WGN Corp. having an initial term of 1 year, pursuant to which Mr. Galdi will serve as the Company's Chief Technology Officer for \$150,000 per annum. Such agreement, automatically extends after the initial term on a month to month basis.

Effective as of March 21, 2018, the Company's shareholder, Chairman of the Board and CTO, Fabio Galdi, transferred his controlling ownership interest in World Global Holdings Pte. Ltd. (“WGH”) to Gabriele Galdi, his brother. WGH beneficially owns 49% of the common stock of HELO. As a result of this share transfer, Gabriele Galdi holds a 50% ownership interest in WGH, while Alessandro Senatore continues to hold a 22% ownership interest in WGH and Alfonso Galdi, his brother, continues to hold a 28% ownership interest in WGH. Fabio Galdi retains an 8.9% beneficial ownership interest in HELO. Mr. Senatore also directly holds a 6.8% ownership and Mr. Alfonso Galdi directly holds an 8.2% ownership interest in HELO.

As disclosed in Note 8, the Company entered into an exclusive license agreement with Fabio Galdi.

Due to Related Parties

	<u>2019</u>	<u>2018</u>
Balance – January 1,	\$ (1,012,654)	\$ (621,856)
Management services fee and expenses owed to WGN	(676,000)	(834,966)
CTO services fee owed to WGN Corp	(150,000)	(112,500)
CEO services fee owed to Anch	(200,000)	(200,000)
Rent due to WGN Corp	(30,000)	(60,000)
Payments to related parties	516,667	816,668
Balance – December 31	<u>\$ (1,551,987)</u>	<u>\$ (1,012,654)</u>

During the year ending December 31, 2019, \$116,667 was paid to Anch and \$400,000 was paid to WGN. As of December 31, 2019, \$962,821, \$216,666, and \$372,500 is owed to WGN, Anch, and WGN Corp. respectively.

During the year ending December 31, 2018, \$66,668 was paid to Anch, \$650,000 was paid to WGN, and \$100,000 was paid to WGN Corp. As of December 31, 2018, \$686,821, \$133,333, and \$192,500 is owed to WGN, Anch, and WGN Corp. respectively.

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During the first quarter of 2019, the Company entered into an Exclusive License Agreement (“ELA2”) with Fabio Galdi and an unrelated individual, which became effective in March 2018. The ELA2 granted the Company an exclusive license with a right to sublicense, to make, have made, use, market, sell, offer for sale, provide as service, distribute, and import/export all certain licensed property, as set forth in the underlying agreement. For the rights, privileges and license granted, the Company shall pay Fabio Galdi and an unrelated individual \$1,500,000, to be paid in five quarterly installments beginning in the third quarter 2019 plus a royalty based upon the net revenues received from the sale of products containing the licensed property: ten percent of the net revenues for the first 100,000 products, five percent for the next 200,000 products and two and half percent thereafter. This agreement has been terminated and thus a liability has not been recorded. In addition, no payments were made during the year ending December 31, 2019.

Note 7. Income Taxes

Deferred Tax Assets

Components of deferred tax assets at December 31, 2019 and 2018 are as follows:

	December 31,	
	2019	2018
Net deferred tax assets:		
Expected income tax benefit from NOL carry forwards	\$ 1,732,000	\$ 1,409,000
Less: valuation allowance	(1,732,000)	(1,409,000)
	\$ -	\$ -
Deferred tax assets, net of valuation allowance	\$ -	\$ -

At December 31, 2019, the Company had net operating loss (“NOL”) carry-forwards for federal income tax purposes of approximately \$8,252,000. \$4,789,000 of such NOL’s may be offset against future taxable income through 2037 and \$3,463,000 of such NOL’s do not expire but may only be utilized to offset 80% of taxable income each year.. No tax benefit has been reported with respect to these net operating loss carry-forwards in the accompanying financial statements because the Company believes that the realization of the Company’s net deferred tax assets were not considered more likely than not to be utilized and accordingly, the potential tax benefits of the net loss carry-forwards are fully offset by a valuation allowance.

The Company periodically evaluates the likelihood of the realization of net deferred tax assets and reduces the carrying amount by a valuation allowance to the extent it believes it will not be realized. The Company considers many factors when assessing the likelihood of future realization of the net deferred tax assets, including its results of operations, expectation of future income, and other relevant factors.

Deferred tax assets consist primarily of the tax effect of NOL carry-forwards. The Company has provided a full valuation allowance on the deferred tax asset because of the uncertainty regarding its realization. During the years ended December 31, 2019 and 2018, the valuation increased by \$323,000 and \$404,000, respectively.

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Income Tax Provision

A reconciliation of the federal statutory income tax rate and the effective income tax rate as a percentage of income before income taxes is as follows:

	For the Year Ended December 31,	
	2019	2018
Tax at federal statutory rate	21%	21%
Valuation allowance	(21)%	(21)%
Effective income tax rate	0.0%	0.0%

Note 8. Commitments and Contingencies

Litigation

In the ordinary course of business, the Company may from time to time be involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon the Company’s financial condition and/or results of operations. The Company is not currently involved in any litigation.

Exclusive License Agreement

In April 2017, the Company entered into an Exclusive License Agreement (the “ELA”) with Giner Inc. (“Giner”), a research and technology company based in Massachusetts, pursuant to which Giner agreed to incorporate its miniaturized transdermal alcohol sensor (“TAS”) into the *Helo* wearable devices and give the Company an exclusive license to use, market, sell and distribute the integrated *Helo* product in the consumer market. In exchange, the Company had agreed to fund Giner’s non-recurring engineering costs (“NRE”) related to the integration of the TAS technology into the *Helo* product. Giner had also agreed to build a mobile software application for the Company with certain advanced features using TAS and other *Helo* data. The ELA provided for certain additional rights and obligations of the parties, including each party agreeing to certain provisions relating to confidentiality, intellectual property rights, representations and warranties, indemnification and limitation of liability. The Company’s total NRE funding amounted to \$1.6 million, of which \$1,325,000 was paid to Giner during 2017; \$90,000 in March 2018 and \$185,000 in April 2018. These payments had been expensed as research and development costs. In May 2018, Giner sold its assets related to its transdermal alcohol sensor business to 1A Smartstart LLC. In connection with such sale, the ELA was assigned to 1A Smartstart, LLC. In connection with such assignment, the Company entered into an addendum to the ELA that revised the minimum volume requirements and exclusivity terms of that agreement.

The term of the revised ELA continues until December 31, 2022 (the “Initial Term”), subject to perpetual automatic annual renewal as follows: If the Company meets the target volume in Year 5, as set forth in the agreement, or maintains exclusivity by paying the shortfall fee, then the agreement will automatically renew for an additional year, with a new volume target to be negotiated and mutually agreed upon by both parties in good faith. The agreement will continue to automatically renew for subsequent annual periods so long as the Company meets or exceeds the volume target of the preceding year or pays the shortfall fee. The target volume of each successive year after Year 5 shall not exceed an increase of 15% of the preceding year’s target volume, and such increase amount shall apply if the parties are not otherwise able to mutually agree on an increase. Either party has a right to terminate the agreement if the other party fails to perform or comply fully with any material provisions and such failure continues for 30 days thereafter.

In order for the Company to maintain its exclusive license of TAS from 1A Smartstart LLC, the parties had also agreed to a minimum amount of TAS units to be purchased by the Company in 2018 and over the subsequent four years at certain per unit pricing. During the year ended December 31, 2018 the Company did not purchase the minimum quantities required in order to maintain its exclusive license of TAS from 1A Smartstart, LLC, and thus it has lost its exclusive license of TAS.

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Employment and Professional Services Agreements

The Company entered into an employment agreement in October 2017 (as amended) with Mr. Anthony S. Chan with an initial term of 1 year, pursuant to which Mr. Chan was named the Company's Chief Financial Officer. As consideration for such services, the Company agreed to pay (i) an annual base salary of \$150,000, (ii) a signing bonus of \$25,000, and (iii) incentive bonus payments based upon meeting certain targets. In March 2019, Mr. Chan resigned as the Company's Chief Financial Officer. Subsequent to June 2019, the Company entered into a promissory note for payment of the \$50,000 owed to Mr. Chan. The note paid no interest and was to be paid through December 2020 of which \$10,000 was paid during 2019.

Effective as of February 1, 2018, the Company and Anch entered into a Professional Services Agreement (as amended) with an initial term of 1 year, pursuant to which Mr. McVeigh serves as the Company's Chief Executive Officer. Such agreement, automatically extends after the initial term on a month to month basis. As consideration for such services, the Company agreed to pay Anch for Mr. McVeigh's services (i) an annual base fee of \$200,000, (ii) a \$100,000 cash bonus upon achievement of certain performance based targets, which the Company's Board shall determine and review, and (iii) a payment of \$33,333 if the Agreement is terminated early by the Company without cause. During the years ending December 31, 2019 and 2018, no such bonuses were awarded.

Effective as of March 22, 2018, the Company entered into a Professional Services Agreement (as amended) with WGN Corp, a Florida corporation beneficially owned by Fabio Galdi, our Chairman of the Board and shareholder, having an initial term of 1 year, pursuant to which Mr. Galdi will serve as the Company's Chief Technology Officer. Such agreement, automatically extends after the initial term on a month to month basis. As consideration for such services, upon execution of the Agreement, the Company agreed to pay WGN Corp for Mr. Galdi's services (i) an annual base fee of \$150,000, (ii) a cash bonus of \$75,000 upon meeting certain targets, which the Board shall determine and review, and (iii) a payment of \$25,000, if the Agreement is terminated early by the Company without cause. During the years ending December 31, 2019 and 2018, no such bonuses were awarded.

Note 9. Subsequent Events

The Company has evaluated all events that occurred after the balance sheet date through the date when the financial statements were issued on April XX, 2020 to determine if they must be reported. The management determined that there were no reportable subsequent events to be disclosed besides those described below.

In December 2019, a novel strain of coronavirus disease ("COVID-19") was first reported in Wuhan, China. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The extent of COVID-19's effect on the Company's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. The Company is currently analyzing the potential impacts to its business. At this time, it is not possible to determine the magnitude of the overall impact of COVID-19 on the Company's business. However, it could have a material adverse effect on the Company's business, financial condition, liquidity, results of operations, and cash flows. The Company's production capacity was reduced in the early part of 2020 as its manufacturing partners in China had to close because of COVID-19 restrictions, but as of now production capacity has been restored.

The community self-isolation practices, shelter-in-place requirements and global travel restrictions related to the COVID-19 pandemic may negatively impact the Company's net revenues. While these constraints remain in place, they limit management's ability to operate, meet each other, its suppliers and business partners and in addition, these restraints may also negatively impact Vyvo's sales process which is person-to-person and event based and consequently, may significantly reduce the size of the orders that Vyvo places with the Company.

Further still, the economic uncertainty from the impact of the COVID-19 pandemic outbreak and its consequences could have negative implications for the both the global and US economies. A recession or severe market reaction to any of the foregoing could have a material effect on our business operations and financial condition. The long-term effect, if any, is not currently determinable.

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In February 2020, the Company signed a Letter of Intent to acquire Vyvo Inc. This transaction will include the acquisition of certain strategic assets such as intellectual property, network software, strategic supplier and distribution contracts which Vyvo Inc. intends to acquire contemporaneously from Fabio Galdi and Alessandro Senatore, subject to the agreed acquisition of Vyvo Inc by Helo Corp. As part of the transaction, it is expected that the Company will recognize debt forgiveness from previous related debts. Upon closing, Fabio Galdi will be appointed CEO, Alessandro Senatore will be appointed COO and Sean McVeigh will continue as CFO of the Company. Closing of this transaction is subject to the execution of definitive agreements on acceptable terms and the transfer of \$88,000,000 of the Company's shares to the ultimate beneficial owners of Vyvo Inc., namely Fabio Galdi, Alessandro Senatore and Sean McVeigh. It is also subject to other customary conditions and is expected to occur no later than June 2020.

There can be no assurance that the acquisition will be completed in this timeframe, or at all.