

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

## **BioStem Technologies, Inc.**

2836 Center Port Circle, Pompano Beach, FL 33064

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SIC Code: 2836

## **Quarterly Report**

**For the period ending September 30, 2023 (the "Reporting Period")**

### **Outstanding Shares**

As of September 30, 2023, the number of shares outstanding of our Common Stock was: 13,583,112.

As of December 31, 2022, the number of shares outstanding of our Common Stock was: 12,161,047.

### **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:

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

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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.

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.

- a. BioStem Technologies, Inc. (Active)
- b. BioStem Technologies was formerly named Caribbean International Holdings, Inc., until August 28, 2014, when the issuer changed its name to BioStem Technologies, Inc.
- c. Caribbean International Holdings, Inc. was formerly named Caribbean Casino & Gaming Corporation, until November 29, 2012, when it changed its name to Caribbean International Holdings, Inc.
- d. Caribbean Casino & Gaming Corporation was formed on February 12, 2009.

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):

Florida; Active Status.

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:

2836 Center Port Circle, Pompano Beach, FL 33064

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:*

\_\_\_\_\_

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

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

\_\_\_\_\_

## 2) Security Information

### **Transfer Agent**

Name: V Stock Transfer  
Phone: 212-828-8436  
Email: info@vstocktransfer.com  
Address: 18 Lafayette Pl, Woodmere, NY 11598

### **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>BSEM</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>090684200</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>975,000,000</u>	<u>as of date: September 30, 2023</u>
Total shares outstanding:	<u>13,583,112</u>	<u>as of date: September 30, 2023</u>
Total number of shareholders of record:	<u>1,024</u>	<u>as of date: September 30, 2023</u>

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

NA

### **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.*

Exact title and class of the security:	Series A-1 Preferred Stock	
CUSIP (if applicable):	NA	
Par or stated value:	No Par	
Total shares authorized:	<u>300</u>	<u>as of date: September 30, 2023</u>
Total shares outstanding (if applicable):	<u>300</u>	<u>as of date: September 30, 2023</u>
Total number of shareholders of record (if applicable):	<u>3</u>	<u>as of date: September 30, 2023</u>

Exact title and class of the security:	Series B-1 Preferred Stock	
CUSIP (if applicable):	NA	
Par or stated value:	No Par Value	
Total shares authorized:	<u>500,000</u>	<u>as of date: September 30, 2023</u>
Total shares outstanding (if applicable):	<u>5</u>	<u>as of date: September 30, 2023</u>
Total number of shareholders of record	<u>1</u>	<u>as of date: September 30, 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 holder is entitled to one vote for each share of Common Stock held on all matters submitted to a vote of stockholders of the Company. Holders of Common Stock are not entitled to any preemptive rights.

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

**Series A-1 Convertible Preferred Shares:**

The Company has designated 300 shares of preferred stock as "Series A-1 Convertible Preferred Shares". The Series A-1 Convertible Preferred Shares entitled their holders to a number of votes equal to the number of shares issuable upon conversion times 2,000,000 granting the holders of Series A-1 Convertible Preferred Shares, as a group, effective control of the Company.

Series A-1 Convertible Preferred Shares are convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than \$30 million, in whole but not in part, into 300 shares of common stock.

Holders of Series A-1 Convertible Preferred Shares are not entitled to receive dividends out of assets legally available thereof, prior and in preference to any declaration or payment of any dividend on the common stock or any other capital stock of the Corporation.

**Series B-1 Convertible Preferred Shares:**

The Company has designated 500,000 shares of preferred stock as "Series B-1 Convertible Preferred Shares".

The Series B-1 Convertible Preferred Shares entitle their holders to votes equal to the number of shares issuable upon conversion.

Each Series B-1 Convertible Preferred Share is convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than \$30 million, in whole but not in part, into six (6) shares of common stock.

The Series B-1 Preferred Shares shall be entitled to receive an annual dividend, payable in newly issued common stock, in an amount equal to ten percent (10%) of the number of then existing Series B-1 Preferred Shares issued and outstanding prior and in preference to any declaration or payment of any dividend on the common stock or any other capital stock of the Corporation. This Dividend shall be cumulative.

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

None.

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

None.

### 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 Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2021</u> Common: <u>9,744,180</u> Preferred Series A-1: <u>300</u> Preferred Series B-1: <u>5</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to.  *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR-Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
01/01/2022	New Issuance	8,333	Common	1.04	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
01/20/2022	New Issuance	9,615	Common	1.04	No	MATT WURM	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
1/27/2022	New Issuance	20,000	Common	1.07	No	WENDY WESTON	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
2/1/2022	New Issuance	8,333	Common	1.10	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
3/1/2022	New Issuance	8,333	Common	1.20	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
03/22/2022	New Issuance	1,689	Common	1.18	No	JEFFREY HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
03/22/2022	New Issuance	1,689	Common	1.18	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
03/22/2022	New Issuance	1,689	Common	1.18	No	PHYSIOMICS, INC. / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)

03/22/2022	New Issuance	2,534	Common	1.18	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
03/29/2022	New Issuance	141,090	Common	.70	Yes	RONALD STEIN	DEBT CONVERSION	RESTRICTED	RULE 4(a)(2)
3/31/2022	New Issuance	550,631	Common	.70	Yes	JASON MATUSZEWSKI	CONVERSION OF UNPAID SALARIES TO EQUITY	RESTRICTED	RULE 4(a)(2)
3/31/2022	New Issuance	298,621	Common	.70	Yes	HENRY VAN VURST	CONVERSION OF UNPAID SALARIES TO EQUITY	RESTRICTED	RULE 4(a)(2)
03/31/2022	New Issuance	339,286	Common	.70	Yes	JOHN RADTKE	CONVERSION OF UNPAID SALARIES TO EQUITY	RESTRICTED	RULE 4(a)(2)
3/31/2022	New Issuance	550,631	Common	.70	Yes	ANDREW VAN VURST	CONVERSION OF UNPAID SALARIES TO EQUITY	RESTRICTED	RULE 4(a)(2)
4/1/2022	New Issuance	8,333	Common	1.70	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
4/4/2022	New Issuance	740	Common	1.35	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
4/4/2022	New Issuance	740	Common	1.35	No	JEFFREY K. HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
4/4/2022	New Issuance	740	Common	1.35	No	PHYSIOMICS, INC. / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
4/4/2022	New Issuance	740	Common	1.35	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANTWATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
4/6/2022	New Issuance	7,960	Common	1.25	No	ANTHONY L.G., PLLC (LAURA ANTHONY, ESQ.)	COMPENSATION FOR LEGAL SERVICES	RESTRICTED	RULE 4(a)(2)
5/1/2022	New Issuance	8,333	Common	1.68	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
5/16/2022	New Issuance	633	Common	1.58	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/16/2022	New Issuance	633	Common	1.58	No	PHYSIOMICS, INC. / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/16/2022	New Issuance	633	Common	1.58	No	JEFFREY HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/16/2022	New Issuance	633	Common	1.58	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)

						WATSON TRUSTEE			
6/1/2022	New Issuance	8,333	Common	2.00	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
6/13/2022	New Issuance	505	Common	1.98	No	JEFFREY HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/13/2022	New Issuance	505	Common	1.98	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/13/2022	New Issuance	505	Common	1.98	No	PHYSIOMICS, INC. / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/13/2022	New Issuance	505	Common	1.98	No	BRANT D. WATSON REVOCABLE LIVING TRUST /BRANT WATSON TRSUTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	522	Common	1.92	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	522	Common	1.92	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	8,333	Common	2.05	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	522	Common	1.92	No	BRANT D. WATSON REVOCABLE LIVING TRUST/ BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	522	Common	1.92	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/1/2022	New Issuance	8337	Common	2.7	No	HOWARD GOSTFRAND	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
7/29/2022	New Issuance	343,877	Common	2.30	No	HENRY W VAN VURST IV	DEBT CONVERSION	RESTRICTED	RULE 4(a)(2)
8/1/2022	New Issuance	436	Common	2.30	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2022	New Issuance	436	Common	2.30	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2022	New Issuance	436	Common	2.30	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2022	New Issuance	436	Common	2.30	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)

						WATSON TRUSTEE			
8/10/2022	New Issuance	50,000	Common	2.80	No	MIRTHA FONTE-OKUNSKI	SHARES ISSUED FOR CASH	RESTRICTED	506B
9/1/2022	New Issuance	357	Common	2.80	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2022	New Issuance	357	Common	2.80	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2022	New Issuance	357	Common	2.80	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2022	New Issuance	357	Common	2.80	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/7/2022	New Issuance	10,853	Common	2.76	No	BRANDON POE	BOARD OF DIRECTORS COMPENSATION	RESTRICTED	RULE 4(a)(2)
10/1/2022	New Issuance	312	Common	3.20	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
10/1/2022	New Issuance	312	Common	3.20	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
10/1/2022	New Issuance	312	Common	3.20	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
10/1/2022	New Issuance	312	Common	3.20	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
10/11/2022	New Issuance	25,000	Common	3.20	No	MICHAEL A FORTUNATO	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
11/1/2022	New Issuance	284	Common	3.52	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
11/1/2022	New Issuance	284	Common	3.52	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
11/1/2022	New Issuance	284	Common	3.52	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)



11/1/2022	New Issuance	284	Common	3.52	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
11/10/2022	New Issuance	3,489	Common	1.65	No	ANTHONY L.G., PLLC / LAURA ANTHONY	COMPENSATION FOR LEGAL SERVICES	RESTRICTED	RULE 4(a)(2)
12/1/2022	New Issuance	292	Common	3.42	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
12/1/2022	New Issuance	292	Common	3.42	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
12/1/2022	New Issuance	292	Common	3.42	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
12/1/2022	New Issuance	292	Common	3.42	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
12/8/2022	New Issuance	2,955	Common	3.32	No	BRANDON POE	BOARD OF DIRECTORS COMPENSATION	RESTRICTED	RULE 4(a)(2)
12/21/2022	New Issuance	1,882	Common	1.65	No	ANTHONY L.G., PLLC / LAURA ANTHONY	COMPENSATION FOR LEGAL SERVICES	RESTRICTED	RULE 4(a)(2)
1/4/2023	New Issuance	305	Common	3.28	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
1/4/2023	New Issuance	305	Common	3.28	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
1/4/2023	New Issuance	305	Common	3.28	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
1/4/2023	New Issuance	305	Common	3.28	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
2/1/2023	New Issuance	5,047	Common	1.65	No	ANTHONY L.G., PLLC	COMPENSATION FOR LEGAL SERVICES	RESTRICTED	RULE 4(a)(2)
2/2/2023	New Issuance	19,000	Common	1.5	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	COMPENSATION FOR MARKETING SERVICES	RESTRICTED	RULE 4(a)(2)
2/3/2023	New Issuance	322	Common	3.1	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
2/3/2023	New Issuance	322	Common	3.1	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)

2/3/2023	New Issuance	322	Common	3.1	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
2/3/2023	New Issuance	322	Common	3.1	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
2/8/2023	New Issuance	500,000	Common	1.63	No	M.W JENS REALTY INVESTMENT, LLC / MARK JENS	ISSUANCE OF COMMON STOCK TO REPURCHASE NON-CONTROLLING INTEREST IN SUBSIDIARY	RESTRICTED	RULE 4(a)(2)
2/28/2023	New Issuance	252,357	Common	3	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	CONVERSION FROM DEBT TO EQUITY	RESTRICTED	RULE 4(a)(2)
3/1/2023	New Issuance	19,000	Common	1.5	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	COMPENSATION FOR MARKETING SERVICES	RESTRICTED	RULE 4(a)(2)
3/1/2023	New Issuance	295	Common	3.39	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
3/1/2023	New Issuance	295	Common	3.39	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
3/1/2023	New Issuance	295	Common	3.39	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
3/1/2023	New Issuance	295	Common	3.39	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
3/13/2023	New Issuance	6,667	Common	1.5	No	MARTEL PELLERIN	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
3/23/2023	New Issuance	20,000	Common	1.5	No	EMERY WALDON	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
3/23/2023	New Issuance	50,000	Common	1.5	No	EDWARD WALDRON & JULIE WALDRON JTWRs / EDWARD AND JULIE WALDRON TRUSTEES	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
3/28/2023	New Issuance	63,334	Common	1.5	No	EDWARD WALDRON JR.	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
4/3/2023	New Issuance	6,667	Common	1.5	No	CHARLES MILLER	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)

4/13/2023	New Issuance	17,333	Common	1.5	No	EMPIRE VENTURES HOLDINGS, LLC / JOSEPH SIRIANNI	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
4/19/2023	New Issuance	19,000	Common	1.5	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
4/20/2023	New Issuance	16,667	Common	1.5	No	DONNY PITTMAN	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
4/24/2023	New Issuance	27,000	Common	1.5	No	PAUL SIHON	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
5/2/2023	New Issuance	25,000	Common	1.5	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	COMPENSATION FOR MARKETING SERVICES	RESTRICTED	RULE 4(a)(2)
5/5/2023	New Issuance	442	Common	2.26	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/5/2023	New Issuance	442	Common	2.26	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/5/2023	New Issuance	442	Common	2.26	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/5/2023	New Issuance	442	Common	2.26	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
5/5/2023	New Issuance	19,000	Common	2.26	No	OLYMPUS 3 ACQUISITIONS, LLC / CHRIS LEONE	COMPENSATION FOR MARKETING SERVICES	RESTRICTED	RULE 4(a)(2)
6/2/2023	New Issuance	16,667	Common	1.5	No	DARYL EBER	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
6/6/2023	New Issuance	495	Common	2.02	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/6/2023	New Issuance	495	Common	2.02	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/6/2023	New Issuance	495	Common	2.02	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/6/2023	New Issuance	495	Common	2.02	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
6/6/2023	New Issuance	19,000	Common	1.5	No	OLYMPUS 3 ACQUISITIONS,	COMPENSATION FOR MARKETING SERVICES	RESTRICTED	RULE 4(a)(2)

						LLC / CHRIS LEONE			
6/8/2023	New Issuance	200,000	Common	1.9	No	JOHN RADTKE	EMPLOYEE COMPENSATION	RESTRICTED	RULE 4(a)(2)
7/10/2023	New Issuance	513	Common	1.95	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/10/2023	New Issuance	513	Common	1.95	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/10/2023	New Issuance	513	Common	1.95	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
7/10/2023	New Issuance	513	Common	1.95	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON TRUSTEE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2023	New Issuance	568	Common	1.76	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2023	New Issuance	568	Common	1.76	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2023	New Issuance	568	Common	1.76	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
8/1/2023	New Issuance	406	Common	1.83	No	BRANT D. WATSON REVOCABLE LIVING TRUST / BRANT WATSON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2023	New Issuance	576	Common	1.74	No	JEFFREY K HARRISON	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2023	New Issuance	576	Common	1.74	No	SHAUN OPIE	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/1/2023	New Issuance	576	Common	1.74	No	PHYSIOMICS SYSTEMS, LLC / DAN SHELLY	COMPENSATION FOR SCIENTIFIC ADVISORY BOARD SERVICES	RESTRICTED	RULE 4(a)(2)
9/13/2023	New Issuance	60,000	Common	2.15	No	PCG ADVISORY, INC. / JEFF RAMSON	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
9/13/2023	New Issuance	40,000	Common	1.5	No	PROACTIVE CAPITAL PARTNERS, LP / JEFF RAMSON	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
9/21/2023	New Issuance	7000	Common	1.5	No	GLENN & KIM FITZGERALD	STOCK ISSUED FOR CASH	RESTRICTED	RULE 4(a)(2)
Shares Outstanding on Date of This Report:									
<u>Ending Balance</u>									
<u>Ending Balance:</u>									
Date <u>9/30/2023</u> Common: <u>13,583,112</u>									
Preferred Series A-1: <u>300</u>									
Preferred Series B-1: <u>5</u>									

**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:

NA

## 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.)
<u>03/25/2022</u>	<u>\$360,427</u>	<u>\$300,000</u>	<u>\$60,427.</u>	<u>3/31/24</u>	<u>Converts at \$0.70 per share</u>	<u>Victor Matuszewski</u>	<u>Loan</u>
<u>3/31/22</u>	<u>\$473,350.34</u>	<u>\$473,350.34</u>	<u>\$0</u>	<u>12/31/23</u>	<u>Converts at \$0.70 per share</u>	<u>Jeffrey Meilander</u>	<u>Loan</u>
<u>06/01/2023</u>	<u>\$727,194.90</u>	<u>\$750,000</u>	<u>\$0</u>	<u>06/01/25</u>	<u>Holder issued 373,134 Common Stock Purchase Warrants: exercise price \$2.01</u>	<u>Jeffrey Meilander</u>	<u>Loan</u>

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

## 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")

### Organization and Description of the Business

BioStem Technologies, Inc. (hereinafter "the Company"), was incorporated as Aladdin & Company Trading in Utah on July 7, 2006. On March 2, 2009, Aladdin & Company Trading both changed its name to Caribbean Casino & Gaming Corporation and re-domiciled to Florida. Caribbean Casino & Gaming Corporation further changed its name to Caribbean International Holdings, Inc. on January 7, 2013. The Company then changed its name to BioStem Technologies, Inc. on August 28, 2014. The Company is active and currently in good standing with the State of Florida.

The Company has two wholly owned, non-operating subsidiaries, Nesvik Pharmaceuticals, Inc., and BioStem Wellness, Inc. For the year ended December 31, 2022, the Company owned a controlling interest (90%) in an operating subsidiary, Blue Tech Industries, Inc. (d/b/a BioStem Life Sciences, Inc.) or "BSLS". The remaining 10% ownership of BSLS was reported as non-controlling interest ("NCI") within the consolidated financial statements. Effective

The Company's fiscal year end is December 31.

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

The Company has one wholly owned, non-operating subsidiary, Nesvik Pharmaceuticals, Inc. Throughout 2022, the Company owed a controlling interest (90%) in an operating subsidiary, Blue Tech Industries, Inc. (d/b/a BioStem Life Sciences, Inc.) or “BSLS”. The remaining 10% ownership of BSLS is reported as non-controlling interest (“NCI”) within the consolidated financial statements. In January 2023, the Company repurchased the 10% noncontrolling interest in BSLS for 500,000 shares of BSEM Common Stock valued at \$1.63 per share.

The Company’s fiscal year end is December 31.

C. Describe the issuers’ principal products or services.

BioStem Technologies is a leading innovator focused on harnessing the natural properties of perinatal tissue in the development, manufacture and commercialization of allografts and regenerative therapies. Leveraging our proprietary BioRetain® processing method, we manufacture perinatal tissue allografts at the highest levels of quality. BioRetain has been developed by applying the latest research in regenerative medicine, focused on maintaining natural growth factors and preserving tissue structure. Our allografts are trusted by top clinicians across a range of specialties.

**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.

The Company owns and operates a 6,100 sq. ft. manufacturing facility with multiple ISO 5 and ISO 7 suites designed for commercial production of human cells, tissues, and cellular based products (“HCT/Ps”). The Company is currently in the process of expanding its manufacturing capacity by doubling its ISO clean room. The additional manufacturing capacity is expected to be operational by within the first half of 2024.

**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 issuers 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
<u>Jason Matuszewski</u>	<u>Officer, Director and 5% Stockholder</u>	<u>Boca Raton, FL</u>	<u>1,391,592</u> <u>100</u>	<u>Common</u> <u>Preferred A-1</u>	<u>10.62%</u> <u>33.33%</u>	_____
<u>Andrew VanVurst</u>	<u>Officer, Director and 5% Stockholder</u>	<u>Lighthouse Point, FL</u>	<u>1,692,348</u> <u>100</u>	<u>Common</u> <u>Preferred A-1</u>	<u>12.92%</u> <u>33.33%</u>	_____
<u>Henry VanVurst</u>	<u>Owner of more than 5%</u>	<u>Fort Lauderdale, FL</u>	<u>1,263,802</u> <u>100</u>	<u>Common</u> <u>Preferred A-1</u>	<u>9.65%</u> <u>33.33%</u>	_____
<u>GMA Bridge Holdings, LLC / Fred Schaner</u>	<u>Owner of more than 5%</u>	<u>Miami Lakes, FL</u>	<u>700,000</u>	<u>Common</u>	<u>5.34%</u>	<u>Fred Schaner</u>
<u>Brandon Poe</u>	<u>Director &lt;5%</u>	<u>San Diego, CA</u>	<u>13,808</u>	<u>Common</u>	<u>&lt;1%</u>	_____
<u>Kenneth Warrington</u>	<u>Director &lt;5%</u>	<u>Gainesville, FL</u>	<u>7,462</u>	<u>Fully Vested Common Stock Options</u>	<u>&lt;1%</u>	_____
<u>Michael Fortunato</u>	<u>Officer, Director and 5% Stockholder</u>	<u>Pittsburgh, PA</u>	<u>105,000</u>	<u>Common</u>	<u>&lt;1%</u>	

## 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: Jessica Haggard, Esq.  
Firm: Anthony L.G., PLLC  
Address 1: 625 Flagler Dr #600  
Address 2: West Palm Beach, FL 33401  
Phone: (800)341-2684  
Email: lanthony@anthonypllc.com

Accountant or Auditor

Name: Ilyssa Blum  
Firm: Marcum, LLP  
Address 1: 201 East Las Olas Boulevard, 21st Floor  
Address 2: Ft. Lauderdale, FL 33301  
Phone: (954) 320-8020  
Email: Ilyssa.Blum@marcumllp.com

Investor Relations

Name: Jeff Ramson  
Firm: PCG Advisory  
Address 1: 950 Third Avenue, Suite 2700  
Address 2: NY, NY 10022  
Phone: (646) 863-6341  
Email: jramson@pcgadvisory.com

*All other means of Investor Communication:*

Twitter: X  
Discord: \_\_\_\_\_



LinkedIn X  
Facebook: \_\_\_\_\_  
[Other - Instagram] X

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

### 9) Financial Statements

A. 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>2</sup>:

Name: Michael A. Fortunato, CPA  
Title: CFO  
Relationship to Issuer: Employee

Describe the qualifications of the person or persons who prepared the financial statements: The CFO is a licensed CPA and has over 29 years of experience in accounting and financial reporting.

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

### 10) Issuer Certification

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<sup>2</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.

*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, Jason V. Matuszewski certify that:

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

November 13, 2023 [Date]

/s/ Jason V. Matuszewski [CEO's Signature]

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

*Principal Financial Officer:*

I, Michael A. Fortunato certify that:

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

November 13, 2023

/s/ Michael A. Fortunato [CFO's Signature]

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

**BioStem Technologies, Inc. and Subsidiaries**

**Consolidated Financial Statements**

**(Unaudited)**

**For the Nine Months Ended September 30, 2023 and 2022**

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**BioStem Technologies, Inc. and Subsidiaries**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited)

	September 30, 2023	December 31, 2022
<b>Current Assets</b>		
Cash	\$ 109,864	\$ 772,136
Accounts receivable, net	2,912,865	37,206
Inventory, net	495,004	395,228
Prepaid expenses and other assets	280,079	281,930
Total current assets	<u>3,797,812</u>	<u>1,486,500</u>
<b>Fixed Assets</b>		
Property, plant and equipment, net	1,379,488	1,352,894
Right-of-use asset, net	13,250	19,832
Intangible assets, net	378,470	362,571
Goodwill	244,635	244,635
Total assets	<u>5,813,655</u>	<u>3,466,432</u>
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 1,178,029	\$ 570,115
Salaries payable	68,750	-
Accrued interest	1,697,279	1,478,421
Short-term finance lease	8,988	9,238
Notes payable-current	3,831,095	3,018,679
Related party convertible notes payable	300,000	300,000
Other convertible notes payable	473,350	723,350
Other current liabilities	349,250	228,303
Total current liabilities	<u>7,906,741</u>	<u>6,328,106</u>
<b>Long Term Liabilities</b>		
Long-term finance lease	5,138	11,305
Related party notes payable	-	-
Notes payable-long-term	1,405,346	1,026,462
Other long-term liabilities	22,275	50,512
Total long term liabilities	<u>1,432,759</u>	<u>1,088,279</u>
Total liabilities	<u>9,339,500</u>	<u>7,416,385</u>
Comittments and contingencies (Note 14)	-	-
<b>Stockholders' Deficit</b>		
Series A-1 convertible preferred stock, \$0.001 par value authorized, 300 shares; issued and outstanding, 300 shares as of September 30, 2023 and December 31, 2022.	-	-
Series B-1 convertible preferred stock, \$0.001 par value Authorized, 500,000 shares; issued and outstanding 5 shares as of September 30, 2023 and December 31, 2022.	-	-
Common stock, \$0.001 par value Authorized, 975,000,000 shares; issued and outstanding 13,100,140 shares and 13,583,112 shares as of September 30, 2023 and December 31, 2022.	13,582	12,161
Additional paid-in capital	39,386,493	33,095,921
Treasury stock	(43,346)	(43,346)
Accumulated deficit	(42,882,574)	(37,141,133)
Noncontrolling interest	-	126,444
Total stockholders' deficit	<u>(3,525,845)</u>	<u>(3,949,953)</u>
Total liabilities and stockholders' deficit	<u>\$ 5,813,655</u>	<u>\$ 3,466,432</u>

See notes to the unaudited consolidated financial statements.

**BioStem Technologies, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	Three-months ended,		Nine-months ended,	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net Revenue	\$ 3,599,068	\$ 1,145,755	\$ 5,243,570	\$ 6,082,116
Cost of goods sold	307,237	237,989	614,491	756,737
Gross profit	3,291,831	907,766	4,629,079	5,325,379
Operating Expenses:				
Professional fees	192,580	276,815	642,259	623,844
General and administrative expenses	2,513,274	1,343,956	8,764,898	5,552,678
Depreciation and amortization expense	56,045	61,978	174,408	185,595
Total operating expenses	2,761,899	1,682,749	9,581,565	6,362,117
Income (loss) from operations	529,932	(774,983)	(4,952,486)	(1,036,738)
Other Income (Expense):				
Loss on extinguishment of debt	-	-	-	(2,083,197)
Interest expense	(162,613)	(110,569)	(412,370)	(358,203)
Other income (expense), net	(489)	(2,243)	(376,585)	17,070
Total other income (expense), net	(162,613)	(112,812)	(788,955)	(2,424,330)
Net income (loss) from operations before income taxes	367,319	(887,795)	(5,741,441)	(3,461,068)
Income taxes	-	-	-	-
Net income (loss)	367,319	(887,795)	(5,741,441)	(3,461,068)
Less: Net (loss) income attributable to noncontrolling interest	-	(90,567)	-	9,849
Net income (loss) attributable to BioStem Technologies, Inc.	\$ 367,319	\$ (797,228)	\$ (5,741,441)	\$ (3,470,917)
Basic and diluted net income (loss) per share attributable to common stockholders of BioStem Technologies, Inc.	\$ 0.03	\$ (0.07)	\$ (0.43)	\$ (0.32)
Basic and diluted weighted average common shares outstanding	13,493,387	11,685,291	13,209,159	10,731,773

See notes to the unaudited consolidated financial statements.

**BioStem Technologies, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT**  
(Unaudited)

	Series A-1		Series B-1		Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount					
<b>Balance as of December 31, 2021</b>	300	\$ -	5	\$ -	9,744,180	\$ 9,744	\$ 24,022,487	\$ (43,346)	\$ (29,948,184)	\$ 165,291	\$ (5,794,008)
Stock Based Compensation-Stock Options	-	-	-	-	-	-	327,935	-	-	-	327,935
Stock based compensation-conversion of unpaid salaries at a discount to market value	-	-	-	-	-	-	1,913,084	-	-	-	1,913,084
Additional paid-in capital-conversion of unpaid salaries	-	-	-	-	1,739,169	1,739	1,213,941	-	-	-	1,215,680
Issuance of common stock for services	-	-	-	-	69,000	69	316,712	-	-	-	316,781
Issuance of common stock for cash	-	-	-	-	50,000	50	49,950	-	-	-	50,000
Conversion of debt and accrued interest to common stock	-	-	-	-	484,967	485	338,507	-	-	-	338,992
Loss on extinguishment of debt	-	-	-	-	-	-	2,083,197	-	-	-	2,083,197
Net loss	-	-	-	-	-	-	-	-	(3,470,917)	9,849	(3,461,068)
<b>Balance as of September 30, 2022</b>	<b>300</b>	<b>\$ -</b>	<b>5</b>	<b>\$ -</b>	<b>12,087,316</b>	<b>\$ 12,087</b>	<b>\$ 30,265,813</b>	<b>\$ (43,346)</b>	<b>\$ (33,419,101)</b>	<b>\$ 175,140</b>	<b>\$ (3,009,407)</b>
						\$	0		\$	0	
Balance as of December 31, 2022	300	-	5	-	12,161,047	12,161	33,095,921	(43,346)	(37,141,133)	126,444	(3,949,953)
Stock Based Compensation-Stock Options	-	-	-	-	-	-	4,664,876	-	-	-	4,664,876
Issuance of common stock for services	-	-	-	-	198,373	198	423,644	-	-	-	423,842
Issuance of common stock for cash	-	-	-	-	271,335	271	444,203	-	-	-	444,474
Conversion of debt and accrued interest to common stock	-	-	-	-	252,357	252	252,105	-	-	-	252,357
Issuance of shares for repurchase of noncontrolling interest	-	-	-	-	500,000	500	125,944	-	-	(126,444)	-
Issuance of shares in legal settlement	-	-	-	-	200,000	200	379,800	-	-	-	380,000
Net loss	-	-	-	-	-	-	-	-	(5,741,441)	-	(5,741,441)
<b>Balance as of September 30, 2023</b>	<b>300</b>	<b>\$ -</b>	<b>5</b>	<b>\$ -</b>	<b>13,583,112</b>	<b>\$ 13,582</b>	<b>\$ 39,386,493</b>	<b>\$ (43,346)</b>	<b>\$ (42,882,574)</b>	<b>\$ -</b>	<b>\$ (3,525,845)</b>

See notes to the unaudited consolidated financial statements.



**BioStem Technologies, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	<b>Nine-months ended September 30</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (5,741,441)	\$ (3,461,068)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	78,725	106,146
Amortization expense	95,683	58,497
Stock-based compensation expense	4,664,876	2,241,019
Loss on Extinguishment of Debt	-	2,083,197
Issuance of common stock for services	423,842	316,781
Stock issued for legal settlement	380,000	-
Change in operating assets and liabilities:		
Accounts receivable	(2,875,659)	83,282
Inventory	(99,776)	(259,769)
Prepaid expenses and other assets	1,851	(116,789)
Accounts payable and accrued liabilities	607,914	(285,663)
Accrued interest	221,215	153,123
Salaries payable	68,750	48,262
Other current liabilities	120,697	(169,781)
Changes in longterm liabilities	(34,404)	(50,973)
<b>Net cash provided by (used in) operating activities</b>	<b>(2,087,727)</b>	<b>746,263</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipment	(105,320)	(199,487)
Purchases of internal-use software	(105,000)	(199,573)
<b>Net cash used in investing activities</b>	<b>(210,320)</b>	<b>(399,060)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings on notes payable	1,507,800	350,000
Repayments on notes payable	(316,500)	(35,540)
Repayments on finance leases	-	(10,544)
Issuance of common stock for cash	444,474	50,000
<b>Net cash provided by financing activities</b>	<b>1,635,774</b>	<b>353,916</b>
<b>Net change in cash during the period</b>	<b>(662,273)</b>	<b>701,120</b>
<b>Cash:</b>		
Balance, beginning of period	772,136	340,333
Balance, end of period	<u>\$ 109,864</u>	<u>\$ 1,041,453</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for taxes	\$ -	\$ -
Cash paid for interest	<u>\$ 191,155</u>	<u>\$ 205,080</u>
<b>SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>		
Conversion of debt and accrued interest to shares of common stock	\$ 252,105	\$ -
Conversion of officers unpaid salary to common stock	<u>\$ 125,944</u>	<u>\$ -</u>

See notes to the unaudited consolidated financial statements.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements**  
**(Unaudited)**

**Note—1 Organization and Description of Business**

BioStem Technologies, Inc. (hereinafter “the Company”), was incorporated as Aladdin & Company Trading in Utah on July 7, 2006. Aladdin & Company Trading later changed its name to Caribbean Casino & Gaming Corporation and re-domiciled to Florida on March 2, 2009. Caribbean Casino & Gaming Corporation further changed its name to Caribbean International Holdings, Inc. on January 7, 2013. On August 28, 2014, the Company changed its name to BioStem Technologies, Inc.

The Company’s primary business is the development, manufacture, and sale of tissue allografts for the advanced wound care market with a focus on the treatment of diabetic, pressure and venous ulcers. The Company markets and distributes our products directly to medical professionals, such as podiatrists and plastic surgeons, through direct and indirect salesforces and indirectly through distributors.

The Company’s fiscal year end is December 31.

**Note—2 Going Concern and Summary of Significant Accounting Policies**

***Going Concern***

As reflected in the accompanying unaudited consolidated financial statements, the Company incurred a net loss of (\$5,741,441) for the nine months ended September 2023 and has an accumulated deficit and working capital deficit of (\$42,882,574) and (\$4,108,929) as of September 30, 2023, respectively. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

The ability of the Company to continue its operations is dependent on management’s plans, which includes the raising of capital through debt and/or equity markets, restructuring outstanding debt and additional funding from other traditional financing sources, including convertible debt and/or other term notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The Company may need to incur liabilities with certain related parties to sustain the Company’s operations.

The Company will require additional funding to finance the growth of its current and expected future operations as well as to achieve its strategic objectives. The Company’s cash currently available, along with anticipated revenues, may not be sufficient to meet its cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to the Company, if at all.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

*Basis of Presentation and Summary of Significant Accounting Policies*

**Basis of Presentation**

The accompanying unaudited consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) and applicable rules and regulations of the Over-the-Counter Market (“OTC”) Market regarding interim financial reporting, and include the accounts of BioStem Technologies, Inc. and all its wholly owned and majority-owned entities. All intercompany transactions have been eliminated in consolidation.

Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this quarterly report should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s audited financial statements for the year ended December 31, 2021, filed with the OTC on October 10, 2022.

As of December 31, 2022, the Company has one wholly owned, non-operating subsidiary, Nesvik Pharmaceuticals, Inc and one majority-owned, operating subsidiary Blue Tech Industries (d/b/a BioStem Life Sciences or “BSLS”). In January 2023, the Company entered into a share exchange agreement with the noncontrolling interest holder of 10% of the Company’s majority-owned subsidiary, BSLS whereby the Company exchanged 500,000 shares of BioStem Technologies, Inc. (BSEM) stock, valued at \$815,000 for 100 shares of BSLS shares held by the noncontrolling interest (“NCI”). As a result of this transaction, BSLS is wholly owned by the Company as of September 30, 2023.

**Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes.

Such estimates and assumptions impact both assets and liabilities, including but not limited to net realizable value of accounts receivable and inventory, estimated useful lives and impairment of long-lived assets, the valuation of intangible assets, estimated fair value of share-based payments, and the valuation of deferred tax assets.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the consolidated financial statements, which management considered in formulating its estimate could change in the near term due to one or more future non-conforming events. Accordingly, actual results could differ significantly from estimates.

**Risks and Uncertainties**

The Company’s operations are subject to risk and uncertainties including financial, operational, regulatory, and other risks including the potential risk of business failure.

The Company has experienced, and in the future expects to continue to experience, variability in its sales and earnings. The factors expected to contribute to this variability include, among others: (i) the uncertainty associated with the commercialization and ultimate success of the Company’s products; (ii) competition inherent in the markets where products are expected to be sold; (iii) general economic conditions; and (iv) the related volatility of prices pertaining to the cost of sales.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Summary of Significant Accounting Policies**

The significant accounting policies applied in the Company's audited consolidated financial statements, as disclosed in its financial report filed with the OTC on October 10, 2022, are applied consistently in these unaudited interim consolidated financial statements.

**Recently Issued Accounting Pronouncements Not Yet Adopted**

The Company has reviewed the accounting pronouncements issued during the nine months ended September 30, 2023, and concluded they were either not applicable or not expected to have a material impact on the Company's unaudited consolidated financial statements.

**Note 3—Inventory**

Inventory is stated at the lower of cost or estimated net realizable value. Inventory cost is determined by the first-in, first-out (FIFO) basis. Inventory costs include raw material, labor, operating overhead, supplies, depreciation and amortization of leased lab equipment and other related costs.

The Company performs an assessment of the recoverability of inventory cost during each reporting period, and it provides a valuation allowance for slow-moving, excess, and obsolete inventories to their estimated net realizable value in the period in which the need for an allowance is first identified. Such impairment charges are recorded within cost of goods sold.

The table below presents the Company's inventory values, by category, as of:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Raw Materials	\$ 61,988	\$ 74,039
Finished Goods	458,016	346,189
Total-gross value	520,004	420,228
Less: valuation allowance	(25,000)	(25,000)
Total-net realizable value	<u>\$ 495,004</u>	<u>\$ 395,228</u>

**Note 4—Revenue Recognition**

The Company records revenue from product sales in accordance with ASC 606, *Revenue from Contracts with Customers*.

The Company recognizes revenue from product sales at a point in time when control of the Company's product has transferred to the customer, which generally occurs upon shipment. Shipping and handling costs are included as a component of revenue and are passed through to customers with an equal offsetting amount included in cost of goods sold.

This is when the Company has satisfied its performance obligations. Revenue is recognized in an amount that reflects the consideration that the Company expects to receive in exchange for the product, which is generally fixed. Based on prior experience, and the nature of the product, variable consideration resulting from product discounts is not material.

Returns from customers are not accepted. Accordingly, there is no provision for sales returns recorded for any period presented.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

***Disaggregation of Revenue***

The following table provides information about revenue disaggregated by major products categories:

	<b>For the Three-Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
Surgical	\$ 487,703	\$ 836,517
Advanced wound care	3,111,365	309,238
Total net revenue	<u>\$ 3,599,068</u>	<u>\$ 1,145,755</u>

	<b>For the Nine-Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
Surgical	\$ 1,803,843	\$ 2,290,966
Advanced wound care	3,439,728	3,791,150
Total net revenue	<u>\$ 5,243,571</u>	<u>\$ 6,082,116</u>

***Contract Balances***

The following table provides information about the Company's accounts receivables and contract liabilities from contracts with customers as of September 30, 2023, and December 31, 2022:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Accounts receivable, net	<u>\$ 2,912,865</u>	<u>\$ 37,206</u>
Contract liabilities	<u>\$ 9,537</u>	<u>\$ 8,065</u>

Accounts receivable represent the Company's unconditional rights to consideration for product shipped. Contract liabilities represent amounts collected from customers upfront upon placement of an order for product and is included in other current liabilities in the Company's balance sheets. The Company generally recognizes revenue from contract liabilities within the following fiscal year.

***Contract Costs***

The Company incurs incremental costs to obtain contracts with its customers. These costs consist primarily of sales commissions paid to our sales force. As the expected period of amortization is not expected to exceed one year, the Company has elected to expense such costs as incurred.

**Note 5—Net Loss Per Share**

Basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding for the period. Diluted net loss is computed by adjusting net loss to reallocate undistributed earnings based on the potential impact of dilutive securities, including outstanding common stock options, restricted stock awards, warrants to purchase common stock, convertible preferred stock, and common stock issuable in connection with convertible notes. For periods in which the Company has reported net losses, diluted net loss per share is the same as basic net loss per share because dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

The following potentially dilutive shares were excluded from the computation of diluted loss per share as including them would have been anti-dilutive:

	As of September 30,	
	2023	2022
Stock options	6,207,462	1,172,462
Stock warrants	798,590	478,456
Preferred stock	330	330
<b>Total</b>	<b>7,246,852</b>	<b>1,601,218</b>

**Note 6—Property, Plant and Equipment, net**

The following table presents property, plant, and equipment as of September 30, 2023, and December 31, 2022:

	September 30, 2023	December 31, 2022
Building	\$ 433,448	\$ 433,448
Building Improvements	694,124	688,394
Construction-in-Process	202,700	103,110
Land	75,000	75,000
Machinery and Equipment	930,334	930,334
Computer and Office Equipment	64,702	64,702
Furniture and Fixtures	68,066	68,066
Total property, plant, and equipment	2,468,373	2,363,054
Less: Accumulated Depreciation	(1,088,885)	(1,010,160)
Property, Plant and Equipment - Net	\$ 1,379,488	\$ 1,352,894

Depreciation expenses were \$78,725 and \$106,146 for the nine months ended September 30, 2023, and 2022, respectively.

**Note 7—Intangible Assets Other Than Goodwill**

The Company's intangible assets were acquired in a business combination and were recognized at fair value using generally accepted valuation methods deemed appropriate for the type of intangible asset acquired and reported net of accumulated amortization, separately from goodwill.

Intangible assets with finite lives are amortized over their estimated useful lives. Intangible assets include developed technology and customer relationships.

Amortization of intangible assets with finite lives is calculated on the straight-line method based on the following estimated useful lives:

Website and software development costs	5 years
Intellectual property	7 years
Customer relationships	7 years
Other	5 years

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

Acquired intangible assets with finite useful lives are reviewed for impairment when events or changes in circumstances suggest that the carrying value of these assets may not be recoverable. No impairment losses were recognized by the Company in either period presented.

The following table presents intangible assets other than goodwill as of September 30, 2023, and December 31, 2022:

	<b>Gross Carrying Amount</b>	<b>September 30, 2023 Accumulated Amortization</b>	<b>Net Carrying Amount</b>
Intellectual property	\$ 47,000	\$ 34,131	\$ 12,869
Website & software development costs	225,907	49,984	175,923
Customer relationships	354,000	257,071	96,929
Other	105,000	12,250	92,750
Total	<u>\$ 731,907</u>	<u>\$ 353,436</u>	<u>\$ 378,470</u>

	<b>Gross Carrying Amount</b>	<b>December 31, 2022 Accumulated Amortization</b>	<b>Net Carrying Amount</b>
Intellectual property	\$ 47,000	\$ 29,095	\$ 17,905
Website and software development costs	225,907	16,099	209,808
Customer relationships	354,000	219,142	134,858
Total	<u>\$ 626,907</u>	<u>\$ 264,336</u>	<u>\$ 362,571</u>

During each of the nine months ended September 30, 2023, and 2022, amortization expense related to intangible assets was \$89,100 and \$47,849, respectively.

Future expected amortization of intangible assets is as follows:

<b>Year Ending December 31,</b>		
2023	\$	33,726
2024		124,820
2025		100,951
2026		67,535
2027		51,437
Total	<u>\$</u>	<u>378,470</u>

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note— 8 Notes Payable**

The following table presents the carrying value of the Company's notes payable as of September 30, 2023, and December 31, 2022:

	September 30, 2023	December 31, 2022
On July 27, 2018, the Company entered into a Bridge Loan Agreement and Promissory Note, with an interest rate of 0.50% per month for the first six months and 0.75% per month through the Maturity Date of July 27, 2019. This agreement has not been repaid on the maturity date and is currently in default	\$ 1,000,000	\$ 1,000,000
On October 5, 2018, the Company entered into a Bridge Loan Agreement and Promissory Note, with an interest rate of 0.50% per month for the first six months and 0.75% per month through the Maturity Date of October 5, 2019. This agreement has not been repaid on the maturity date and is currently in default	2,000,000	2,000,000
On April 29, 2022, the Company entered an \$850,000 mortgage note at 8.25 percent per annum with a maturity date of May 1, 2024. Between June 1, 2022, and the maturity date, the Company is required to make monthly interest only payments of \$6,021 with a balloon payment of \$850,000 due May 1, 2024. The loan is secured by the corporate headquarters building.	850,000	850,000
On April 30, 2020, the Company obtained a \$263,400 Paycheck Protection Program (PPP) Term Note with PNC Bank. Loan was subject to forgiveness if certain criteria were met, if not, due in five years with 1% of interest. Payments were deferred for the first seven months of the loan. In 2021, \$193,354 of the note was forgiven and the remaining balance will be repaid.	31,132	45,141
On May 18, 2020, the Company obtained a \$150,000 Economic Injury Disaster Loan. Installment payments, including principal and interest, of \$731 monthly, will begin 30 months from the promissory note or November 18, 2022. Interest will accrue at an annual rate of 3.75%.	150,000	150,000
On February 23, 2023, the Company obtained a \$200,000 Revolving Line of Credit with an interest rate of 26.40% per annum. Between March 23, 2023 and the maturity date the Company is required to make minimum payments of \$18,830.71 with a final payment of \$18,830.70 on the maturity date of February 23, 2024. This loan is secured by the Company's receivables, inventory and other tangible and intangible assets.	153,662	-
On June 1, 2023, the Company issued a promissory note in the amount of \$750,000 with an interest rate of 12% per annum. Between July 1, 2023 and the maturity date May 25, 2025 the Company is required to make minium payments of \$35,305.10 monthly. The Note is an unsecured obligation.	637,100	-
On September 14, 2023, the Company entered an \$278,000 financing arrangement with a lender. The financing is collateralized by a portion of the Company's outstanding accounts receivable. The Company is required to make 36 weekly payments of \$7,723	262,554	-
On September 13, 2023, the Company entered an \$279,800 financing arrangement with a lender. The financing is collateralized by a portion of the Company's outstanding accounts receivable. The Company is required to make 36 weekly payments of \$7,772	256,483	-
<b>Total</b>	<b>5,340,931</b>	<b>4,045,141</b>
<b>Less: current portion of notes payable</b>	<b>(3,831,095)</b>	<b>(3,018,679)</b>
<b>Notes payable-long-term</b>	<b>\$ 1,509,836</b>	<b>\$ 1,026,462</b>



**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

Future cash commitments related to notes payable are as follows:

<b>Year Ending December 31,</b>		
2023	\$	3,339,624
2024		1,644,995
2025		214,611
2026		3,918
2027		4,068
Thereafter		133,716
Total	\$	<u>5,340,931</u>

**Note— 9 Related Party Notes Payable**

The following table presents the carrying value of related party notes payable as of September 30, 2023, and December 31, 2022:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
On October 4, 2018, the Company issued a Promissory, to a shareholder and father of the Company's CEO, at an interest rate of 8 percent per annum and a maturity date of December 31, 2021. The note was amended on March 25, 2022.	\$ 250,000	\$ 250,000
On February 5, 2018, the Company issued a Promissory, to a shareholder and father of the Company's CEO at an interest rate of 8 percent per annum, with a maturity date of December 31, 2021. The note was amended on March 25, 2022.	50,000	50,000
<b>Total Related Party Convertible Notes Payable</b>	<b>300,000</b>	<b>300,000</b>
<i>Less: Current Portion</i>	<i>(300,000)</i>	<i>(300,000)</i>
<b>Related Party Convertible Notes Payable-Noncurrent</b>	<u>\$ -</u>	<u>\$ -</u>

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note— 10 Convertible Notes Payable**

The table below presents convertible notes payable as of September 30, 2023, and December 31, 2022:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
On May 17, 2019, a convertible note with original principal of \$400,000, was amended and restated to include in the principal unpaid interest to date of \$73,350 and require interest only payments of \$4,733.50 per month at a rate of 12 percent per annum with a maturity of June 1, 2022. The conversion option in the original promissory note was also eliminated. On March 31, 2022, the note was modified to extend the maturity date of the note to December 31, 2023, and to provide for the noteholder to convert this note into shares of the Company's common stock at a \$0.70 conversion price.	\$ 473,350	\$ 473,350
On December 23, 2022, the Company issued a convertible promissory note in the amount of \$250,000 at an interest rate of 5% per annum, simple interest. The note matures on December 23, 2024, and all amounts due and owing under the note automatically convert to common stock at a price of \$1.00 per share. The noteholder has the right from time to time, commencing on or after the issuance date, to convert any or all amounts due under the note to common shares. In February 2023, the noteholder converted all amounts due under the note into 252,357 shares of the Company's common stock.	-	250,000
<b>Total</b>	<b>473,350</b>	<b>723,350</b>
<i>Less: current portion of notes payable</i>	<i>(473,350)</i>	<i>(723,350)</i>
<b>Convertible notes payable, noncurrent</b>	<b>\$ —</b>	<b>\$ —</b>

As described in the tables above, certain notes were amended in March 2022 which included 1) the extension of the maturity dates of the notes and 2) the addition of a conversion feature which allowed the noteholders to convert all amounts due under the notes into shares of the Company's common stock at a conversion price of \$0.70. Because the modified notes included a substantive conversion feature not in the original notes, the Company accounted for the restructured notes as an extinguishment. For the nine months ended September 30, 2022, the Company recorded a loss on the extinguishment of debt in the amount of \$2,083,197 which represents the estimated fair value of the amended debt over the book value of the original notes.

Total interest expense related to the various notes disclosed in Notes 8, 9, and 10 for the nine months ended September 30, 2023, and 2022 was \$410,796 and \$359,386, respectively.

Interest expense incurred on the related party notes payable for the nine months ended September 30, 2023, and 2022 was \$18,000 and \$22,270, respectively.

As of September 30, 2023, and December 31, 2022, accrued interest related to the notes is \$1,697,280 and \$1,478,421 respectively, of which, \$66,427 and \$48,427 of accrued interest relates to related party notes payable.

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note—11 Other Long-Term Liabilities**

Other current and long-term liabilities include settlements related to finance arrangements for equipment abandoned by the Company but for which there is an ongoing obligation. The table below presents the Company's other long-term liabilities as of September 30, 2023, and December 31, 2022:

	September 30, 2023	December 31, 2022
Equipment finance lease #1: The original agreement was dated September 12, 2018, for a total amount due of \$142,345. The Company was in default for non-payment as of December 31, 2020. The Company settled with the lender on July 15, 2021, for a total of \$105,000 to be paid as follows: (1) \$1,800 per month beginning July 16, 2021, through June 16, 2022; (2) payments of \$2,000 per month beginning July 16, 2022, through June 16, 2023; and (3) payments of \$2,475 per month from July 16, 2023, through June 16, 2025. As a result of the settlement, the Company recognized a gain on forgiveness of debt in the amount of \$24,130 as a result of the settlement in 2021.	\$ 51,975	\$ 71,400
Equipment finance lease #2: The original agreement with one finance company dated September 2018 for a total amount due of \$130,621; stated interest rate of 11.9% to be repaid with 60 monthly payments of \$2,886.	14,271	37,759
Equipment finance lease #3: The original agreement with one finance company dated December 2018 for a total amount of \$43,837; stated interest rate of 12.26% to be repaid with 60 monthly payments of \$983.	2,891	11,048
Total	69,136	120,207
Less: current portion (included in other current liabilities)	(46,861)	(69,696)
Total-Other long-term liabilities	\$ 22,275	\$ 50,511

Future cash commitments related to other long-term liabilities are as follows:

<b>Year Ending December 31</b>		
2023	\$	18,624
2024		35,662
2025		14,850
Total	\$	69,136

**BioStem Technologies, Inc.**  
**Condensed Notes to the Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note— 12 Finance Leases and Related Obligations**

The Company leases certain specialized equipment under leases classified as finance leases. The equipment leases were entered into between April 2017 and April 2022 maturing between January 2022 and July 2025 and include bargain purchases options at the end of the leases. The Company’s significant judgments include determining whether an arrangement is or contains a lease, the determination of the discount rate used to calculate the lease liability, and whether lease incentives are reasonably certain to occur in the initial measurement of the lease liability. Finance lease assets and lease liabilities are recognized at commencement date and initially measured based on the present value of lease payments over the defined lease term. Interest and amortization expense are recognized over the lease term using the effective interest method.

A contract is or contains an embedded lease if the contract meets all the below criteria:

- There is an identified asset
- The Company has the right to obtain substantially all the economic benefit of the asset; and
- The Company has the right to direct the use of the asset.

For initial measurement of the present value of lease payments and for subsequent measurement of lease modifications, the Company is required to use the rate implicit in the lease. The Company uses its incremental borrowing rate, which is a collateralized rate, for leases without a rate implicit in the lease. The application of the incremental borrowing rate is performed on a lease-by-lease basis and approximates the rate at which the Company could borrow, on a secured basis for a similar term, an amount equal to its lease payments in a similar economic environment. The weighted average interest rate for the Company’s finance leases is 7.58%

The following table summarizes the Company’s finance lease assets and lease liabilities as of September 30, 2023, and December 31, 2022:

<b>Balance Sheet Classification</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>		
Finance–noncurrent - ROU asset, net	\$ 13,250	\$ 19,832
<b>Liabilities</b>		
Finance–current - Short-term finance lease	8,988	9,238
Finance–noncurrent - Long-term finance lease	5,138	11,305
Total lease liabilities	<u>\$ 14,126</u>	<u>\$ 20,543</u>

The following table shows the Company’s future lease commitments due in each of the next five years and thereafter for finance leases:

<b>Years Ended December 31,</b>	<b>Finance Lease Payments</b>
2023	\$ 7,241
2024	8,988
2025	4,494
2026	—
2027	—
Total lease payments	20,723
Adjustment for discount to present value	(6,597)
Total	<u>\$ 14,126</u>

**Note— 13 Stockholders’ Deficit**

**Series A-1 Convertible Preferred Shares**

The Company has designated 300 shares of preferred stock as “Series A-1 Convertible Preferred Shares”.

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The Series A-1 Convertible Preferred Shares entitled their holders to a number of votes equal to the number of shares issuable upon conversion times 2,000,000 granting the holders of Series A-1 Convertible Preferred Shares, as a group, effective control of the Company.

Series A-1 Convertible Preferred Shares are convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than \$30 million, in whole but not in part, into 300 shares of common stock.

Holders of Series A-1 Convertible Preferred Shares are not entitled to receive dividends, out of assets legally available thereof, prior and in preference to any declaration or payment of any dividend on the common stock or any other capital stock of the Corporation.

As of September 30, 2023, and December 31, 2022, there are 300 shares of Series A-1 Convertible Preferred Shares outstanding.

***Series B-1 Convertible Preferred Shares***

The Company has designated 500,000 shares of preferred stock as “Series B-1 Convertible Preferred Shares”.

The Series B-1 Convertible Preferred Shares entitle their holders to votes equal to the number of shares issuable upon conversion.

Each Series B-1 Convertible Preferred Share is convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than \$30 million, in whole but no in part, into 6 shares of common stock.

The Series B-1 Preferred Shares shall be entitled to receive an annual dividend, payable in newly issued common stock, in an amount equal to ten percent of the number of then existing Series B-1 Preferred Shares issued and outstanding prior and in preference to any declaration or payment of any dividend on the common stock or any other capital stock of the Corporation. This Dividend shall be cumulative.

As of September 30, 2023, and December 31, 2022, there are 5 shares of Series B-1 Convertible Preferred Shares outstanding.

***Common Stock***

The Company is authorized to issue 975,000,000 shares of common stock with a par value of \$0.001 per share as of September 30, 2023, and December 31, 2022.

**Note— 14 Commitments and Contingencies**

***Legal Matters***

From time to time, claims are made against the Company in the ordinary course of business, which could result in litigation. Claims and associated litigation are subject to inherent uncertainties and unfavorable outcomes could occur, such as monetary damages, fines, penalties, or injunctions prohibiting the Company from selling one or more products or engaging in other activities. The occurrence of an unfavorable outcome in any specific period could have a material adverse effect on the Company’s results of operations for that period or future periods. The Company is not presently a party to any pending or threatened legal proceedings.

***Employment Agreements and Market-Based Option Grants***

The Company has employment contracts with its Chief Executive Officer and Chief Operating Officer are to receive a salary plus stock compensation and bonuses based on approval from the Board of Directors. The unpaid portion is included in Salaries Payable on the consolidated balance sheets as of September 30, 2023, and December 31, 2022, totaling \$68,750, and \$0, respectively.

In July 2022, the Board of Directors approved and amended executive employment agreements for the Company’s CEO and COO. Commencing July 15, 2022, the CEO and COO annual base salary is \$275,000 each. Additionally, in October 2022, the

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Board of Directors granted 2,250,000 options at an exercise price of \$2.00, to both the CEO and COO, for a total of 4,500,000 options, with vesting of options based on Sustained Market Capitalization targets as follows:

Vesting Trigger	Number of Options Vested
On the date the Sustained Market Capitalization first equals or exceeds \$29,268,520	900,000
On the date the Sustained Market Capitalization first equals or exceeds \$58,537,040	900,000
On the date the Sustained Market Capitalization first equals or exceeds \$117,074,080	900,000
On the date the Sustained Market Capitalization first equals or exceeds \$175,611,120	900,000
On the date the Sustained Market Capitalization first equals or exceeds \$234,148,160	900,000

Sustained Market Capitalization is the average market capitalization for the 90 trading days immediately prior to the date of such determination. Upon vesting, the options may be exercised for up to 10 years after the date of grant. During the nine months ended September 30, 2023, the first vesting trigger has been met resulting in 900,000 options for the CEO and CEO vested and exercisable.

**401(k) Plan**

In 2021, the Company began to offer the BioStem Inc. Employee 401(k), (“Retirement Plan”), a defined contribution plan. Under the Retirement Plan, eligible employees may defer a portion of their pretax salaries, but not more than the statutory limits. The Retirement Plan provides for a discretionary employer cash matching contribution. The Company plans to make matching cash contributions equal to 100% of employee contributions not exceeding 5%. The Company’s total expense for planned matching contributions was immaterial for the nine months ended September 30, 2023, and 2022.

**Note— 15 Subsequent Events**

The Company has evaluated all transactions and events after the balance sheet date through November 14, 2023, the date on which these financials were available to be issued and determined that no additional disclosures are required other than those described below:

On November 1, 2023, the holder of the Related Party Convertible Notes Payable (Note 9) elected to convert unpaid principal and interest of \$300,000 and \$68,427, respectively due under the note into 526,325 shares of the Company’s common stock.

On November 10, 2023, the holder of the Convertible Note Payable (Note 10) elected to convert unpaid principal of \$473,350 into 676,215 shares of the Company’s Common Stock.

During the month of October 2023, the Company issued 1,333,000 shares of common stock in exchange for cash proceeds of approximately \$2,000,000 in a private placement.