

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the Fiscal Year December 31, 2025

or

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

Commission file number: 001-39783

FOXO TECHNOLOGIES INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

85-1050265
(IRS Employer
Identification Number)

477 South Rosemary Ave., Suite 224
West Palm Beach, FL 33401
(Address of principal executive offices)

(612) 800-0059
(Registrant’s telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A		

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act:

Large accelerated filer☐

Non-accelerated filer☒

Accelerated filer☐

Smaller reporting company☒

Emerging growth company☒

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant as of the last business day of the registrants most recently completed second fiscal quarter, based on the price at which the common equity was last sold on June 30, 2025, was approximately \$1,856,695. For purposes of this computation only, all officers, directors and 10% or greater stockholders of the registrant are deemed to be “affiliates.”

The number of shares of Registrant’s Class A Common Stock outstanding, par value \$0.0001 per share, as of April 10, 2026, was 3,732,660,151.

FOXO TECHNOLOGIES INC.
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 2025

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND OTHER INFORMATION CONTAINED IN THIS REPORT

*This Annual Report on Form 10-K, or this Annual Report, and the documents incorporated herein by reference contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “**Securities Act**”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), which include, without limitation, statements regarding estimates and forecasts of financial and performance metrics, projections of market opportunity and market share, potential benefits and the commercial attractiveness to its customers of our products and services, the potential success of our marketing and expansion strategies, including with respect to stockholder value and other aspects of our business identified in this Annual Report, as well as other reports that we file from time to time with the Securities and Exchange Commission. Any statements about our business, financial results, financial condition and operations contained in this Annual Report that are not statements of historical fact may be deemed to be forward-looking statements. These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors.*

Without limiting the foregoing, the words “believes,” “anticipates,” “expects,” “intends,” “plans,” “projects,” or similar expressions are intended to identify forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason, except as required by law, even as new information becomes available or other events occur in the future. Unless otherwise noted, the following discussion of the Company’s business in Item 1, “Business” and its risk factors in Item 1A, “Risk Factors” is based on its operations as of December 31, 2025. Our actual results could differ materially from those expressed or implied by these forward-looking statements as a result of various factors, including the risk factors described in Part I, Item 1A, “Risk Factors,” and elsewhere in this Annual Report such as, but not limited to the risks detailed in “Risk Factors” herein.

Unless expressly indicated or the context requires otherwise, the terms “FOXO,” the “Company,” “we,” “us” or “our” in this Annual Report refer to FOXO Technologies Inc., a Delaware corporation, and, where appropriate, its wholly owned and majority-owned subsidiaries.

PART I

Item 1. Business

Overview

FOXO Technologies Inc., is a healthcare services and technology company. We currently operate four synergistic divisions: (i) a rural hospital division; (ii) a mental and behavioral health division; (iii) an information, data and biospecimen sourcing division; and (iv) an epigenetics diagnostics and interpretation division.

Our mission is to build healthier communities by encompassing technology and expertise to offer a diverse and adaptable range of healthcare services and solutions to improve the quality of healthcare and lives for those we serve.

Our Business Operations

FOXO Technologies Inc., (“**FOXO**”) formerly known as Delwinds Insurance Acquisition Corp., a Delaware corporation, was originally formed in April 2020 as a publicly traded special purpose company for the purpose of effecting a merger, capital stock exchange, asset acquisition, reorganization, or similar business combination involving one or more businesses. With the acquisitions of Myrtle Recovery Centers, Inc. (“**Myrtle**”), effective on June 14, 2024, Rennova Community Health, Inc. (“**RCHI**”), and its wholly owned subsidiary, Scott County Community Health, Inc. (“**SCCH**”), on September 10, 2024 and Vector BioSource Inc. (“**Vector**”) on September 19, 2025, the Company offers behavioral health services, including substance use disorder treatment, it operates a critical access designated hospital in Oneida, Tennessee and it is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries. FOXO is also commercializing epigenetic biomarker technology to support groundbreaking scientific research and disruptive next-generation business initiatives.

Segments

The Company manages and classifies its business into three reportable business segments: (i) Healthcare, (ii) Life Science Services and (iii) Labs. Myrtle, RCHI and SCCH operate under the Healthcare segment and Vector operates under the Life Science Services segment. Previously, Labs consisted of Labs and Life, which were treated as separate segments, however, with the acquisition of Myrtle in June 2024, the Company’s operational focus shifted such that it was appropriate to combine its Labs and Life segments during the second quarter of 2024 and to rename the combined segment as Labs.

(i) Healthcare

Our Healthcare segment began with the acquisition of Myrtle on June 14, 2024, and includes RCHI, which was acquired on September 10, 2024. Myrtle offers behavioral health services, primarily substance use disorder treatments and services that are provided on either an inpatient, residential basis or an outpatient basis. RCHI’s hospital, SCCH, doing business as Big South Fork Medical Center (“**BSF**”), has 25 inpatient beds, and a 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. BSF is designated as a Critical Access Hospital (rural) hospital. On January 20, 2026, the Company announced that BSF expanded its clinical capabilities through the addition of tele-specialty services and cardiac diagnostics.

(ii) Life Science Services

Our Life Science Services segment services the biotechnology, clinical research and pharmaceutical research industries focusing on the development and distribution of high-quality biological materials that support research, diagnostics and emerging therapeutic applications for every stage of life science research.

(iii) Labs

Our Labs segment is commercializing proprietary epigenetic biomarker technology to be used for underwriting risk classification in the global life insurance industry. Our innovative biomarker technology enables the adoption of new saliva-based health and wellness biomarker solutions for underwriting and risk assessment. Our research demonstrates that epigenetic biomarkers, collected from saliva, provide measures of individual health and wellness for the factors used in life insurance underwriting traditionally obtained through blood and urine specimens

Current Business Strategy

Myrtle Recovery Centers, Inc.

Myrtle was formed in the second quarter of 2022 to pursue opportunities in the behavioral health sector, including substance use disorder treatment, initially in rural markets. Services are provided on either an inpatient, residential basis or an outpatient basis.

Myrtle was granted a license by the Department of Mental Health and Substance Abuse Services of Tennessee to operate an alcohol and drug treatment facility in Oneida, Tennessee. The facility, which is located at BSF's campus, commenced operations and began accepting patients on August 14, 2023. The facility offers alcohol and drug residential detoxification and residential rehabilitation treatment services for up to 30 patients. On November 1, 2023, Myrtle began accepting patients at its Nonresidential Office-Based Opiate Treatment Facility ("OBOT"). The OBOT is located adjacent to Myrtle's alcohol and drug treatment facility in Oneida, Tennessee and complements the existing residential rehabilitation and detoxification services offered at Myrtle.

We plan to expand the Myrtle business model by acquiring additional operating facilities and by replicating the current model in other rural hospital properties or suitable premises.

Rennova Community Health, Inc.

BSF is an east Tennessee based Critical Access designated (CAH) 25-bed hospital licensed by the state of Tennessee, offering quality healthcare services for Oneida and the surrounding areas.

The hospital first opened in late 1955 and was known as Scott County Community Hospital. The hospital has been operated by RCHI since August 2017.

We plan to grow this division by expansion of services at its BSF campus and acquisitions in targeted areas.

Vector BioSource Inc.

Vector is focused on sourcing and distributing high-quality biological materials, such as blood and urine, and providing data services to the pharmaceutical and biotechnology research sectors. It acts as a supplier to support clinical trials and biotechnology initiatives. Vector has built a unique collection of and access to bio-samples from around the world, including tissues, bio-fluids (blood, serum, urine, etc), and living cells (tumors, parasites, etc). Vector's technology and logistics expertise allow it to rapidly source, preserve, and index these samples for researchers, testing labs, and equipment manufacturers.

We plan to grow this division by organic expansion of the current business and acquisition of similar or complementary businesses.

Our epigenetics subsidiary has served as a pioneer in the development and integration of epigenetic biomarkers into state-of-the-art underwriting protocols and consumer engagement tools. We can use next-generation technology to transform human health and longevity.

Epigenetic technology has been proven to provide health, lifestyle, and longevity insights that have never before been accessible to humans—from just a single saliva sample. Using saliva-based epigenetic biomarkers, we can eliminate the need for invasive collection, allowing us to provide scientists with advanced epigenetic testing services and bioinformatic tools that support groundbreaking research.

We believe there is growing demand for direct-to-consumer wellness testing and epigenetic data analysis tools and are concentrating efforts on: (1) our Bioinformatics Services offering, a suite of bioinformatic tools to help researchers process, analyze, and interpret epigenetic data; and (2) research and development in the fields of health and wellness testing powered by machine learning and artificial intelligence (including a potential AI platform for the delivery of health and well-being data-driven insights to individuals, healthcare professionals and third-party service providers). To further these goals, we intend to leverage the extensive epigenetic data we have generated in our clinical trials and the expertise of our team and continue building strategic alliances with new partners in academia, business, healthcare and government. We also intend to frequently evaluate and develop commercialization opportunities for our product and service offerings and our research findings.

The USPTO has issued Notices of Allowance to us for two patents for the use of machine learning techniques to enable the commercialization of epigenetic biomarkers. We believe that these patents will enhance management's ability to protect a future health and well-being AI platform, as discussed above, to the extent that we develop one. See *"Business – Intellectual Property – Proprietary Intellectual Property"* below for more information.

The Company continues to evaluate strategic alternatives for this division. Development and commercialization of the epigenetics business requires substantial additional capital that the Company has not yet secured. Due to the lack of available capital and the absence of a definitive timeline for bringing a revenue-generating product to market, intangible assets in this division have been fully impaired. Potential future paths for this division could include partnerships with nutrients or wellness providers for development of consumer interpretation products, joint ventures, or a sale of the business, although no decisions have been made and there can be no assurance that any such transaction will occur.

Intellectual Property

Our approach to intellectual property is guided by the following strategic guidelines: create proprietary intellectual property that adds value, credibility, and competitive advantage; file patents, if possible; and protect our intellectual property as trade-secrets where meaningful patent protection cannot be achieved.

Proprietary Intellectual Property

We currently maintain significant trade-secret intellectual property regarding epigenetic biomarker technology. The following patent applications were filed in the United States only with a non-publication request to prolong confidentiality and allow for an option to abandon one or more in favor of trade secret protection:

- Patent Application USAN 16/579,777: "A Machine Learning Model Trained to Classify Risk Using DNA Epigenetic Data" (filed September 23, 2019).
- Patent Application USAN 16/579,818: "A Machine Learning Model Trained to Determine Biochemical State and/or Medical Condition Using DNA Epigenetic Data" (filed September 23, 2019), which has been allowed.
- Patent Application USAN 16/591,296: "Synthetic Probe" (filed October 2, 2019), which has been allowed and for which the Company received an Issue Notification.

Licensed Intellectual Property

We have licensed “epigenetic clock” patent applications from UCLA for use in the life insurance industry, which we are no longer pursuing. These licenses require us to achieve certain milestones and pay royalties for the commercial use of the technologies. Our licensed technology includes:

- Patent Application USAN 17/282,318 entitled “DNA Methylation Biomarker of Aging for Human Ex Vivo and In Vivo Studies” (aka “GrimAge”) (filed April 1, 2021).
- Patent Application USAN 16/963,065 entitled “Phenotypic Age and DNA Methylation Based Biomarkers for Life Expectancy and Morbidity” (aka “PhenoAge”) (filed July 17, 2020).

Government Regulation (Healthcare)

Overview

The healthcare industry is governed by an extremely complex framework of federal, state and local laws, rules and regulations, and there continues to be federal and state proposals that would, and actions that do, impose limitations on government and private payments to providers. In addition, there regularly are proposals to increase co-payments and deductibles from patients. Facilities also are affected by controls imposed by government and private payors designed to reduce admissions and lengths of stay. Such controls include what is commonly referred to as “utilization review.” Utilization review entails the review of a patient’s admission and course of treatment by a third party. Historically, utilization review has resulted in a decrease in certain treatments and procedures being performed. Utilization review is required in connection with the provision of care which is to be funded by Medicare and Medicaid and is also required under many managed care arrangements.

Many states have enacted, or are considering enacting, additional measures that are designed to reduce their Medicaid expenditures and to make changes to private healthcare insurance. Various states have applied, or are considering applying, for a waiver from current Medicaid regulations in order to allow them to serve some of their Medicaid participants through managed care providers. These proposals may attempt to include coverage for some people who presently are covered by Medicaid and generally could have the effect of reducing payments to hospitals, physicians and other providers for the same level of service provided under Medicaid.

Healthcare Facility Regulation

Certificate of Need Requirements

A number of states require approval for the purchase, construction or expansion of various healthcare facilities, including findings of need for additional or expanded healthcare services. Certificates of Need (“**CONs**”), which are issued by governmental agencies with jurisdiction over applicable healthcare facilities, are at times required for capital expenditures exceeding a prescribed amount, changes in bed capacity or the addition of services and certain other matters. Tennessee, the state in which we currently operate our facilities, has a CON law that applies to such facilities. States periodically review, modify and revise their CON laws and related regulations. Any violation of state CON laws can result in the imposition of civil sanctions or the revocation of licenses for such facilities. We are unable to predict whether our hospital will be able to obtain any CONs that may be necessary to accomplish their business objectives in any jurisdiction where such certificates of need are required. In addition, future healthcare facility acquisitions also may occur in states that require CONs.

Future healthcare facility acquisitions also may occur in states that do not require CONs or which have less stringent CON requirements than the state in which FOXO currently owns healthcare facilities. Any healthcare facility operated by the Company in such states may face increased competition from new or expanding facilities operated by competitors, including physicians.

Utilization Review Compliance and Hospital Governance

Healthcare facilities are subject to, and are required to comply with, various forms of utilization review. In addition, under the Medicare, each state must have a peer review organization to carry out a federally mandated system of review of Medicare patient admissions, treatments and discharges in hospitals. Medical and surgical services are supervised by committees of staff doctors at each healthcare facility, are overseen by each healthcare facility's local governing board, the primary voting members of which are physicians and community members and are reviewed by quality assurance personnel. The local governing boards also help maintain standards for quality care, develop long-range plans, establish, review and enforce practices and procedures and approve the credentials and disciplining of medical staff members.

Emergency Medical Treatment and Active Labor Act

The Emergency Medical Treatment and Active Labor Act ("EMTALA") is a federal law that requires any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who presents to the hospital's emergency department for treatment and, if the patient is suffering from an emergency medical condition or is in active labor, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can handle the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program, the Medicaid program or both. In addition, an injured patient, the patient's family or a medical facility that suffers a financial loss as a direct result of another hospital's violation of the law can bring a civil suit against that other hospital. Although we believe that we comply with EMTALA, we cannot predict whether the Centers for Medicare & Medicaid Services ("CMS") will implement new requirements in the future and whether we will be able to comply with any new requirements.

Drugs and Controlled Substances

Various licenses and permits are required by our hospital to dispense narcotics. We are required to register our dispensing operation for permits and/or licenses with, and comply with certain operating and security standards of, the United States Drug Enforcement Agency ("DEA"), the Food and Drug Administration ("FDA"), state health departments and other state agencies.

Fraud and Abuse, Anti-Kickback and Self-Referral Regulations

Participation in the Medicare and/or Medicaid programs is heavily regulated by federal statutes and regulations. If we fail to comply substantially with the numerous federal laws governing our businesses, our participation in the Medicare and/or Medicaid programs may be terminated and/or civil or criminal penalties may be imposed. For example, a hospital may lose its ability to participate in the Medicare and/or Medicaid programs if it:

- makes claims to Medicare and/or Medicaid for services not provided or misrepresents actual services provided in order to obtain higher payments;
- pays money to induce the referral of patients or the purchase of items or services where such items or services are reimbursable under a federal or state health program;
- fails to report or repay improper or excess payments; or
- fails to provide appropriate emergency medical screening services to any individual who comes to a hospital's campus or otherwise fails to properly treat and transfer emergency patients.

Hospitals continue to be one of the primary focus areas of the federal Office of the Inspector General ("OIG") and other governmental fraud and abuse programs and the OIG has issued and periodically updates compliance program guidance for hospitals. Each federal fiscal year, the OIG also publishes a General Work Plan that provides a brief description of the activities that the OIG plans to initiate or continue with respect to the programs and operations of the Department of Health and Human Services ("HHS") and details the areas that the OIG believes are prone to fraud and abuse.

Sections of the Anti-Fraud and Abuse Amendments to the Social Security Act, commonly known as the “anti-kickback” statute, prohibit certain business practices and relationships that might influence the provision and cost of healthcare services reimbursable under Medicare, Medicaid, TriCare or other healthcare programs, including the payment or receipt of remuneration for the referral of patients whose care will be funded by Medicare or other government programs. Sanctions for violating the anti-kickback statute include criminal penalties and civil sanctions, including fines and possible exclusion from future participation in government programs, such as Medicare and Medicaid. HHS has issued regulations that create safe harbors under the anti-kickback statute. A given business arrangement that does not fall within an enumerated safe harbor is not per se illegal; however, business arrangements that fail to satisfy the applicable safe harbor criteria are subject to increased scrutiny by enforcement authorities.

The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) broadened the scope of the fraud and abuse laws by adding several criminal statutes that are not related to receipt of payments from a federal healthcare program. HIPAA created civil penalties for proscribed conduct, including upcoding and billing for medically unnecessary goods or services. These laws cover all health insurance programs, private as well as governmental. In addition, HIPAA broadened the scope of certain fraud and abuse laws, such as the anti-kickback statute, to include not just Medicare and Medicaid services, but all healthcare services reimbursed under a federal or state healthcare program. Finally, HIPAA established enforcement mechanisms to combat fraud and abuse. These mechanisms include a bounty system where a portion of the payment recovered is returned to the government agencies, as well as a whistleblower program, where a portion of the payment received is paid to the whistleblower. HIPAA also expanded the categories of persons that may be excluded from participation in federal and state healthcare programs.

There is increasing scrutiny by law enforcement authorities, the OIG, the courts and the U.S. Congress of arrangements between healthcare providers and potential referral sources to ensure that the arrangements are not designed as mechanisms to exchange remuneration for patient-care referrals and opportunities. Investigators also have demonstrated a willingness to look behind the formalities of a business transaction and to reinterpret the underlying purpose of payments between healthcare providers and potential referral sources. Enforcement actions have increased, as is evidenced by highly publicized enforcement investigations of certain hospital activities.

In addition, provisions of the Social Security Act, known as the Stark Act, also prohibit physicians from referring Medicare and Medicaid patients to providers of a broad range of designated health services with which the physicians or their immediate family members have ownership or certain other financial arrangements. Certain exceptions are available for employment agreements, leases, physician recruitment and certain other physician arrangements. A person making a referral, or seeking payment for services referred, in violation of the Stark Act is subject to civil monetary penalties; restitution of any amounts received for illegally billed claims; and/or exclusion from future participation in the Medicare program, which can subject the person or entity to exclusion from future participation in state healthcare programs.

Further, if any physician or entity enters into an arrangement or scheme that the physician or entity knows or should have known has the principal purpose of assuring referrals by the physician to a particular entity, and the physician directly makes referrals to such entity, then such physician or entity could be subject to a civil monetary penalty. Compliance with and the enforcement of penalties for violations of these laws and regulations is changing and increasing. For example, CMS has issued a “self-referral disclosure protocol” for hospitals and other providers that wish to self-disclose potential violations of the Stark Act and attempt to resolve those potential violations and any related overpayment liabilities at levels below the maximum penalties and amounts set forth in the statute. In light of the provisions of the Affordable Care Act that created potential liabilities under the federal False Claims Act (discussed below) for failing to report and repay known overpayments and return an overpayment within 60 days of the identification of the overpayment or the date by which a corresponding cost report is due, whichever is later, hospitals and other healthcare providers are encouraged to disclose potential violations of the Stark Act to CMS. It is likely that self-disclosure of Stark Act violations will increase in the future. Finally, many states have adopted or are considering similar legislative proposals, some of which extend beyond the Medicaid program, to prohibit the payment or receipt of remuneration for the referral of patients and physician self-referrals regardless of the source of the payment for the care.

The Federal False Claims Act and Similar State Laws

The federal False Claims Act prohibits providers from, among other things, knowingly submitting false or fraudulent claims for payment to the federal government. The False Claims Act defines the term “knowingly” broadly, and while simple negligence generally will not give rise to liability, submitting a claim with reckless disregard to its truth or falsity can constitute the “knowing” submission of a false or fraudulent claim for the purposes of the False Claims Act. The “*qui tam*” or “whistleblower” provisions of the False Claims Act allow private individuals to bring actions under the False Claims Act on behalf of the government. These private parties are entitled to share in any amounts recovered by the government, and, as a result, the number of “whistleblower” lawsuits that have been filed against providers has increased significantly in recent years. When a private party brings a *qui tam* action under the False Claims Act, the defendant will generally not be aware of the lawsuit until the government makes a determination whether it will intervene and take a lead in the litigation. If a provider is found to be liable under the False Claims Act, the provider may be required to pay up to three times the actual damages sustained by the government plus mandatory civil monetary penalties for each separate false claim. The government has used the False Claims Act to prosecute Medicare and other government healthcare program fraud such as coding errors, billing for services not provided, submitting false cost reports, and providing care that is not medically necessary or that is substandard in quality.

HIPAA Transaction, Privacy and Security Requirements

HIPAA and federal regulations issued pursuant to HIPAA contain, among other measures, provisions that have required the Company to implement modified or new computer systems, employee training programs and business procedures. The federal regulations are intended to encourage electronic commerce in the healthcare industry, provide for the confidentiality and privacy of patient healthcare information and ensure the security of healthcare information.

A violation of the HIPAA regulations could result in civil money penalties per standard violated. HIPAA also provides for criminal penalties and one year in prison for knowingly and improperly obtaining or disclosing protected health information, up to five years in prison for obtaining protected health information under false pretenses and up to ten years in prison for obtaining or disclosing protected health information with the intent to sell, transfer or use such information for commercial advantage, personal gain or malicious harm. Since there is limited history of enforcement efforts by the federal government at this time, it is difficult to ascertain the likelihood of enforcement efforts in connection with the HIPAA regulations or the potential for fines and penalties, which may result from any violation of the regulations.

HIPAA Privacy Regulations

HIPAA privacy regulations protect the privacy of individually identifiable health information. The regulations provide increased patient control over medical records, mandate substantial financial penalties for violation of a patient's right to privacy and, with a few exceptions, require that an individual's individually identifiable health information only be used for healthcare-related purposes. These privacy standards apply to all health plans, all healthcare clearinghouses and all healthcare providers, such as our healthcare facilities, that transmit health information in an electronic form in connection with standard transactions and apply to individually identifiable information held or disclosed by a covered entity in any form. These standards impose extensive administrative requirements on us and require compliance with rules governing the use and disclosure of such health information, and they require our facilities to impose these rules, by contract, on any business associate to whom we disclose such information in order to perform functions on our behalf. In addition, we are subject to any state laws that are more restrictive than the privacy regulations issued under HIPAA. These laws vary by state and could impose stricter standards and additional penalties.

The HIPAA privacy regulations also require healthcare providers to implement and enforce privacy policies to ensure compliance with the regulations and standards. We believe all of our facilities are in compliance with current HIPAA privacy regulations.

HIPAA Electronic Data Standards

The Administrative Simplification Provisions of HIPAA require the use of uniform electronic data transmission standards for all healthcare related electronic data interchange. These provisions are intended to streamline and encourage electronic commerce in the healthcare industry. Among other things, these provisions require us to use standard data formats and code sets established by HHS when electronically transmitting information in connection with certain transactions, including health claims and equivalent encounter information, healthcare payment and remittance advice and health claim status.

The HHS regulations establish electronic data transmission standards that all healthcare providers and payors must use when submitting and receiving certain electronic healthcare transactions. The uniform data transmission standards are designed to enable healthcare providers to exchange billing and payment information directly with the many payors thereby eliminating data clearinghouses and simplifying the interface programs necessary to perform this function. We believe that our management information systems comply with HIPAA's electronic data regulations and standards.

HIPAA Security Standards

The Administrative Simplification Provisions of HIPAA require the use of a series of security standards for the protection of electronic health information. The HIPAA security standards rule specifies a series of administrative, technical and physical security procedures for covered entities to use to assure the confidentiality of electronic protected health information. The standards are delineated into either required or addressable implementation specifications. We believe we are in compliance with all the aspects of the HIPAA security regulations.

HIPAA National Provider Identifier

HIPAA also required HHS to issue regulations establishing standard unique health identifiers for individuals, employers, health plans and healthcare providers to be used in connection with standard electronic transactions. All healthcare providers, including our hospital, were required to obtain a new National Provider Identifier (“NPI”) to be used in standard transactions instead of other numerical identifiers by May 23, 2007. Our hospital implemented use of a standard unique healthcare identifier by utilizing its employer identification number. HHS has not yet issued proposed rules that establish the standard for unique health identifiers for health plans or individuals. Once these regulations are issued in final form, we expect to have approximately one to two years to become fully compliant but cannot predict the impact of such changes at this time. We cannot predict whether our facilities may experience payment delays during the transition to the new identifiers. HHS is currently working on the standards for identifiers for health plans; however, there are currently no proposed timelines for issuance of proposed or final rules. The issuance of proposed rules for individuals is on hold indefinitely.

Medical Waste Regulations

Our operations, especially our hospital, generate medical waste that must be disposed of in compliance with federal, state and local environmental laws, rules and regulations. Our operations are also generally subject to various other environmental laws, rules and regulations. Based on our current level of operations, we do not anticipate that such compliance costs will have a material adverse effect on our cash flow, financial position or results of operations.

Compliance Program

The Company continuously evaluates and monitors its compliance with all Medicare, Medicaid and other rules and regulations. The objective of the Company’s compliance program is to develop, implement and update compliance safeguards as necessary. Emphasis is placed on developing and implementing compliance policies and guidelines, personnel training programs and various monitoring and audit procedures to attempt to achieve implementation of all applicable rules and regulations.

The Company seeks to conduct its business in compliance with all statutes, regulations, and other requirements applicable to its operations. The health care industry is, however, subject to extensive regulation, and many of these statutes and regulations have not been interpreted by the courts. There can be no assurance that applicable statutes and regulations will not be interpreted or applied by a prosecutorial, regulatory or judicial authority in a manner that would adversely affect the Company. Potential sanctions for violation of these statutes and regulations include significant civil and criminal penalties, fines, exclusions from participation in government health care programs and the loss of various licenses, certificates and authorizations necessary to operate as well as potential liabilities from third-party claims, all of which could have a material adverse effect on the Company’s business.

Professional Liability

As part of our business, our facilities are subject to claims of liability for events occurring in the ordinary course of operations. Professional malpractice liability insurance and general liability insurance policies are maintained in amounts which are required and/or commercially available and believed to be sufficient for operations as currently conducted, although some claims may exceed the scope or amount of the coverage in effect.

Environmental Regulation

We believe we are in substantial compliance with applicable federal, state and local environmental regulations. To date, compliance with federal, state and local laws regulating the discharge of material into the environment or otherwise relating to the protection of the environment have not had a material effect upon our results of operations, financial condition or competitive position. Similarly, we have not had to make material capital expenditures to comply with such regulations.

Payment for Services

The Company's healthcare operations depend significantly on continued participation in the Medicare and Medicaid programs and in other government healthcare programs. In recent years, both governmental and private sector payers have made efforts to contain or reduce health care costs, including reducing reimbursement for services.

Under the Consolidated Appropriations Act of 2021, Congress adopted provisions to help protect patients against surprise bills and provide more price transparency. Patients have new billing protections when receiving emergency care and non-emergency care from out-of-network providers at in-network facilities. Excessive out-of-pocket costs are restricted and emergency services must continue to be covered without any prior authorization and regardless of whether or not a provider or facility is in-network.

Further healthcare reform could occur, including changes to the Affordable Care Act and Medicare reform, as well as administrative requirements that may affect coverage, reimbursement and utilization of our hospitals in ways that are currently unpredictable.

Government Regulation (Life Science Services)

Overview

Vector, which operates the Life Science Services segment of the Company, sources and distributes human biological specimens for research use only ("RUO") purposes. Vector's activities include coordinating the sourcing, handling, packaging, storage and distribution of human biospecimens obtained through third party hospitals, laboratories, clinical partners and specimen providers.

Vector's operations are subject to a variety of federal, state, local and international laws and regulations governing the handling of biological materials, workplace safety, transportation of regulated substances, privacy and data protection, and the import and export of biological specimens. These regulations may apply to different aspects of Vector's operations depending on the type of specimen involved, the location where the specimen was collected and the jurisdiction through which specimens are transported.

The regulatory environment applicable to biospecimen sourcing and distribution continues to evolve. The following discussion summarizes the principal regulatory frameworks that affect Vector's operations. This discussion does not purport to be a complete description of all applicable laws and regulations.

FDA Regulation

Vector distributes human biological specimens for research use only and does not manufacture, process or distribute biological materials intended for therapeutic use, transplantation, infusion or implantation into a human recipient. Certain human cells, tissues and cellular and tissue-based products are regulated by the U.S. Food and Drug Administration under the Public Health Service Act and regulations codified at 21 CFR Parts 1270 and 1271. These regulations apply primarily to human cells and tissues intended for implantation, transplantation, infusion or transfer into a human recipient.

Vector's activities are limited to the sourcing and distribution of biological specimens for research purposes. Vector does not currently manufacture biological products, perform diagnostic laboratory testing services or engage in activities requiring biologics license applications.

Vector works with third party specimen providers and clinical partners that may maintain applicable regulatory registrations depending on the nature of their activities. These partners are responsible for complying with regulatory requirements applicable to the collection and handling of biological materials within their respective jurisdictions.

Failure by Vector or its partners to comply with applicable regulatory requirements could result in enforcement actions by regulatory authorities, including warning letters, administrative actions, fines or other penalties.

Transportation and Shipping of Biological Materials

The transportation of biological materials is regulated by the U.S. Department of Transportation under regulations governing the transportation of hazardous materials and biological substances. These regulations establish requirements for the classification, packaging, labeling, marking and documentation of certain biological materials that are transported by ground or air. For international air shipments, Vector must also comply with the International Air Transport Association Dangerous Goods Regulations, which establish global standards for packaging, labelling and documentation of biological materials transported by air. Vector utilizes specialized packaging and shipping containers designed to maintain required temperature conditions and to comply with applicable shipping standards.

Failure to comply with transportation regulations could result in shipment delays, fines, penalties or restrictions on the transportation of biological materials.

Import and Export Regulations

Vector sources certain biological specimens internationally through partnerships with hospitals, laboratories and specimen providers located outside the United States.

The importation of biological materials into the United States may be regulated by several federal agencies depending on the nature of the material involved. These agencies include:

- The Centers for Disease Control and Prevention
- The U.S. Department of Agriculture
- U.S. Customs and Border Protection

These regulatory frameworks govern the importation of certain biological agents, infectious materials and animal derived substances. In addition, the export of biological materials from foreign jurisdictions may be subject to the laws and regulations in those jurisdictions. These requirements may include donor consent requirements, ethical sourcing standards and export permit processes.

Failure to comply with applicable import or export requirements could result in shipment delays, denial of entry for imported materials, fines or other administrative actions.

Privacy and Data Protection

Vector may receive certain information associated with biological specimens sourced through its partners. Applicable privacy and data protection laws may govern the collection, use and disclosure of certain types of personal information. Vector generally seeks to minimize the receipt of personally identifiable information and typically works with de identified or coded data associated with biological specimens whenever possible.

Privacy regulations that may apply to aspects of Vector's operations include the Health Insurance Portability and Accountability Act in the United States and various state privacy laws governing personal information. International jurisdictions from which specimens are sourced may also maintain data protection laws governing the handling of personal information.

Failure to comply with applicable privacy laws could result in regulatory enforcement actions, fines, civil liability or reputational harm.

Workplace Safety – Bloodborne Pathogens

Vector personnel may handle blood and other biological materials in connection with specimen packaging, storage and shipping activities. These activities are subject to the Occupational Safety and Health Administration Bloodborne Pathogens Standard, which establishes requirements designed to protect workers from occupational exposure to bloodborne pathogens. The regulation requires employers to implement exposure control plans, provide employee training and personal protective equipment and maintain records relating to occupational exposure incidents.

Failure to comply with workplace safety regulations could result in citations, fines or other enforcement actions.

Clinical Laboratory Improvement Amendments

The Clinical Laboratory Improvement Amendments ("CLIA") regulate laboratories that perform diagnostic testing on human specimens for the purpose of providing information used in medical diagnosis, prevention or treatment. Vector currently operates as a biospecimen sourcing and distribution organization and does not perform diagnostic laboratory testing services. Accordingly, Vector does not currently operate laboratories subject to CLIA certification requirements.

If Vector were to perform diagnostic testing services in the future, additional regulatory requirements could apply.

Supply Chain and Specimen Availability

Vector's ability to provide biological specimens depends on the availability of specimens from third party hospitals, laboratories, clinical partners and other specimen providers. The availability of biological specimens may be affected by factors including patient availability, clinical testing patterns, healthcare utilization trends and regulatory or ethical requirements governing specimen collection. Vector does not control the operations of the third-party institutions that collect or generate these specimens. As a result, the availability of certain specimen types may fluctuate and may limit Vector's ability to fulfill certain customer requests.

Disruptions affecting healthcare providers, clinical laboratories or transportation networks could also impact the availability or timely delivery of biological specimens to customers.

Ethical Sourcing and Donor Consent

Human biological specimens sourced by Vector originate from third party clinical institutions and specimen providers. These institutions are responsible for ensuring that specimens are obtained in accordance with applicable ethical standards, donor consent requirements and institutional review policies. Vector seeks to work with partners that represent that specimens are obtained in accordance with applicable legal and ethical standards in the jurisdictions in which the specimens are collected.

Failure by Vector or its partners to comply with applicable ethical sourcing or donor consent requirements could result in regulatory scrutiny, reputational harm or restrictions on the sourcing of biological specimens.

Compliance

Vector maintains policies and procedures designed to support compliance with applicable laws and regulations governing the sourcing, handling and distribution of biological specimens. The regulatory environment affecting biospecimen sourcing and distribution continues to evolve, and regulatory authorities may interpret existing laws and regulations in ways that could affect Vector's operations.

Violations of applicable laws and regulations could result in civil or criminal penalties, fines, restrictions on operations or reputational harm.

Government Regulation (Labs)

The laboratory testing businesses is highly regulated at both the federal and state levels. We continually research and monitor the regulatory environment and regulatory changes that may apply to our business and have applied, or intend to apply, for any appropriate licenses in the required states, if such licenses are necessary, both federally and at the state level. We plan to provide our products and services under a distributed testing mode with separated "dry" and "wet" labs, with FOXO Labs analyzing epigenetic biomarkers based on data from outsourced testing performed by its partner "wet" lab. Risks related to regulation are detailed in the "*Risk Factors*" section.

Conducting human testing is subject to state and federal regulation. CLIA is the federal law (administered by the CMS) that, in partnership with the states, regulates clinical laboratories that perform testing on human specimens. The Federal Food, Drug, and Cosmetic Act (the "**FDC Act**") gives the FDA the authority to regulate manufacturers of medical devices. We do not believe that our "dry lab" data analysis services require certification under CLIA, or that FDA has jurisdiction over our use of data analysis for general health and wellness and non-diagnostic or medical treatment purposes (see section titled "*Risk Factors — Risks Related to Our Epigenetic Testing Services*").

Any adverse change in present laws or regulations, or their interpretation, federally or in one or more states in which we operate or plan to operate (or an aggregation of states in which we conduct a significant amount of business) could result in our curtailment or termination of operations in such jurisdictions, or cause us to not start or modify our operations in a way that adversely affects our ultimate profitability. Further, the failure of our wet-laboratory partners to hold a CLIA certification appropriate to the type of testing they provide could result in adverse regulatory action (see section titled "*Risk Factors — Risks Related to Our Epigenetic Testing Services*"). Any such action could have a corresponding material adverse impact on our results of operations and financial condition, primarily through a material decrease in revenues, and could have a material adverse impact on our business.

Employees

As of March 10, 2026 we had 192 employees, of which 117 were full-time. None of the Company's employees are represented by a union.

Reverse Stock Splits

On April 17, 2025, the Company's board of directors (pursuant to a previously-obtained shareholder approval) approved the implementation of a 1-for-10 reverse stock split, such that every 10 shares of the Company's Class A Common Stock will be combined into one issued and outstanding share of Common Stock, with no change in the \$0.0001 par value per share (the "**First Reverse Stock Split**"). The First Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on April 28, 2025. Trading reopened on April 29, 2025, which is when the Company's Class A Common Stock began trading on a post reverse stock split basis.

On July 17, 2025, the Company's board of directors (pursuant to previously-obtained shareholder approval) approved the implementation of a 1-for-1.99 reverse stock split, such that every 1.99 shares of the Company's Class A Common Stock will be combined into one issued and outstanding share of the Company's Class A Common Stock, with no change in the \$0.0001 par value per share (the "**Second Reverse Stock Split**") and together with the First Reverse Stock Split, (the "**Reverse Stock Splits**"). The Second Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on July 27, 2025. Trading reopened on July 28, 2025, which is when the Company's Class A Common Stock began trading on a post reverse stock split basis.

All share amounts herein have been adjusted to reflect the Reverse Stock Splits.

On September 2, 2025, Rennova Health, Inc. (which is controlled by the Company's CEO) ("RHI" or the "Majority Stockholder"), a shareholder representing a majority of the voting control of the Company, approved a proposal to amend our Certificate of Incorporation to effect a reverse stock split of our issued and outstanding Common Stock any time before July 31, 2026, at a ratio ranging from one-for-ten (1:10) to one-for-five hundred (1:500) with the exact ratio within such range to be determined at the sole discretion of the Company's Board of Directors, without further approval or authorization of our stockholders before the filing of an amendment to the Certificate of Incorporation effecting the proposed reverse split. The Company has filed an Information Statement on Schedule 14C with the SEC with respect to the matters approved by the Majority Stockholder and has mailed the definitive Information Statement on Schedule 14C to its stockholders of record as of the record date.

On September 25, 2025, the Company submitted a Company-Related Notification to FINRA's Department of Market Operations in connection with a proposed reverse stock split. On March 6, 2026, the Department issued a deficiency notice pursuant to FINRA Rule 6490(d)(3), determining that the Company's corporate action submission would not be processed.

The Department's determination was based, in part, on a pending SEC civil action against the managing partner of an institutional investor that holds shares of the Company's Series A Preferred Stock, as well as the Department's view that, upon conversion of such preferred stock, the investor could own approximately 95% of the Company's outstanding common stock, without giving effect to the beneficial ownership limitations contained in the terms of such securities.

The Company disagrees with the Department's determination and, on March 12, 2026, filed a Notice of Appeal. The appeal will be considered by a subcommittee of FINRA's Uniform Practice Code Committee, and the subcommittee's determination will constitute final action within FINRA. The appeal is currently pending, and FINRA has scheduled a review date of April 27, 2026. There can be no assurance that the appeal will be successful.

If the appeal is unsuccessful, the Company may need to pursue alternative approaches to address its capital structure. In addition, the inability to complete the reverse stock split may limit the Company's ability to access capital, including under its existing \$5.0 million equity line of credit, which could materially adversely affect the Company's liquidity and its ability to execute its business plan.

Item 1A. Risk Factors

The following risks could materially and adversely affect our business, financial condition, cash flows, and results of operations, and the trading price of our Class A Common Stock could decline. These risk factors do not identify all risks that we face. Our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. Refer also to the other information set forth in this Annual Report, including in Part II, Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" as well as our consolidated financial statements and the related notes in Part II, Item 15.

Risk Factor Summary

Our business is subject to numerous risks and uncertainties that represent challenges, including those highlighted in the section entitled "*Risk Factors*," that represent challenges that we face in connection with the successful implementation of our strategy and growth of our business. Below we summarize what we believe are the principal risk factors, but these risks are not the only ones we face, and you should carefully review and consider the full discussion of our risk factors in the section titled "*Risk Factors*," together with the other information in this Annual Report. The occurrence of one or more of the events or circumstances described in the section entitled "*Risk Factors*," alone or in combination with other events or circumstances, and may have an adverse effect on our business, cash flows, financial condition and results of operations. Such risks include, but are not limited to:

Risks Related to Our Business and Industry

- Our stockholders have limited voting power compared to the holders of our Series A Cumulative Convertible Redeemable Preferred Stock (the “**Series A Preferred Stock**”) and RHI controls a majority of the voting power of the Company.
- Our management controls all corporate activities and can approve all transactions, including mergers, without the approval of other stockholders.
- The ability of our management to control our business may limit or eliminate minority shareholders’ ability to influence corporate affairs.
- Our board of directors has the authority, without stockholder approval, to issue preferred stock with terms that may not be beneficial to common stockholders and with the ability to affect adversely stockholder voting power, perpetuate their control, and significantly dilute existing shareholders.
- We may acquire other businesses or form joint ventures or make investments in other companies in the future. If we are not successful in integrating these businesses, as well as identifying and controlling risks associated with the past operations of these businesses, we may incur significant costs, receive penalties or other sanctions from various regulatory agencies, and/or incur significant diversions of management time and attention.
- We have a history of losses and we may not achieve or maintain profitability in the future.
- We do not have adequate cash resources to fund our operations through December 2026 and beyond and we will require additional capital to grow our business, which may not be available on terms acceptable to us or at all
- Our independent registered public accounting firm has included an explanatory paragraph relating to our ability to continue as a going concern in its report on our audited financial statements, which could limit our ability to raise additional capital and thereby materially adversely impact our business.
- We have not been able to access the operating capital available under the Strata Purchase Agreement because current market conditions, including the low trading price and limited trading volume of our Class A Common Stock, have prevented us from satisfying the contractual conditions required for draws under that agreement.
- We have a substantial amount of intangible assets, and we have been, and may in the future be required to write down the value of our intangible assets due to impairment, which could have a material adverse effect on our financial condition and results of operations.
- Recent and future management changes and any inability to attract and retain qualified management and other key personnel, could impair our ability to implement our business plan and materially adversely impact our business, results of operations and financial condition.
- Our success depends in large part on the continued participation in the business of Seamus Lagan, our Chief Executive Officer, which cannot be assured or guaranteed.
- We expect our revenue and results of operations to fluctuate on a quarterly and annual basis.
- Changes in general economic conditions could have a material adverse impact on our business.
- Changes If we are unable to maintain effective internal control over financial reporting and disclosure controls and procedures, the accuracy and timing of our financial reporting may be adversely affected.
- We have substantial indebtedness many of which are in payment default, which may affect our operational and financial flexibility.

Risks Related to Our Healthcare Operations

- Our results of operations may be adversely affected if the ACA is repealed, replaced or otherwise changed.
- Healthcare plans have taken steps to control the utilization and reimbursement of healthcare services.
- Some of our operations are subject to federal and state laws prohibiting “kickbacks” and other laws designed to prohibit payments for referrals and eliminate healthcare fraud.
- We conduct our business in a heavily regulated industry and changes in regulations or violations of regulations could, directly or indirectly, harm our operating results and financial condition.
- Failure to comply with complex federal and state laws and regulations related to submission of claims for services can result in significant monetary damages and penalties and exclusion from the Medicare and Medicaid programs.
- Our facilities are subject to potential claims for professional liability, including existing or potential claims based on the acts or omissions of third parties, which claims may not be covered by insurance.
- Our success depends on our ability to attract and retain qualified healthcare professionals. A shortage of qualified healthcare professionals could weaken our ability to deliver healthcare services.
- A significant portion of our net revenues is dependent on Medicare and Medicaid payments and possible reductions in Medicare or Medicaid payments or the implementation of other measures to reduce reimbursements may reduce our revenues.
- Failure to timely or accurately bill for our services could have a material adverse effect on our business.
- Our operations may be adversely impacted by the effects of extreme weather conditions, natural disasters such as hurricanes and earthquakes, hostilities or acts of terrorism and other criminal activities.
- Increased competition, including price competition, could have a material adverse impact on our net revenues and profitability.
- Sustained inflation and staffing shortages could increase our costs of operations.
- Failure to maintain the security of patient-related information or compliance with security requirements could damage the Company’s reputation with patients and cause it to incur substantial additional costs and to become subject to litigation.
- Failure of the Company to comply with emerging electronic transmission standards could adversely affect our business.
- Compliance with the HIPAA security regulations and privacy regulations may increase the Company’s costs.
- Health care reform and related programs (e.g. Health Insurance Exchanges), changes in government payment and reimbursement systems, or changes in payer mix, including an increase in capitated reimbursement mechanisms and evolving delivery models, could have a material adverse impact on the Company’s net revenues, profitability and cash flow.
- Adverse results in material litigation matters or governmental inquiries could have a material adverse effect upon the Company’s business and financial condition.

- Failure in the Company's information technology systems or delays or failures in the development and implementation of updates or enhancements to those systems could significantly delay billing and otherwise disrupt the Company's operations or patient relationships.
- Increasing health insurance premiums and co-payments or high-deductible health plans may cause individuals to forgo health insurance and avoid medical attention, either of which may reduce demand for our products and services.
- Our healthcare operations are dependent on the local economies and the surrounding areas in which they operate and are concentrated in Tennessee. A significant deterioration in those economies could cause a material adverse effect on our businesses.

Risks Related to Our Life Science Services Business

- Our Life Science Services operations are subject to government regulation, and failure to comply with applicable laws and regulations could adversely affect our business.
- Vector's international sourcing activities subject us to additional regulatory and operational risks.
- Vector's business depends on relationships with specimen providers, and disruptions to those relationships could adversely affect our operations.
- Vector operates in a competitive biospecimen sourcing market.
- Ethical or compliance failures in specimen sourcing could harm our reputation.
- Quality control issues could adversely affect our business.
- We may face liability related to the specimens we distribute.
- Privacy and data protection laws may apply to aspects of our business.
- We recently acquired Vector and may not be able to successfully integrate its operations or realize the anticipated benefits of the acquisition.
- The sellers of Vector have a right to repurchase the business under certain circumstances, which could result in the loss of our investment.
- We may be required to pay significant earnout consideration to the sellers of Vector, which could adversely affect our financial condition and dilute our existing stockholders.
- Our business relies on third-party logistics providers.
- We may face customer and supplier concentration risk.
- Our growth strategy may involve acquisitions.
- Our Life Science Services segment may require additional capital.

Risks Related to Owning Our Securities

- Our Class A Common Stock is subject to the “penny stock” rules of the SEC and the trading market in the securities is limited, which makes transactions in the stock cumbersome and may reduce the value of an investment in the stock.
- Because the SEC imposes additional sales practice requirements on brokers who deal in our shares that are penny stocks, some brokers may be unwilling to trade them. This means that investors may have difficulty reselling their shares and may cause the price of the shares to decline.
- Our stock may be traded infrequently and in low volumes, so you may be unable to sell your shares at or near the quoted bid prices if you need to sell your shares.
- There currently is no active public market for our Common Stock and there can be no assurance that an active public market will ever develop. Failure to develop or maintain a trading market could negatively affect the value of our common stock and make it difficult or impossible for you to sell your shares.
- The public market for our securities is volatile. This may affect not only the ability of our investors to sell their securities, but the price at which they may sell their securities.
- Our common stock is subject to substantial dilution by conversions or exercises of outstanding convertible preferred stock, convertible notes, common stock warrants and other securities into common stock.
- If we issue additional shares of our common stock or convertible equity or debt in the future, whether in connection with a financing or in exchange for services or rights, it will result in dilution of our existing stockholders.
- FINRA has refused to process our proposed reverse stock split and our appeal of that determination may not be successful.

RISK FACTORS

In addition to the other information contained in this Annual Report, including the matters addressed under the heading “Special Note Regarding Forward-Looking Statements and Other Information Contained in this Report,” you should carefully consider the risks and uncertainties described in this Annual Report as they identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward- looking statements.

The following risk factors apply to the business and operations of the Company. These risk factors are not exhaustive, and investors are encouraged to perform their own investigation with respect to the business, financial condition and prospects of the Company. We may face additional risks and uncertainties that are not presently known to us, or that we currently deem immaterial, which may also impair our business or financial condition. The following discussion should be read in conjunction with our consolidated financial statements and notes to the consolidated financial statements included herein.

Risks Related to Our Business and Industry

Our stockholders have limited voting power compared to the holders of our Series A Preferred Stock; RHI controls a majority of the voting power of the Company

Through the voting rights of our Series A Preferred Stock, RHI currently controls a majority of the voting power of our Company. For so long as the majority of Series A Preferred Stock remains outstanding, it is expected that RHI will hold a majority of our outstanding voting power and it will control the outcome of matters submitted to a stockholder vote, including the appointment of all directors of the Company.

Our management controls all corporate activities and can approve all transactions, including mergers, without the approval of other stockholders.

Our Chief Executive Officer and director, Seamus Lagan, and director, Trevor Langley, are in management of RHI with Mr. Lagan voting shares of the Company owned by RHI. Through this share ownership, Mr. Lagan has a majority of votes of our Company. Therefore, our management effectively controls all corporate activities and can approve transactions, including possible mergers, issuance of shares and compensation levels, without the approval of other stockholders. The decisions of our management may not be consistent with or in the best interests of other stockholders.

The ability of our management to control our business may limit or eliminate minority shareholders' ability to influence corporate affairs.

Our management is deemed to beneficially own the voting rights of shares of Series A Preferred Stock through RHI that grants the holders a super majority vote in all shareholder matters. Because of this beneficial stock ownership, our management is in a position to continue to elect our board of directors, decide all matters requiring stockholder approval, including potential mergers or business changes, and determine our policies. The interests of our management may differ from the interests of other shareholders with respect to the issuance of shares, business transactions with or sales to other companies, selection of officers and directors and other business decisions. The other shareholders would have no way of overriding decisions made by our management. This level of control may also have an adverse impact on the market value of our shares because our management may institute or undertake transactions, policies or programs that may result in losses, may not take any steps to increase our visibility in the financial community and/or may sell sufficient numbers of shares to significantly decrease our price per share.

Our Board of Directors has the authority, without stockholder approval, to issue preferred stock with terms that may not be beneficial to common stockholders and with the ability to affect adversely stockholder voting power, perpetuate their control and significantly dilute existing shareholders.

Our Certificate of Incorporation allow us to issue shares of preferred stock without any vote or further action by our stockholders. Our board of directors has the authority to fix and determine the relative rights and preferences of preferred stock. Our board of directors also has the authority to issue preferred stock without further stockholder approval. Thus, our board of directors could authorize the issuance of a series of preferred stock that would grant to holders the preferred right to our assets upon liquidation, the right to receive dividend payments before dividends are distributed to the holders of common stock and the right to the redemption of the shares, together with a premium, prior to the redemption of our common stock. In addition, existing series of preferred stock that have been issued allow conversions into the Company's Class A Common Stock that would significantly dilute existing shareholders and management may authorize additional series of preferred stock that may significantly dilute existing shareholders.

We may acquire other businesses or form joint ventures or make investments in other companies or technologies in the future. If we are not successful in integrating these businesses, as well as identifying and controlling risks associated with the past operations of these businesses, we may incur significant costs, receive penalties or other sanctions from various regulatory agencies, and/or incur significant diversions of management time and attention.

We may consider or undertake strategic acquisitions of, or material investments in, businesses, products or technologies. If we make any acquisitions, we may not be able to integrate these acquisitions successfully into our existing business, and we could assume unknown or contingent liabilities. Any future acquisitions also could result in significant write-offs or the incurrence of debt and contingent liabilities, any of which could have an adverse effect on our financial condition, results of operations and cash flows. Integration of an acquired company may also disrupt ongoing operations and require management resources that would otherwise focus on developing our existing business.

We may not identify or complete these transactions in a timely manner, on a cost-effective basis, or at all, and we may not realize the anticipated benefits of any acquisition, license, strategic alliance or joint venture. To finance such a transaction, we may choose to issue Class A Common Stock as consideration, which would dilute the ownership of our stockholders. If the price of the Class A Common Stock is low or volatile, we may not be able to acquire other companies or fund a joint venture project using our shares as consideration. Alternatively, it may be necessary for us to raise additional funds for acquisitions through public or private financings. Additional funds may not be available on terms that are favorable to us, or at all.

We do not know whether we will be able to successfully integrate any acquired business, product or technology. The success of any given acquisition may depend on our ability to retain any key employees related thereto, and we may not be successful at retaining or integrating such key personnel. Integrating any business, product or technology we acquire could be expensive and time-consuming, disrupt our ongoing business, impact our liquidity, and/or distract our management. Integration may be particularly challenging if we enter into a line of business in which we have limited experience or the business operates in a difficult legal, regulatory or competitive environment. We may find that we do not have adequate operations or expertise to manage the new business.

If we are unable to integrate any acquired businesses, products or technologies effectively, our business may suffer. Whether as a result of unsuccessful integration, unanticipated costs, including those associated with assumed liabilities and indemnification obligations, negative accounting impact, or other factors, we may not realize the economic benefits we anticipate from acquisitions. In addition, any amortization or charges resulting from the costs of acquisitions could increase our expenses.

We have a history of losses and we may not achieve or maintain profitability in the future.

We have not been profitable since our inception in 2019. As of December 31, 2025, we had a working capital deficit of \$25.5 million. We incurred net losses attributable to FOXO of \$12.4 million and \$12.4 million in the years ended December 31, 2025 and 2024, respectively. We expect we will require significant capital in connection with our efforts, and we will be required to continue to make significant investments to further develop and expand our businesses. In addition, to the extent our business activity increases as we expect, we will need to increase our headcount in the coming years. Despite these investments, we may not succeed in increasing our revenue on the timeline that we expect or in an amount sufficient to lower our net loss and ultimately become profitable. Moreover, if our revenue does not increase, we may not be able to reduce costs in a timely manner because many of our costs are fixed, at least in the short term. Accordingly, we may not achieve or maintain profitability and we may continue to incur significant losses in the future.

We do not have adequate cash resources to fund our operations through December 2026 and beyond and we will require additional capital to grow our businesses, which may not be available on terms acceptable to us or at all.

Our present capital is insufficient to meet operating requirements and corporate overhead, or to cover losses, and therefore we need to raise additional funds through financings to execute on our business plans. Many factors will affect our capital needs as well as their amount and timing, including our growth and profitability as well as market disruptions and other developments. We have taken various actions to bolster our cash position, including raising funds through the transactions described herein and conserving cash by issuing the shares of Class A Common Stock in satisfaction of outstanding amounts payable by us to various parties. Based on the size of our current operations, we do not have sufficient capital to fund our corporate overhead for at least 12 months from the date hereof. We will need additional financing or other increase in our cash and cash equivalents balance to enable us to fund our operations through 2026 and beyond.

Historically, we have funded our operations and capital expenditures primarily through equity issuances and debt instruments. We evaluate financing opportunities from time to time, and our ability to obtain financing will depend, among other things, on our development efforts, business plans and operating performance, and the condition of the capital markets at the time we seek financing. We cannot be certain that additional financing will be available to us on favorable terms, or at all.

If we raise additional funds through the issuance of equity, equity-linked or debt securities, our existing stockholders may experience dilution. Any debt financing secured by us in the future could require that a substantial portion of our operating cash flow be devoted to the payment of interest and principal on such indebtedness, which may decrease available funds for other business activities, and could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities.

Our ability to raise additional funds in the short term will depend on financial, economic and market conditions and the willingness of potential investors or lenders to provide funding, all of which are outside of our control, and we may be unable to raise financing in the short term, or on terms favorable to us, or at all. Furthermore, significant volatility in the capital markets has had, and could continue to have, a negative impact on the price of the Class A Common Stock and could adversely impact our ability to raise additional funds.

Our independent registered public accounting firm has included an explanatory paragraph relating to our ability to continue as a going concern in its report on our audited financial statements, which could limit our ability to raise additional capital and thereby materially adversely impact our business.

Our audited financial statements for the years ended December 31, 2025 and 2024 were prepared assuming that we will continue as a going concern. Primarily, as a result of our losses, limited working capital, debt obligations and significant operating costs expected to be incurred in the next twelve months, the report of our independent registered public accounting firm included elsewhere in this Annual Report contains an explanatory paragraph on our financial statements stating there is substantial doubt about our ability to continue as a going concern. Such an opinion could materially limit our ability to raise additional funds through the issuance of new debt or equity securities or otherwise. There is no assurance that sufficient financing will be available when needed to allow us to continue as a going concern. The perception that we may not be able to continue as a going concern may also make it more difficult to operate our business due to concerns about our ability to meet our contractual obligations.

If we are unable to secure additional capital in the short term, we may be required to further curtail our business initiatives and take additional measures to reduce costs in order to conserve our cash in amounts sufficient to sustain operations and meet our obligations. The accompanying financial statements do not include any adjustments that may be necessary should we be unable to continue as a going concern.

We have generated significant losses to date and expect to continue to incur significant operating losses. To date, our revenue from operations has been insufficient to support our operational activities and has been supplemented by the proceeds from the issuance of securities. There is no guarantee that additional equity, debt or other funding will be available to us on acceptable terms, or at all.

We have not been able to access the operating capital available under the Strata Purchase Agreement because current market conditions, including the low trading price and limited trading volume of our Class A Common Stock, have prevented us from satisfying the contractual conditions required for draws under that agreement.

Pursuant to the terms of a Strata Purchase Agreement (the “**Strata Purchase Agreement**”) dated October 13, 2024 with ClearThink Capital Partners, LLC (“**ClearThink**”), as amended and as supplemented by that certain Supplement to Strata Purchase Agreement dated as of October 13, 2023 with ClearThink (the “**Strata Supplement**,” together, with the Strata Purchase Agreement, the “**Purchase Agreement**”), ClearThink has agreed to purchase up to \$5.0 million of shares of our Class A Common Stock over a 24-month period. Despite having an effective registration statement, we have not been able to access the operating capital available under the Strata Purchase Agreement because current market conditions, including the low trading price and limited trading volume of our Class A Common Stock, have prevented us from satisfying the contractual conditions required for puts under that agreement. A continuation of these market conditions could prevent us from accessing the capital we need to continue our operations, which could have an adverse effect on our business.

We have a substantial amount of intangible assets and goodwill and we have been, and may in the future be, required to write down the value of our intangible assets due to impairment, which could have a material adverse effect on our business, financial condition and results of operations.

We have a substantial amount of intangible assets and goodwill. We test the carrying value of intangible assets and goodwill for impairment at least annually and whenever events or circumstances indicate the carrying value may not be recoverable. Events and conditions that could result in impairment in the value of our intangible assets and goodwill include, but are not limited to, decisions to exit certain lines of business, significant negative industry or economic trends, significant decline in our stock price for a sustained period of time, significant decline in market capitalization relative to net book value, limited funding that could delay expansion efforts, and significant changes in the manner of use of the assets or the strategy for our overall business. The estimates and assumptions about future results of operations and cash flows made in connection with the impairment testing could differ from future actual results of operations and cash flows.

Future asset impairment charges could arise as a result of changes in our business strategy or changes in the intention to use certain assets. Any resulting impairment charge, although non-cash, could have a material adverse effect on our business, financial condition and results of operations.

Recent and future management changes and any inability to attract and retain qualified management and other key personnel, could impair our ability to implement our business plan and materially adversely impact our business, results of operations and financial condition.

We have experienced a number of recent changes to our senior management team, including the resignation of Mark White, our former Interim Chief Executive Officer, the appointment of Seamus Lagan, our current Chief Executive Officer, and the resignation of our former Chief Financial Officer, Sylvia Haumann, and the appointment of Celene Grant, our current Chief Financial Officer. There may be additional resignations and appointments in our senior management team in the future.

We believe that our future success is highly dependent on the efforts of Mr. Lagan. At present, we do not maintain key-man life insurance policies for him or for any key personnel. Changes in our senior management and uncertainty regarding any future changes may disrupt our operations and impair our ability to recruit and retain other needed personnel. Any such disruption or impairment could have an adverse effect on our business.

If Mr. Lagan and other key personnel were to depart, it would be important that we attract and retain qualified managers promptly and develop and implement an effective succession plan. We would expect to face significant competition in attracting experienced executives and other key personnel, and there can be no assurance that we will be able to do so. Depending on the circumstances of any future management departures, it is also possible that we will be required to pay significant severance, adversely impacting our financial condition.

Our future success depends in large part on the continued participation in the business of Seamus Lagan, our Chief Executive Officer, which cannot be ensured or guaranteed.

Mr. Lagan will be instrumental in shaping our vision, strategic direction and execution priorities. There can be no assurance that Mr. Lagan will continue to work for us. Mr. Lagan's departure from service with the Company could materially adversely impact our business.

We expect our revenue and results of operations to fluctuate on a quarterly and annual basis.

Our revenue and results of operations could vary significantly from period-to-period and may fail to match expectations as a result of a variety of factors, some of which are outside of our control. As a result of the potential variations in our revenue and results of operations, period-to-period comparisons may not be meaningful and the results of any one period should not be relied on as an indication of future performance. In addition, our results of operations may not meet the expectations of investors or public market analysts who follow our Company, which may adversely impact our stock price.

Changes in general economic conditions could have a material adverse impact on our business.

Changes in general economic conditions, including, for example, interest rates, investor sentiment, changes specifically affecting the insurance industry or biotechnology industry, competition, technological developments, political and diplomatic events, tax laws, and other factors not known to us today, could substantially and materially adversely impact our business. For example, changes in interest rates may increase our cost of capital and ability to raise capital and have a corresponding adverse impact on our operating results. While we may engage in certain hedging activities to mitigate the impact of these changes, none of these conditions are or will be within our control. Changes in general economic conditions may also negatively impact demand for our products and services.

If we are unable to maintain effective internal control over financial reporting and disclosure controls and procedures, the accuracy and timing of our financial reporting may be adversely affected.

We are required to comply with Section 404 of the Sarbanes-Oxley Act, which requires management assessments of the effectiveness of internal control over financial reporting and disclosure controls and procedures.

Based on the evaluation of our internal controls over financial reporting, we concluded that such controls were not effective as of December 31, 2025. In addition, based on the evaluation of our disclosure controls and procedures as of December 31, 2025, we concluded such controls were not effective. Due to the current size of our Company and our limited personnel, we may not be able to maintain effective internal control over financial reporting and disclosure controls and procedures in the future.

We can give no assurance that we will be able to maintain effective internal control over financial reporting and disclosure controls and procedures, or that no “material weaknesses” in our internal control over financial reporting will be identified in the future. If we encounter “material weaknesses” in our internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis, it could lead to errors in our financial statements that could result in a restatement of our financial statements and cause us to fail to meet our reporting obligations. Further, If we are unable to maintain effective internal control over financial reporting or disclosure controls and procedures, our ability to record, process and report financial information accurately and to prepare financial statements within required time periods could be adversely affected, which could subject us to litigation or investigations requiring management resources and payment of legal and other expenses, negatively affect investor confidence in our financial statements, restrict access to capital markets and adversely impact our stock price.

We have substantial indebtedness many of which are in payment default, which may affect our operational and financial flexibility.

We currently have, and will likely continue to have, a substantial amount of indebtedness. Our indebtedness could, among other things, make it more difficult for us to satisfy our debt and other obligations, require us to use a large portion of our cash flow from operations to repay and service our debt or otherwise create liquidity problems, limit our flexibility to adjust to market conditions and place us at a competitive disadvantage. Restrictive covenants in the agreements governing our indebtedness may adversely affect us.

Our ability to meet our obligations depends on our future performance and capital-raising activities, which will be affected by financial, business, economic and other factors, many of which are beyond our control. If our cash flow and capital resources prove inadequate to allow us to pay the principal and interest on our debt and meet our other obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations, restructure or refinance our debt, which we may be unable to do on acceptable terms, and forego attractive business opportunities. In addition, the terms of our existing or future debt agreements may restrict us from pursuing any of these alternatives.

Risks Related to Our Healthcare Operations

Our results of operations may be adversely affected if the Patient Protection and Affordable Care Act (“ACA”) is repealed, replaced or otherwise changed.

The ACA has increased the number of people with health care insurance. It also has reduced Medicare and Medicaid reimbursements. Numerous proposals continue to be discussed to repeal, amend or replace the law. We cannot predict whether any such repeal, amend or replace proposals, or any parts of them, will become law and, if they do, what their substance or timing will be. There is uncertainty whether, when and how the ACA may be changed, what alternative provisions, if any, will be enacted, the timing of enactment and implementation of any alternative provisions and the impact of any alternative provisions on providers as well as other healthcare industry participants. Efforts to repeal or change the ACA or implement other initiatives intended to reform healthcare delivery and financial systems may have an adverse effect on our business and results of operations.

Healthcare plans have taken steps to control the utilization and reimbursement of healthcare services.

We also face efforts by non-governmental third-party payers, including healthcare plans, to reduce utilization and reimbursement for healthcare services.

The healthcare industry has experienced a trend of consolidation among healthcare insurance plans and payers, resulting in fewer but larger insurance plans with significant bargaining power to negotiate fee arrangements with healthcare providers. These healthcare plans, and independent physician associations, may demand that providers accept discounted fee structures or assume all or a portion of the financial risk associated with providing services to their members through capped payment arrangements. There are also an increasing number of patients enrolling in consumer driven products and high-deductible plans that involve greater patient cost-sharing.

The increased consolidation among healthcare plans and payers increases the potential adverse impact of not being, or ceasing to be, a contracted provider with any such insurer. The ACA includes provisions, including ones regarding the creation of healthcare exchanges, which may encourage healthcare insurance plans to increase exclusive contracting.

We expect continuing efforts to reduce reimbursements, to impose more stringent cost controls and to reduce utilization of services. These efforts, including future changes in third-party payer rules, practices and policies or ceasing to be a contracted provider to many healthcare plans, have had and may continue to have a material adverse effect on our business.

Some of our operations are subject to federal and state laws prohibiting “kickbacks” and other laws designed to prohibit payments for referrals and eliminate healthcare fraud.

Federal and state anti-kickback and similar laws prohibit payment, or offers of payment, in exchange for referrals of products and services for which reimbursement may be made by Medicare or other federal and state healthcare programs. Some state laws contain similar prohibitions that apply without regard to the payer of reimbursement for the services. Under a federal statute, known as the “Stark Law” or “self-referral” prohibition, physicians, subject to certain exceptions, are prohibited from referring their Medicare or Medicaid program patients to providers with which the physicians or their immediate family members have a financial relationship, and the providers are prohibited from billing for services rendered in violation of Stark Law referral prohibitions. Violations of the federal Anti-Kickback Law and Stark Law may be punished by civil and criminal penalties, and/or exclusion from participation in federal health care programs, including Medicare and Medicaid. States may impose similar penalties. The ACA significantly strengthened provisions of the Federal False Claims Act and Anti-Kickback Law provisions, and other health care fraud provisions, leading to the possibility of greatly increased *qui tam* suits by private citizen “relators” for perceived violations of these laws. There can be no assurance that our activities will not come under the scrutiny of regulators and other government authorities or that our practices will not be found to violate applicable laws, rules and regulations or prompt lawsuits by private citizen relators under federal or state false claims laws. A *qui tam* lawsuit has been filed against the Company alleging violations of the False Claims Act. See “*Legal Proceedings*”.

Federal officials responsible for administering and enforcing the healthcare laws and regulations have made a priority of eliminating healthcare fraud. For example, the ACA includes significant new fraud and abuse measures, including required disclosures of financial arrangements with physician customers, lower thresholds for violations and increased potential penalties for violations. Federal funding available for combating health care fraud and abuse generally has increased. While we seek to conduct our business in compliance with all applicable laws and regulations, many of the laws and regulations applicable to our business, particularly those relating to billing and reimbursement of services and those relating to relationships with physicians, hospitals and patients, contain language that has not been interpreted by courts. We must rely on our interpretation of these laws and regulations based on the advice of our counsel and regulatory or law enforcement authorities may not agree with our interpretation of these laws and regulations and may seek to enforce legal remedies or penalties against us for violations.

From time to time we may need to change our operations, particularly pricing or billing practices, in response to changing interpretations of these laws and regulations, or regulatory or judicial determinations with respect to these laws and regulations. These occurrences, regardless of their outcome, could damage our reputation and harm important business relationships that we have with healthcare providers, payers and others. Furthermore, if a regulatory or judicial authority finds that we have not complied with applicable laws and regulations, we would be required to refund amounts that were billed and collected in violation of such laws and regulations. In addition, we may voluntarily refund amounts that were alleged to have been billed and collected in violation of applicable laws and regulations. In either case, we could suffer civil and criminal damages, fines and penalties, exclusion from participation in governmental healthcare programs and the loss of licenses, certificates and authorizations necessary to operate our business, as well as incur liabilities from third-party claims, all of which could harm our operating results and financial condition.

Moreover, regardless of the outcome, if we or physicians or other third parties with whom we do business are investigated by a regulatory or law enforcement authority we could incur substantial costs, including legal fees, and our management may be required to divert a substantial amount of time to an investigation.

To enhance compliance with applicable health care laws, and mitigate potential liability in the event of noncompliance, regulatory authorities, such as the OIG, have recommended the adoption and implementation of a comprehensive health care compliance program that generally contains the elements of an effective compliance and ethics program described in Section 8B2.1 of the United States Sentencing Commission Guidelines Manual, and for many years the OIG has made available a model compliance program. In addition, certain states require that health care providers that engage in substantial business under the state Medicaid program have a compliance program that generally adheres to the standards set forth in the Model Compliance Program. Also, under the ACA, HHS will require suppliers, such as the Company, to adopt, as a condition of Medicare participation, compliance programs that meet a core set of requirements. While we have adopted, or are in the process of adopting, healthcare compliance and ethics programs that generally incorporate the OIG's recommendations, and training our applicable employees in such compliance, having such a program can be no assurance that we will avoid any compliance issues.

We conduct our business in a heavily regulated industry and changes in regulations or violations of regulations could, directly or indirectly, harm our operating results and financial condition.

The healthcare industry is highly regulated and there can be no assurance that the regulatory environment in which we operate will not change significantly and adversely in the future. Areas of the regulatory environment that may affect our ability to conduct business include, without limitation:

- federal and state laws applicable to billing and claims payment;
- federal and state laws relating to licensure;
- federal and state anti-kickback laws;
- federal and state false claims laws;
- federal and state self-referral and financial inducement laws, including the federal physician anti-self-referral law, or the Stark Law;
- coverage and reimbursement levels by Medicare and other governmental payors and private insurers;
- HIPAA, along with the revisions to HIPAA as a result of the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and analogous state laws;
- federal and state regulation of privacy, security, electronic transactions and identity theft;
- federal, state and local laws governing the handling, transportation and disposal of medical and hazardous waste;
- Occupational Safety and Health Administration rules and regulations;
- changes to laws, regulations and rules as a result of the ACA; and
- changes to other federal, state and local laws, regulations and rules, including tax laws.

These laws and regulations are extremely complex and, in many instances, there are no significant regulatory or judicial interpretations of these laws and regulations. Any determination that we have violated these laws or regulations, or the public announcement that we are being investigated for possible violations of these laws or regulations, could harm our operating results and financial condition. In addition, a significant change in any of these laws or regulations may require us to change our business model in order to maintain compliance with these laws or regulations, which could harm our operating results and financial condition.

Failure to comply with complex federal and state laws and regulations related to submission of claims for services can result in significant monetary damages and penalties and exclusion from the Medicare and Medicaid programs.

We are subject to extensive federal and state laws and regulations relating to the submission of claims for payment for services, including those that relate to coverage of our services under Medicare, Medicaid and other governmental health care programs, the amounts that may be billed for our services and to whom claims for services may be submitted.

Our failure to comply with applicable laws and regulations could result in our inability to receive payment for our services or result in attempts by third-party payers, such as Medicare and Medicaid, to recover payments from us that have already been made. Submission of claims in violation of certain statutory or regulatory requirements can result in penalties, including substantial civil money penalties for each item or service billed to Medicare in violation of the legal requirement, and exclusion from participation in Medicare and Medicaid. Government authorities may also assert that violations of laws and regulations related to submission or causing the submission of claims violate the federal False Claims Act (“FCA”) or other laws related to fraud and abuse, including submission of claims for services that were not medically necessary. Violations of the FCA could result in enormous economic liability. The FCA provides that all damages are trebled. For example, we could be subject to FCA liability if it was determined that the services we provided were not medically necessary and not reimbursable, particularly if it were asserted that we contributed to the physician’s referrals of unnecessary services to us. It is also possible that the government could attempt to hold us liable under fraud and abuse laws for improper claims submitted by an entity for services that we performed if we were found to have knowingly participated in the arrangement that resulted in submission of the improper claims.

Our facilities are subject to potential claims for professional liability, including existing or potential claims based on the acts or omissions of third parties, which claims may not be covered by insurance.

Our facilities are subject to potential claims for professional liability (medical malpractice) in connection with their operations, as well as potentially acquired or discontinued operations. To cover such claims, professional malpractice liability insurance and general liability insurance are maintained in amounts believed to be sufficient for operations, although some claims may exceed the scope or amount of the coverage in effect. The assertion of a significant number of claims, either within a self-insured retention (deductible) or individually or in the aggregate in excess of available insurance, could have a material adverse effect on our results of operations or financial condition. Premiums for professional liability insurance have historically been volatile, and we cannot assure you that professional liability insurance will continue to be available on terms acceptable to us, if at all. The operations of hospitals also depend on the professional services of physicians and other trained healthcare providers and technicians in the conduct of their respective operations, including independent laboratories and physicians rendering diagnostic and medical services. There can be no assurance that any legal action stemming from the act or omission of a third-party provider of healthcare services would not be brought against one of our hospitals, resulting in significant legal expenses in order to defend against such legal action or to obtain a financial contribution from the third party whose acts or omissions occasioned the legal action.

Our success depends on our ability to attract and retain qualified healthcare professionals. A shortage of qualified healthcare professionals could weaken our ability to deliver healthcare services.

Our operations are dependent on the efforts, ability and experience of healthcare professionals, such as physicians, nurses, therapists, pharmacists and lab technicians. Each facility’s success has been, and will continue to be, influenced by its ability to attract and retain these skilled employees. A shortage of healthcare professionals, the loss of some or all of its key employees or the inability to attract or retain enough qualified healthcare professionals could cause the operating performance of one or more of our facilities to decline.

A significant portion of our net revenues is dependent on Medicare and Medicaid payments and possible reductions in Medicare or Medicaid payments or the implementation of other measures to reduce reimbursements may reduce our revenues.

A significant portion of our net revenues is derived from the Medicare and Medicaid programs, which are highly regulated and subject to frequent and substantial changes. Previous legislative changes have resulted in, and future legislative changes may result in, limitations on and reduced levels of payment and reimbursement for a substantial portion of hospital procedures and costs.

Future healthcare legislation or other changes in the administration or interpretation of governmental healthcare programs may have a material adverse effect on our consolidated business, financial condition, results of operations or prospects.

Failure to timely or accurately bill for our services could have a material adverse effect on our business.

Billing for medical services is extremely complicated and is subject to extensive and non-uniform rules and administrative requirements. Depending on the billing arrangement and applicable law, we bill various payers, such as patients, insurance companies, Medicare, Medicaid, physicians, hospitals and employer groups. Changes in laws and regulations could increase the complexity and cost of our billing process. Additionally, auditing for compliance with applicable laws and regulations as well as internal compliance policies and procedures adds further cost and complexity to the billing process.

Missing, incomplete, or incorrect information adds complexity to and slows the billing process, creates backlogs of unbilled services, and generally increases the aging of accounts receivable and bad debt expense. Failure to timely or correctly bill may lead to our not being reimbursed for our services or an increase in the aging of our accounts receivable, which could adversely affect our results of operations and cash flows. Failure to comply with applicable laws relating to billing or even having to pay back amounts incorrectly billed and collected could lead to various penalties, including: (1) exclusion from participation in CMS and other government programs; (2) asset forfeitures; (3) civil and criminal fines and penalties; and (4) the loss of various licenses, certificates and authorizations necessary to operate our business, any of which could have a material adverse effect on our results of operations or cash flows.

There have been times when our accounts receivable have increased at a greater rate than revenue growth and, therefore, have adversely affected our cash flows from operations. We have taken steps to implement systems and processing changes intended to improve billing procedures and related collection results. However, we cannot assure that our ongoing assessment of accounts receivable will not result in the need for additional provisions. Such additional provisions, if implemented, could have a material adverse effect on our operating results.

Our operations may be adversely impacted by the effects of extreme weather conditions, natural disasters such as hurricanes and earthquakes, hostilities or acts of terrorism and other criminal activities.

Our operations are always subject to adverse impacts resulting from extreme weather conditions, natural disasters, hostilities or acts of terrorism or other criminal activities. Such events may result in a temporary decline in the number of patients who seek our services or in our employees' ability to perform their job duties. In addition, such events may temporarily interrupt our ability to provide our services. The occurrence of any such event and/or a disruption of our operations as a result may adversely affect our results of operations.

Increased competition, including price competition, could have a material adverse impact on our net revenues and profitability.

We operate in a business that is characterized by intense competition. Our major competitors include large national hospitals that possess greater name recognition, larger customer bases, and significantly greater financial resources and employ substantially more personnel than we do. Many of our competitors have long established relationships. Although our hospitals operate in communities where they are currently the only general acute care hospital, they face substantial competition from other hospitals in their respective regions. Although these competing hospitals may be many miles away, patients in these markets may travel to these competing hospitals as a result of local physician referrals, managed care plan incentives or personal choices. We cannot assure you that we will be able to compete successfully with such entities in the future.

The healthcare business is intensely competitive both in terms of price and service. Pricing of services is often one of the most significant factors used by patients, health care providers and third-party payers in selecting a provider. As a result of the healthcare industry undergoing significant consolidation, larger providers are able to increase cost efficiencies. This consolidation results in greater price competition. We may be unable to increase cost efficiencies sufficiently, if at all, and as a result, our net earnings and cash flows could be negatively impacted by such price competition. We may also face competition from companies that do not comply with existing laws or regulations or otherwise disregard compliance standards in the industry. Additionally, we may also face changes in fee schedules, competitive bidding for services or other actions or pressures reducing payment schedules as a result of increased or additional competition. Additional competition, including price competition, could have a material adverse impact on our net revenues and profitability.

Sustained inflation and staffing shortages could increase our costs of operations.

The healthcare industry is very labor intensive, and salaries and benefits are subject to inflationary pressures, as are supply and other costs. In particular, like others in the healthcare industry, we continue to experience a shortage of nurses and other clinical staff and support personnel, which was exacerbated by the COVID-19 pandemic. This staffing shortage may require us to further enhance wages and benefits to recruit and retain nurses and other clinical staff and support personnel or require us to hire expensive temporary personnel. Furthermore, we are unable to predict whether recent inflationary spikes, which were initially thought to be transitory, labor shortages in selected markets, and supply chain issues will continue for an extended period of time. Substantially increased costs of personnel, goods, and services could have an adverse effect on our results of operations if we are unable to pass such costs along to patients and payors. The concentration of our patients in persons for whom the cost of treatment is paid for under government programs could substantially limit our ability to pass through such costs.

Failure to maintain the security of patient-related information or compliance with security requirements could damage the Company's reputation with patients and cause it to incur substantial additional costs and to become subject to litigation.

Pursuant to HIPAA and certain similar state laws, we must comply with comprehensive privacy and security standards with respect to the use and disclosure of protected health information. Under the HITECH amendments to HIPAA, HIPAA was expanded to require certain data breach notifications, to extend certain HIPAA privacy and security standards directly to business associates, to heighten penalties for noncompliance and to enhance enforcement efforts. If the Company does not comply with existing or new laws and regulations relating to protecting the privacy and security of personal or health information, it could be subject to monetary fines, civil penalties or criminal sanctions.

The Company receives certain personal and financial information about its patients. In addition, the Company depends upon the secure transmission of confidential information over public networks, including information permitting cashless payments. While we take reasonable and prudent steps to protect this information, a compromise in the Company's security systems that results in patient personal information being obtained by unauthorized persons or the Company's failure to comply with security requirements for financial transactions could adversely affect the Company's reputation with its customers and others, as well as the Company's results of operations, financial condition and liquidity. It could also result in litigation against the Company or the imposition of penalties.

Failure of the Company to comply with emerging electronic transmission standards could adversely affect our business.

The failure of our IT systems to keep pace with technological advances may significantly reduce our revenues or increase our expenses. Public and private initiatives to create healthcare information technology ("HCIT") standards and to mandate standardized clinical coding systems for the electronic exchange of clinical information could require costly modifications to our existing HCIT systems. While we do not expect HCIT standards to be adopted or implemented without adequate time to comply, if we fail to adopt or delay in implementing HCIT standards, we could lose customers and business opportunities.

Compliance with the HIPAA security regulations and privacy regulations may increase the Company's costs.

The HIPAA privacy and security regulations, including the expanded requirements under HITECH, establish comprehensive federal standards with respect to the use and disclosure of protected health information by health plans, healthcare providers and healthcare clearinghouses, in addition to setting standards to protect the confidentiality, integrity and security of protected health information. The regulations establish a complex regulatory framework on a variety of subjects, including:

- the circumstances under which the use and disclosure of protected health information are permitted or required without a specific authorization by the patient, including but not limited to treatment purposes, activities to obtain payments for the Company's services, and its healthcare operations activities;
- a patient's rights to access, amend and receive an accounting of certain disclosures of protected health information;
- the content of notices of privacy practices for protected health information;
- administrative, technical and physical safeguards required of entities that use or receive protected health information; and
- the protection of computing systems maintaining Electronic Personal Health Information ("ePHI").

The Company has implemented policies and procedures related to compliance with the HIPAA privacy and security regulations, as required by law. The privacy and security regulations establish a "floor" and do not supersede state laws that are more stringent. Therefore, the Company is required to comply with both federal privacy and security regulations and varying state privacy and security laws. In addition, for healthcare data transfers from other countries relating to citizens of those countries, the Company may also be required to comply with the laws of those other countries. The federal privacy regulations restrict the Company's ability to use or disclose patient identifiable data, without patient authorization, for purposes other than payment, treatment or healthcare operations (as defined by HIPAA), except for disclosures for various public policy purposes and other permitted purposes outlined in the privacy regulations. HIPAA, as amended by HITECH, provides for significant fines and other penalties for wrongful use or disclosure of protected health information in violation of the privacy and security regulations, including potential civil and criminal fines and penalties. Due to the enactment of HITECH and an increase in the amount of monetary financial penalties, government enforcement has also increased. It is not possible to predict what the extent of the impact on business will be, other than heightened scrutiny and emphasis on compliance. If the Company does not comply with existing or new laws and regulations related to protecting the privacy and security of health information it could be subject to significant monetary fines, civil penalties or criminal sanctions. In addition, other federal and state laws that protect the privacy and security of patient information may be subject to enforcement and interpretations by various governmental authorities and courts resulting in complex compliance issues. For example, the Company could incur damages under state laws pursuant to an action brought by a private party for the wrongful use or disclosure of confidential health information or other private personal information.

Health care reform and related programs (e.g. Health Insurance Exchanges), changes in government payment and reimbursement systems, or changes in payer mix, including an increase in capitated reimbursement mechanisms and evolving delivery models, could have a material adverse impact on the Company's net revenues, profitability and cash flow.

Our services are billed to private patients, Medicare, Medicaid, commercial clients, managed care organizations ("MCOs") and third-party insurance companies. Bills may be sent to different payers depending on the medical insurance benefits of a particular patient. Increases in the percentage of services billed to government and managed care payers could have an adverse impact on the Company's net revenues.

A portion of the third-party insurance fee-for-service revenues are collectible from patients in the form of deductibles, copayments and coinsurance. As patient cost-sharing increases, collectability may be impacted.

In addition, Medicare and Medicaid and private insurers have increased their efforts to control the cost, utilization and delivery of health care services. Measures to regulate health care delivery have resulted in reduced prices, added costs and decreased utilization as well as increased complexity and new regulatory and administrative requirements. Changes to, or repeal of, the ACA, the health care reform legislation passed in 2010, also may continue to affect coverage, reimbursement and utilization of services, as well as administrative requirements, in ways that are currently unpredictable.

The Company expects efforts to impose reduced reimbursement, more stringent payment policies and utilization and cost controls by government and other payers to continue. If the Company cannot offset additional reductions in the payments it receives for its services by reducing costs, increasing the number of patients treated and/or introducing new procedures, it could have a material adverse impact on the Company's net revenues, profitability and cash flows.

As an employer, health care reform legislation also contains numerous regulations that will require the Company to implement significant process and record keeping changes to be in compliance. These changes increase the cost of providing healthcare coverage to employees and their families. Given the limited release of regulations to guide compliance, as well as potential changes to or repeal of the ACA, the exact impact to employers including the Company is uncertain.

Adverse results in material litigation matters or governmental inquiries could have a material adverse effect upon the Company's business and financial condition.

The Company may become subject in the ordinary course of business to material legal action related to, among other things, professional liability, contracts and employee-related matters, as well as inquiries and requests for information from governmental agencies and bodies and Medicare or Medicaid payors requesting comment and/or information on allegations of billing irregularities, billing and pricing arrangements, privacy practices and other matters that are brought to their attention through billing audits or third parties. The healthcare industry is subject to substantial Federal and state government regulation and audit. Legal actions could result in substantial monetary damages as well as damage to the Company's reputation with customers, which could have a material adverse effect on its business.

Failure in the Company's information technology systems or delays or failures in the development and implementation of updates or enhancements to those systems could significantly delay billing and otherwise disrupt the Company's operations or patient relationships.

The Company's business and patient relationships depend, in part, on the continued performance of its information technology systems. Despite network security measures and other precautions, the Company's information technology systems are potentially vulnerable to physical or electronic break-ins, computer viruses and similar disruptions. Sustained system failures or interruption of the Company's systems in one or more of its operations could disrupt the Company's ability to conduct its business. Breaches with respect to protected health information could result in violations of HIPAA and analogous state laws and risk the imposition of significant fines and penalties. Failure of the Company's information technology systems could adversely affect the Company's business, profitability and financial condition.

Increasing health insurance premiums and co-payments or high-deductible health plans may cause individuals to forgo health insurance and avoid medical attention, either of which may reduce demand for our products and services.

Health insurance premiums, co-payments and deductibles have generally increased in recent years. These increases may cause individuals to forgo health insurance, as well as medical attention. This behavior may reduce demand for services at our hospitals.

Our healthcare operations are dependent on the local economies and the surrounding areas in which they operate and are concentrated in Tennessee. A significant deterioration in those economies could cause a material adverse effect on our businesses.

Each rural facility operation is dependent upon the local economy where it is located. A significant deterioration in that economy would negatively impact the demand for the facility's services, as well as the ability of patients and other payers to pay for service as rendered. Our net revenues are particularly sensitive to regulatory and economic changes in Tennessee. Any change in the current demographic, economic, competitive or regulatory conditions in the state could have an adverse effect on our business, financial condition or results of operations. Changes to the Medicaid program or other health care laws or regulations in Tennessee could also have an adverse effect.

Risks Related to Our Life Science Services

Our Life Science Services operations are subject to government regulation, and failure to comply with applicable laws and regulations could adversely affect our business.

Vector's operations are subject to a variety of federal, state, local, and international laws and regulations governing the handling, transportation, import, and export of biological materials, workplace safety requirements, and privacy and data protection.

These regulatory frameworks include, among others:

- regulations governing the transportation of biological materials issued by the U.S. Department of Transportation
- International Air Transport Association regulations governing the shipment of biological substances by air
- import permit and inspection requirements administered by the Centers for Disease Control and Prevention and other regulatory authorities
- occupational safety requirements administered by the Occupational Safety and Health Administration
- federal and state laws governing privacy and data protection

Compliance with these requirements may be complex and may require ongoing monitoring of regulatory developments. Failure to comply with applicable laws and regulations could result in fines, penalties, shipment delays, operational restrictions, or reputational harm, any of which could adversely affect our business, financial condition, and results of operations.

Vector's international sourcing operations subject us to additional regulatory, legal, and operational risks.

Vector sources certain biological specimens through relationships with clinical institutions and specimen providers located outside the United States, including partners in India and Latin America.

International sourcing activities may expose us to risks, including:

- compliance with differing regulatory requirements in multiple jurisdictions
- export controls or import permit requirements affecting biological materials
- regulatory requirements relating to ethical sourcing and donor consent
- limitations on the transfer of biological materials across national borders
- trade restrictions, tariffs, or other barriers to international commerce
- political or economic instability in foreign jurisdictions
- currency exchange fluctuations
- difficulties enforcing agreements or collecting receivables in foreign jurisdictions
- language and cultural differences that may complicate business operations

Any failure to effectively manage these risks could limit our ability to source biological specimens internationally or increase our operating costs.

Our business depends on relationships with specimen providers, and disruptions to those relationships could adversely affect our operations.

Vector's business model relies on establishing and maintaining relationships with collection centers, hospitals, laboratories, and other specimen providers that supply biological materials used in research. If these relationships are disrupted or if specimen providers fail to comply with applicable legal, ethical, or quality standards, our ability to source biological specimens could be adversely affected. In addition, competition for access to certain types of specimens, particularly rare-disease samples, may increase the cost of obtaining them or limit the availability of specimens needed to fulfill customer requests. If we are unable to secure sufficient specimen supply, we may be unable to meet customer demand, which could adversely affect our revenues and reputation.

Vector operates in a competitive biospecimen sourcing market.

The market for biological specimens used in research is competitive and fragmented. Participants in this market include specialized biospecimen suppliers, contract research organizations, academic medical centers, biobanks, and research institutions. Some of these competitors may have greater financial resources, larger specimen inventories or more established relationships with research institutions and pharmaceutical companies. In addition, some research organizations may choose to source specimens directly through clinical institutions rather than through third-party suppliers. If we are unable to compete effectively with other specimen suppliers, our ability to attract and retain customers may be adversely affected.

Ethical or compliance failures in specimen sourcing could harm our reputation.

The sourcing of human biological specimens involves ethical, legal and regulatory considerations, including obtaining appropriate donor consent and protecting donor privacy. Vector relies on specimen providers and clinical partners to obtain specimens in accordance with applicable laws, institutional policies, and ethical guidelines. If a specimen provider fails to comply with applicable consent requirements, privacy protections, or other regulatory obligations, Vector could face reputational harm, regulatory scrutiny, or legal claims. Even allegations of improper specimen sourcing practices could damage our relationships with customers, partners, and regulators.

Quality control issues could adversely affect our business.

Vector's customers rely on the quality and integrity of biological specimens supplied for research purposes. Specimens must be properly handled, preserved, labeled, and transported in order to maintain their scientific usefulness. Quality failures, including specimen misidentification, contamination, improper storage conditions, or shipping delays, could result in unusable specimens, customer dissatisfaction, or contractual disputes. Maintaining quality standards requires ongoing investment in training, quality assurance procedures, and logistics management.

We may face liability related to the specimens we distribute.

Vector distributes biological specimens to pharmaceutical, biotechnology, device manufacturers, and research institutions. If specimens are alleged to have been improperly handled, mislabeled, or otherwise defective, Vector could face breach-of-contract claims, product-liability claims, or other legal disputes. Although we maintain insurance coverage intended to address certain liabilities, such insurance may not fully cover all potential claims. Any significant claim or series of claims could result in substantial costs and reputational harm.

Privacy and data protection laws may apply to aspects of our business.

Vector may receive certain information associated with biological specimens supplied through its partners. Applicable privacy laws may govern the handling of personal information associated with such specimens. These laws may include the Health Insurance Portability and Accountability Act in the United States, as well as various state and international data protection regulations. Vector generally seeks to limit the receipt of personally identifiable information and works with de-identified specimen data whenever possible. Failure to comply with applicable privacy laws could result in regulatory enforcement actions, fines or reputational harm.

We recently acquired Vector and may not be able to successfully integrate its operations or realize the anticipated benefits of the acquisition.

We acquired Vector on September 19, 2025. The acquisition of Vector, and any future acquisitions in the biospecimen sourcing sector, involve numerous risks, including:

- difficulties integrating operations, systems, technologies, and personnel;
- diversion of management's attention from other business concerns;
- failure to retain key employees, customers, or suppliers of the acquired business;
- assumption of unknown or contingent liabilities;
- exposure to legal claims arising from the past operations of the acquired business;
- failure to realize anticipated synergies, cost savings, or revenue growth;
- difficulties in applying our internal controls and procedures to the acquired business;
- impairment charges if the acquisition does not perform as expected; and
- failure to achieve the revenue targets required for earnout payments, or disputes regarding earnout calculations.

If we are unable to successfully integrate Vector's operations or achieve the anticipated benefits of the acquisition, our business, financial condition and results of operations could be materially adversely affected.

The sellers of Vector have a right to repurchase the business under certain circumstances, which could result in the loss of our investment.

Pursuant to the Stock Purchase Agreement pursuant to which we acquired Vector, the sellers have the right, but not the obligation, to repurchase the shares of Vector under certain limited circumstances at fair market value as determined by a third party and subject to a floor. If the sellers exercise this repurchase right, we would lose our investment in Vector and the anticipated benefits of the acquisition, which could have a material adverse effect on our business, financial condition and results of operations.

We may be required to pay significant earnout consideration to the sellers of Vector, which could adversely affect our financial condition and dilute our existing stockholders.

Pursuant to the Stock Purchase Agreement, we may be required to issue to the sellers of Vector up to 80,000 shares of Series E Preferred Stock (with a stated value of \$25.00 per share, or \$2,000,000 in the aggregate) if Vector achieves at least \$4,000,000 of Qualifying Revenue during the 12-month period between the first and second anniversary of the closing. At December 31, 2025, based on current financial projections, we have recorded \$500,000 of this earnout as a contingent purchase price obligation in our consolidated financial statements. In addition, if a Change of Control of the Company occurs prior to the two-year anniversary of the closing, all of the up to 80,000 shares of Series E Preferred Stock will be issued to the sellers. Any additional potential earnout obligation could require us to issue additional shares of preferred stock, which would dilute our existing stockholders and could adversely affect our financial condition. In addition, the earnout obligation could create pressure to achieve revenue targets that may not be achievable or may require us to take actions that are not in the long-term best interests of the Company.

Our business relies on third-party logistics providers.

Vector relies on third-party shipping and logistics providers to transport biological specimens to customers. Disruptions affecting transportation providers, including weather events, supply chain disruptions, labor issues or operational failures, could delay specimen shipments or prevent timely delivery to customers. Delays in specimen delivery may render specimens unusable for research purposes and could result in lost revenue or damage to customer relationships.

We may face customer and supplier concentration risk.

A limited number of customers and suppliers may account for a significant portion of Vector's revenues during certain periods. The loss of one or more significant customers or suppliers or a reduction in purchasing activity by those customers could adversely affect our revenues and operating results.

Our growth strategy may involve acquisitions.

We may pursue acquisitions of businesses that complement our Life Science Services segment.

Acquisitions involve risks, including:

- integration challenges
- diversion of management attention
- retention of key employees or customers
- assumption of unknown liabilities

If we are unable to successfully integrate acquired businesses or realize anticipated benefits, our financial performance could be adversely affected.

Our Life Science Services operations may require additional capital.

Expansion of our Life Science Services business may require additional investment, including investments in technology, logistics capabilities, and business development activities. If sufficient capital is not available on acceptable terms, our ability to expand the business may be limited.

Risks Related to Owning Our Securities

Our Common Stock is subject to the "penny stock" rules of the SEC and the trading market in the securities is limited, which makes transactions in the stock cumbersome and may reduce the value of an investment in the stock.

Rule 15c-9 under the Exchange Act establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require: (a) that a broker or dealer approve a person's account for transactions in penny stocks; and (b) the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must: (a) obtain financial information and investment experience objectives of the person and (b) make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the SEC relating to the penny stock market, which, in highlight form: (a) sets forth the basis on which the broker or dealer made the suitability determination; and (b) confirms that the broker or dealer received a signed, written agreement from the investor prior to the transaction. Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our common stock.

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker or dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

Because the SEC imposes additional sales practice requirements on brokers who deal in our shares that are penny stocks, some brokers may be unwilling to trade them. This means that investors may have difficulty reselling their shares and may cause the price of the shares to decline.

Our shares of Common Stock qualify as penny stocks and are covered by Section 15(g) of the Exchange Act which imposes additional sales practice requirements on broker/dealers who sell our securities in this offering or in the aftermarket. In particular, prior to selling a penny stock, broker/dealers must give the prospective customer a risk disclosure document that: contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading; contains a description of the broker/dealers' duties to the customer and of the rights and remedies available to the customer with respect to violations of such duties or other requirements of Federal securities laws; contains a brief, clear, narrative description of a dealer market, including "bid" and "ask" prices for penny stocks and the significance of the spread between the bid and ask prices; contains the toll free telephone number for inquiries on disciplinary actions established pursuant to section 15(A)(i); defines significant terms used in the disclosure document or in the conduct of trading in penny stocks; and contains such other information, and is in such form (including language, type size, and format), as the SEC requires by rule or regulation. Further, for sales of our securities, the broker/dealer must make a special suitability determination and receive from you a written agreement before making a sale to you. Because of the imposition of the foregoing additional sales practices, it is possible that brokers will not want to make a market in our shares. This could prevent reselling of shares and may cause the price of the shares to decline.

Our stock may be traded infrequently and in low volumes, so you may be unable to sell your shares at or near the quoted bid prices if you need to sell your shares.

Until our common stock is listed on a national securities exchange such as the New York Stock Exchange or the Nasdaq, we expect our common stock to remain eligible for quotation on the OTC Markets, or on another over-the-counter quotation system. In those venues, however, the shares of our Common Stock may trade infrequently and in low volumes, meaning that the number of persons interested in purchasing our common shares at or near bid prices at any given time may be relatively small or non-existent. An investor may find it difficult to obtain accurate quotations as to the market value of our Common Stock or to sell his or her shares at or near bid prices or at all. In addition, if we fail to meet the criteria set forth in SEC regulations, various requirements would be imposed by law on broker-dealers who sell our securities to persons other than established customers and accredited investors. Consequently, such regulations may deter broker-dealers from recommending or selling our Common Stock, which may further affect the liquidity of our Common Stock. This would also make it more difficult for us to raise capital.

There currently is no active public market for our Common Stock and there can be no assurance that an active public market will ever develop. Failure to develop or maintain a trading market could negatively affect the value of our common stock and make it difficult or impossible for you to sell your shares.

There is currently no active public market for shares of our Common Stock, and one may never develop. Our Common Stock is quoted on the OTC Markets. The OTC Markets is a thinly traded market and lacks the liquidity of certain other public markets with which some investors may have more experience. We may not ever be able to satisfy the listing requirements for our Common Stock to be listed on a national securities exchange, which is often a more widely traded and liquid market. Some, but not all, of the factors which may delay or prevent the listing of our Common Stock on a more widely-traded and liquid market include the following: our stockholders' equity may be insufficient; the market value of our outstanding securities may be too low; our net income from operations may be too low; our Common Stock may not be sufficiently widely held; we may not be able to secure market makers for our Common Stock; and we may fail to meet the rules and requirements mandated by the several exchanges and markets to have our Common Stock listed. Should we fail to satisfy the initial listing standards of the national exchanges, or our Common Stock is otherwise rejected for listing, and remains listed on the OTC Markets or is suspended from the OTC Markets, the trading price of our Common Stock could suffer and the trading market for our Common Stock may be less liquid and our common stock price may be subject to increased volatility, making it difficult or impossible to sell shares of our Common Stock.

The public market for our securities is volatile. This may affect not only the ability of our investors to sell their securities, but the price at which they can sell their securities.

Since the consummation of our business combination, the Class A Common Stock has traded as low as \$0.0001 per share, and day-to-day trading has been volatile at times. This volatility may continue or increase in the future. The market price for the securities may be significantly affected by factors such as progress in the development of our technology, commercialization of our technology, variations in quarterly and yearly operating results, general trends in the life insurance industry, and other uncertainties further described in this section. Furthermore, recently the stock market has experienced extreme price and volume fluctuations that are unrelated or disproportionate to the operating performance of the affected companies, such as the market reactions to internet marketed ‘short squeezes’, the coronavirus outbreak and recent macroeconomic factors such as inflationary pressures and higher interest rates. Such broad market fluctuations may adversely affect the market price of our securities.

Our common stock is subject to substantial dilution by conversions or exercises of outstanding convertible preferred stock, convertible notes payable, common stock warrants and other securities into common stock.

The Company has outstanding convertible preferred stock, convertible notes payable, common stock warrants, and stock options. Conversions of the convertible preferred stock and convertible notes payable and exercise of the warrants could result in substantial dilution of our common stock and a decline in its market price. In addition, the terms of certain of convertible preferred stock and convertible notes payable issued by us provide for reductions in the per share conversion prices of the preferred stock and the per share exercise prices of the warrants (if applicable and subject to a floor in certain cases), in the event that we issue common stock or common stock equivalents (as that term is defined in the agreements) at an effective conversion/exercise price that is less than the then exercise/conversion prices of the outstanding preferred stock or convertible debentures, as the case may be. These provisions, as well as the issuances of convertible preferred stock convertible notes payable with conversion prices that vary based upon the price of our common stock on the date of conversion, have resulted in significant dilution of our common stock and have given rise to reverse splits of our common stock.

The following table presents the dilutive effect of our various potential shares of common stock as of December 31, 2025:

	December 31, 2025
Shares of common stock outstanding	2,495,660,151
Dilutive potential shares:	
Convertible preferred stock	281,399,438,392
Convertible notes payable	15,382,610,000
Vector Warrants	386,847,195
Public and Private Warrants	52,155
Common stock options	300
Total potentially dilutive shares of common stock, including outstanding common stock	299,664,608,193

If we issue additional shares of our common stock or convertible equity or debt in the future, whether in connection with a financing or in exchange for services or rights, it will result in the dilution of our existing stockholders.

We may choose to issue shares of Class A Common Stock and/or securities exercisable for or convertible into Class A Common Stock to, among other things, reduce our debt, to acquire one or more companies, to fund our operations and in exchange for services rendered to the Company. Such issuances may not require the approval of our stockholders. We have previously issued shares and rights to receive shares in satisfaction of outstanding amounts payable by us to service providers in exchange for services rendered. Any future issuances may reduce the book value per share and may contribute to a reduction in the market price of the outstanding shares of the Class A Common Stock. If we issue any such additional shares or securities in the future, such issuance will reduce the proportionate ownership and voting power of all current stockholders.

FINRA has refused to process our proposed reverse stock split and our appeal of that determination may not be successful.

On September 25, 2025, the Company submitted a Company-Related Notification to FINRA's Department of Market Operations in connection with a proposed reverse stock split. On March 6, 2026, the Department issued a deficiency notice pursuant to FINRA Rule 6490(d)(3), determining that the Company's corporate action submission would not be processed.

The Department's determination was based, in part, on a pending SEC civil action against the managing partner of an institutional investor that holds shares of the Company's Series A Preferred Stock, as well as the Department's view that, upon conversion of such preferred stock, the investor could own approximately 95% of the Company's outstanding common stock, without giving effect to the beneficial ownership limitations contained in the terms of such securities.

The Company disagrees with the Department's determination and, on March 12, 2026, filed a Notice of Appeal. The appeal will be considered by a subcommittee of FINRA's Uniform Practice Code Committee, and the subcommittee's determination will constitute final action within FINRA. The appeal is currently pending, and FINRA has scheduled a review date of April 27, 2026. There can be no assurance that the appeal will be successful.

If the appeal is unsuccessful, the Company may need to pursue alternative approaches to address its capital structure. In addition, the inability to complete the reverse stock split may limit the Company's ability to access capital, including under its existing \$5.0 million equity line of credit, which could materially adversely affect the Company's liquidity and its ability to execute its business plan.

Under FINRA Rule 6490, FINRA's Department of Market Operations may refuse to process corporate action requests, including reverse stock splits, if persons connected to the issuer or the corporate action, including shareholders, are the subject of pending regulatory actions or investigations related to fraud or securities law violations. As demonstrated by FINRA's March 2026 deficiency notice regarding our proposed reverse stock split, the Company may be adversely affected by regulatory proceedings involving third-party holders of our securities, even where the Company itself is not a party to or the subject of such proceedings and has no ability to control the conduct or status of those proceedings. Our capital structure includes multiple series of convertible preferred stock held by institutional and other investors, and we cannot assure you that current or future regulatory actions involving any such holders will not result in similar impediments to our ability to process corporate actions through FINRA, maintain orderly trading of our securities on the OTC Markets, or take other steps necessary to manage our capital structure. Any such impediments could materially and adversely affect our business, financial condition, and the trading price and liquidity of our Class A Common Stock.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity.

Management is responsible for the day-to-day handling of risks facing our Company, while the Board of Directors, as a whole and through its Audit Committee, oversees risk management, including cybersecurity risks.

We have a risk oversight committee, which is comprised of representatives from our operations management team, information technology and compliance functions. The committee assesses risks based on probability and potential impact on key business systems and processes. We have implemented multiple layers of security measures designed to protect the confidentiality, integrity and availability of our data. In addition, we engage a third-party service provider to actively monitor potential threats as well as our security defenses. The effectiveness of the cyber and information security program is tested through a combination of internal and external assessments. Updates are provided to senior management and the Audit Committee.

We have established processes to assess risks from cybersecurity threats, monitor our information systems for potential vulnerabilities, and test those systems pursuant to our cybersecurity policies, processes, and practices, which are integrated into our overall risk management program. In an effort to protect our information systems from cybersecurity threats, we have implemented information security and incident response policies as well as operating procedures. We also use various security tools that are designed to help us identify risks from cybersecurity threats, and escalate, investigate, resolve, and recover from cybersecurity incidents in a timely manner.

We face several cybersecurity risks in connection with our business. While cybersecurity threats, including those resulting from any previous cybersecurity incidents, have not materially affected, and we do not believe they are reasonably likely to materially affect, our Company, including our business strategy, results of operations, or financial condition, to date, we have, like other companies in our industry, from time to time, experienced threats and cybersecurity incidents relating to our, and our third-party vendors', data and information systems. However, there can be no assurance that our controls and procedures in place to monitor and mitigate the risks of cyber threats, including the remediation of critical information security and software vulnerabilities, will be sufficient and/or timely and that we will not suffer material losses or consequences in the future. Additionally, we do not have in place insurance coverage designed to address certain aspects of cyber risks.

Item 2. Properties

The table below summarizes certain information as to our principal facilities (we do not own any real property):

Location	Purpose	Type of Occupancy
Oneida, Tennessee	Behavioral Treatment Facility	Leased through June 2026 with four annual options to renew for an additional year
Oneida, Tennessee	Acute Care Hospital/Medical Office Building	Leased through June 2026 with four annual options to renew for an additional year
Farragut, Tennessee	Healthcare Regional Office	Month-to-month lease
Stoughton, Massachusetts	Life Science Services Office	Month-to-month lease
West Palm Beach, Florida	Corporate Office	Month-to-month lease

We believe that each of our facilities is adequately equipped for its currently foreseeable level of operations.

Item 3. Legal Proceedings

Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes

On November 18, 2022, Smithline filed a complaint against the Company and Jon Sabes, the Company's former Chief Executive Officer and a former member of the Company's board of directors, in the Supreme Court of the State of New York, County of New York.

On November 7, 2023, Smithline and the Company and its subsidiaries entered into the Settlement Agreement, pursuant to which the parties agreed to resolve and settle all disputes and potential claims which exist or may exist among them, including without limitation those claims asserted in the Action, as more specifically set forth in, and subject to the terms and conditions of, the Settlement Agreement. Upon the execution of the Settlement Agreement, the parties agreed to jointly dismiss the legal action without prejudice.

On May 28, 2024, the Company entered into an Exchange Agreement, as amended, with Smithline, terminating on February 23, 2025. On June 10, 2025, the Exchange Agreement, as amended, was amended for a second time to increase the number of shares of the Company's Class A Common Stock issuable to Smithline under the agreement. Pursuant to the amended Exchange Agreement, Smithline exchanged Assumed Warrants to purchase up to 15,704 shares, as adjusted, of the Company's Common Stock, for the right to receive up to 2,588,805 shares of the Company's Class A Common Stock (the "Rights Shares"), subject to a 4.99% beneficial ownership limitation and issued without any restrictive legends. The Assumed Warrants, which are more fully discussed in Note 13, expired on February 23, 2025. As of August 26, 2025, the Company issued a total of 2,588,793 Rights Shares to Smithline, including 2,426,031 shares that were issued during the period from January 1, 2025 to August 26, 2025. On August 27, 2025, the Exchange Agreement was again amended to provide that the balance owed to Smithline on that date of \$97,937 be paid in cash over a period of four months ending on November 27, 2025. The Company has made all payments under the amendment. Accordingly, as of December 31, 2025, the \$2.3 million liability owed to Smithline has been satisfied in full.

Former CEO Severance

The Company has disclosed in previous financial filings that the Board of Directors had yet to complete its review into whether Mr. Jon Sabes, a former CEO of the Company was terminated with or without cause on November 14, 2022 and that accordingly, the Company had to make a determination on its obligations under the former CEO's employment agreement.

The Board of Directors has now completed a review of this matter in the last quarter of 2024 and upon examination of the history and various documents and records, determined that Mr. Sabes was unequivocally terminated for cause on November 14, 2022, meaning the Company has no further obligation to Mr. Sabes.

On November 20, 2024, the Company received a letter from counsel for Mr. Jon Sabes, the former Chief Executive Officer and director, demanding payment of certain compensation and benefits. Regardless that the Company has now determined that termination of Mr. Sabes employment on November 14, 2022 was for cause and that no obligation to Mr. Sabes remains, the Company has, because of this demand, continued to accrue certain liabilities of severance pay and stock-based compensation in its financial records until the matter has been resolved in full. The Company does not believe the demand received on November 20, 2024 has any merit and will vigorously dispute any claim for payment.

Illumina Judgment

On June 21, 2024, Hennepin County District Court granted Illumina, Inc.'s Motion for Summary Judgment in the amount of \$0.8 million against the Company. The Company has entered into a settlement agreement with Illumina on July 23, 2025 to settle this judgment over time. \$100,000 was paid at the time of settlement and \$723,065 is payable in five additional quarterly payments of \$144,613 per payment. The Company is currently in default of its requirements for payment under the settlement agreement but believes this default will be rectified without repercussion when the Company secures additional capital.

Other Matters

In July 2025, Gateway Group, Inc. filed a legal action in Orange County, California seeking payment of \$120,000. This amount is included as a liability in the Company's financial statements. To date, there is no resolution to this matter.

In the second quarter of 2025, Data Shepherd Services, Inc. received a judgment against the Company for an unpaid balance of approximately \$58,000. This amount is included as a liability in the Company's financial statements. To date, there is no resolution to this matter.

In June 2025, func.media inc. filed a legal action in Minnesota seeking a total sum of \$123,250. This amount is included as a liability in the Company's financial statements. On October 16, 2025 the Company entered into a settlement agreement to pay \$90,000 on an agreed payment schedule of \$15,000 each month for six months as full resolution of this matter. If all payments are made when due all remaining amounts over \$90,000 will be waived. The Company is currently in default of the payment schedule in the settlement agreement.

The Company is also party to various other legal proceedings, for legacy debts of the Company, claims, and regulatory, tax or government inquiries and investigations that arise in the ordinary course of business, and the Company may in the future be subject to additional legal proceedings and disputes.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

On August 12, 2025, the Company received a letter from NYSE confirming that NYSE Regulation has determined to commence proceedings to delist the Class A Common Stock of the Company from NYSE American, pursuant to Section 1003(f)(v) of the NYSE American Company Guide due to the low selling price of the Class A Common Stock. The share price went below the NYSE minimum price of \$0.10 on August 12, 2025 and was suspended from trading by NYSE. On August 22, 2025, a Form 25 was filed and, 10 days later the delisting was effective.

The Company submitted an application to have its Class A Common Stock traded on the OTC Markets and received on August 12, 2025 confirmation from FINRA's Department of Market Operations that the trading symbol, "FOXO" has been assigned by them to the Common Stock of FOXO Technologies, Inc., and that the Company's Class A Common Stock commenced trading on the OTC Markets as of August 13, 2025 and continues to trade on OTC Markets at this time.

The table below sets forth for the periods indicated the quarterly high and low bid prices as reported by OTC Markets. Limited trading volume has occurred during these periods. These quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commission and may not necessarily represent actual transactions.

2025	High	Low
Third Quarter	\$ 0.3668	\$ 0.0026
Fourth Quarter	\$ 0.0034	\$ 0.0001

Our common stock is considered to be penny stock under rules promulgated by the SEC. Under these rules, broker-dealers participating in transactions in these securities must first deliver a risk disclosure document which describes risks associated with these stocks, broker-dealers' duties, customers' rights and remedies, market and other information, and make suitability determinations approving the customers for these stock transactions based on financial situation, investment experience and objectives. Broker-dealers must also disclose these restrictions in writing, provide monthly account statements to customers, and obtain specific written consent of each customer. With these restrictions, the likely effect of designation as a penny stock is to decrease the willingness of broker-dealers to make a market for the stock, to decrease the liquidity of the stock and increase the transaction cost of sales and purchases of these stocks compared to other securities.

Dividends

We have not paid any cash dividends to date and we do not anticipate paying cash dividends in the foreseeable future, except for cash dividends on the Series E Preferred Stock. After payment of such cash dividends, it is the present intention of management to utilize any available funds for the development of our business.

Holders of Record

As of April 10, 2026, there were 65 active holders of record of shares of our Class A Common Stock. We believe a substantially greater number of beneficial owners hold shares of Class A Common Stock or Public Warrants through brokers, banks or other nominees.

Securities Authorized for Issuance under Equity Compensation Plan

For information regarding securities authorized for issuance under equity compensation plans, please refer to "Item 12-Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

Recent Sales of Unregistered Securities

During the quarter ended December 31, 2025, holders of Series A Preferred Stock were issued an aggregate of 1,880,022,805 shares of Common Stock pursuant to the conversions of an aggregate of 753.3279 shares of Series A Preferred Stock.

During the quarter ended December 31, 2025, the Company issued 506,770,797 shares of its Class A Common Stock pursuant to the conversions of an aggregate of \$161,373 of notes payable and accrued interest.

The securities issued above were made in reliance upon the exemption from securities registration afforded by Section 3(a)(9) of the Securities Act.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

References to "FOXO" the "Company," "us," "our" or "we" refer to FOXO Technologies Inc. and its consolidated subsidiaries. The following discussion and analysis summarizes the significant factors affecting the consolidated operating results, financial condition, liquidity, capital resources and cash flows of our Company as of and for the periods presented below. The following discussion should be read in conjunction with our consolidated financial statements and related notes included under "Item 8. Financial Statements" in this Annual Report.

Formation

We were formed as a limited liability company on November 11, 2019, following our separation from GWG Holdings, Inc. We were previously named InsurTech Holdings, LLC and FOXO BioScience LLC. On November 13, 2020, FOXO Bioscience LLC completed a conversion to a C Corporation and became FOXO.

Effective September 15, 2022, we consummated our previously announced business combination pursuant to the Merger Agreement, whereby DWIN Merger Sub Inc. merged with and into Legacy FOXO, with Legacy FOXO surviving as a wholly-owned subsidiary of the Company. Upon consummation of our business combination, our name changed from Delwinds Insurance Acquisition Corp. to FOXO Technologies Inc.

Overview

As of December 31, 2025, FOXO owns and operates four principal subsidiaries.

Myrtle Recovery Centers, Inc., ("**Myrtle**") a 30-bed behavioral health facility in East Tennessee. Myrtle provides inpatient services for detox and residential treatment and outpatient services for medication assisted treatment ("**MAT**") and OBOT Programs.

Rennova Community Health, Inc., ("**RCHI**") owns and operates Scott County Community Hospital, Inc. ("**SCCH**") (d/b/a Big South Fork Medical Center ("**BSF**")), a critical access designated (CAH) hospital in East Tennessee.

Vector BioSource Inc. ("**Vector**") is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.

FOXO Labs, Inc. is a biotechnology company dedicated to improving human health and life span through the development of cutting-edge technology and product solutions for various industries.

Our Business Segments

The Company manages and classifies its business into three reportable business segments: (i) Healthcare, (ii) Life Science Services and (iii) Labs.

- Healthcare - The Company's healthcare segment began with the acquisition of Myrtle on June 14, 2024 and includes RCHI, which was acquired on September 10, 2024. Myrtle offers behavioral health services, primarily substance use disorder treatments and services that are provided on either an inpatient, residential basis or an outpatient basis. RCHI's hospital, BSF, has 25 inpatient beds, and a 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. BSF is designated as a Critical Access Hospital (rural) hospital.

- Life Science Services – The Company’s Life Science Services segment began with the acquisition of Vector on September 19, 2025. Vector is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.
- Labs - The Company’s Labs segment is commercializing proprietary epigenetic biomarker technology. The Company’s innovative biomarker technology enables the adoption of new saliva-based health and wellness biomarker solutions. The Company’s research demonstrates that epigenetic biomarkers, collected from saliva, provide measures of individual health and wellness for the factors used in life insurance underwriting traditionally obtained through blood and urine specimens.

Reverse Stock Splits

On April 17, 2025, the Company’s board of directors (pursuant to a previously-obtained shareholder approval) approved the First Reverse Stock Split. The First Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on April 28, 2025. Trading reopened on April 29, 2025, which is when the Company’s Class A Common Stock began trading on a post reverse stock split basis.

On July 17, 2025, the Company’s board of directors (pursuant to previously obtained shareholder approval) approved the Second Reverse Stock Split and together with the First Reverse Stock Split. The Second Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on July 27, 2025. Trading reopened on July 28, 2025, which is when the Company’s Class A Common Stock began trading on a post reverse stock split basis.

All share amounts herein have been adjusted to reflect the reverse stock split.

On September 2, 2025, RHI, a shareholder representing a majority of the voting control of the Company, approved a proposal to amend our Certificate of Incorporation to effect a reverse stock split of our issued and outstanding Common Stock any time before July 31, 2026, at a ratio ranging from one-for-ten (1:10) to one-for-five hundred (1:500) with the exact ratio within such range to be determined at the sole discretion of the Company’s Board of Directors, without further approval or authorization of our stockholders before the filing of an amendment to the Certificate of Incorporation effecting the proposed reverse split. The Company has filed an Information Statement on Schedule 14C with the SEC with respect to the matters approved by the Majority Stockholder and has mailed the definitive Information Statement on Schedule 14C to its stockholders of record as of the record date.

On September 25, 2025, the Company submitted a Company-Related Notification to FINRA’s Department of Market Operations in connection with a proposed reverse stock split. On March 6, 2026, the Department issued a deficiency notice pursuant to FINRA Rule 6490(d)(3), determining that the Company’s corporate action submission would not be processed.

The Department’s determination was based, in part, on a pending SEC civil action against the managing partner of an institutional investor that holds shares of the Company’s Series A Preferred Stock, as well as the Department’s view that, upon conversion of such preferred stock, the investor could own approximately 95% of the Company’s outstanding common stock, without giving effect to the beneficial ownership limitations contained in the terms of such securities.

The Company disagrees with the Department’s determination and, on March 12, 2026, filed a Notice of Appeal. The appeal will be considered by a subcommittee of FINRA’s Uniform Practice Code Committee, and the subcommittee’s determination will constitute final action within FINRA. The appeal is currently pending, and FINRA has scheduled a review date of April 27, 2026. There can be no assurance that the appeal will be successful.

If the appeal is unsuccessful, the Company may need to pursue alternative approaches to address its capital structure. In addition, the inability to complete the reverse stock split may limit the Company’s ability to access capital, including under its existing \$5.0 million equity line of credit, which could materially adversely affect the Company’s liquidity and its ability to execute its business plan.

Acquisitions

Stock Exchange Agreements with RHI

On June 10, 2024, the Company entered into two stock exchange agreements, each with RHI as follows:

Acquisition of Myrtle Under First Stock Exchange Agreement

The first agreement, as supplemented (the “**Myrtle Agreement**”), provided for RHI to exchange all of its equity interest in Myrtle for \$0.5 million, payable in a combination of shares of the Company’s Class A Common Stock and a note payable. The closing occurred effective on June 14, 2024. The Company recorded a non-interest bearing note payable due on demand to RHI in the amount of \$0.3 million and it paid the remaining purchase price of \$0.2 million by issuing 51,439 shares of its Class A Common Stock to RHI on July 17, 2024. In addition to the \$0.3 million promissory note issued to RHI for a portion of the purchase price of Myrtle, Myrtle issued a promissory note payable to RHI dated June 13, 2024, in the original principal amount of \$1.6 million, which represented the amount owed to RHI by Myrtle at the time of the sale of Myrtle to the Company.

Myrtle was formed in the second quarter of 2022 to pursue opportunities in the behavioral health sector, including substance use disorder treatment, initially in rural markets. Services are provided on either an inpatient, residential basis or an outpatient basis.

Acquisition of RCHI and Its Subsidiary SCCH Under the Second Stock Exchange Agreement with RHI, as Amended and Restated

The second agreement with RHI, also dated June 10, 2024, (the “**RCHI Agreement**”) provided for the RHI to exchange all of the outstanding shares of its subsidiary RCHI, including SCCH, for 20,000 shares of the Company’s to be authorized Series A Preferred Stock. On September 10, 2024, the parties to the RCHI Agreement entered into an Amended and Restated Securities Exchange Agreement (the “**Amendment**”) which revised the consideration payable to RHI from shares of Series A Preferred Stock to \$100. In addition, RCHI issued to the RHI a senior secured note in the principal amount of \$22.0 million the “**RCHI Note**”) (subject to adjustment). The RCHI Note had a maturity date of September 10, 2026 and accrued interest on any outstanding principal amount at the rate of 8% per annum for the first six months, increasing to 12% per annum thereafter. After maturity, interest accrued at a rate of 20% per annum. The RCHI Note required principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI and SCCH.

The RCHI Note was guaranteed by the Company and SCCH, pursuant to the terms of a Guaranty Agreement (the “**Guaranty**”). The RCHI Note was also secured by the assets of RCHI and Scott County pursuant to a Security and Pledge Agreement (the “**RCHI Pledge Agreement**”) and by the “Collateral” owned by the Company as provided in the Security and Pledge Agreement with FOXO (the “**FOXO Pledge Agreement**”). The Amendment also provided that RHI may at any time request that the Company seek approval of its shareholders of the issuance of its Class A Common Stock upon conversion in full of the shares of the Company’s Series A Preferred Stock issuable upon exchange of the RCHI Note. At any time after receipt of such approval, RHI had the option to exchange, in whole or in part, the RCHI Note for shares of the Company’s Series A Preferred Stock. Upon any such exchange, RHI would receive the equivalent of \$1.00 stated value of the Company’s Series A Preferred Stock for each \$1.00 of the aggregate of principal and accrued and unpaid interest, liquidated damages and/or redemption proceeds (or any other amounts owing under the RCHI Note) being exchanged. On December 5, 2024, the Company and RCHI entered into an Exchange Agreement (the “**Exchange Agreement**”) with RHI. Pursuant to the Exchange Agreement, \$21.0 million of the principal balance of the RCHI Note was exchanged for 21,000 shares of the Company’s Series A Preferred Stock with a stated value of \$21.0 million. Upon the closing of the Exchange Agreement, RCHI executed a senior secured promissory note payable to RHI (the “**New RCHI Note**”) in the principal amount of \$1.0 million, with similar terms to the RCHI Note. At December 31, 2025, the New RCHI Note is in default and the Company is in discussions with RHI about extending the maturity date of the note.

Pursuant to the RCHI SEA, in the event that the Company, at any time after June 10, 2024, the date specified in the RCHI SEA, and during the twelve months thereafter, entered into any agreement or settlement agreement with any pre-existing holder of debt or other liability owed by the Company above \$5.0 million (cumulative) then the consideration payable shall increase on a dollar for dollar basis for the aggregate settlement amount above \$5.0 million. As of the September 10, 2024 acquisition date, the full scope of the Company’s obligations to pre-existing debt holders or other creditors was not determinable, as negotiations with creditors and debt holders remained open and unresolved. As of September 10, 2025, which was one year from the date of the RCHI acquisition, the Company had fully settled approximately \$6.0 million of cumulative debts and other liabilities above \$5.0 million. Accordingly, during the year ended December 31, 2025, the Company issued a \$1.0 million note payable to RHI (the “**Additional RCHI Note**”) and the Company issued to RHI 5,000 shares of its Series A Preferred Stock with a stated value of \$5.0 million. The additional consideration owed of \$6.0 million was recorded as additional goodwill. In addition, the Company has agreed to extend the period for settlement of qualifying debt and other liabilities that are not yet settled or quantified through June 30, 2026. In the fourth quarter of 2025, the Company settled an additional \$0.1 million of qualifying debt and other liabilities. Since this settlement was made after the end of the one-year measurement period of September 10, 2025, but prior to the end of the extension period of June 30, 2026, the Company recorded the additional amount as an expense in the consolidated statement of operations and a related party loan to RHI in the consolidated balance sheet at December 31, 2025. The Company cannot estimate the settlement amount of additional liabilities that existed at June 10, 2024 and that may be settled through the extension period of June 20, 2026 because of ongoing negotiations that remain unresolved. Any additional amount will be recorded as an additional expense in the consolidated statement of operations and as an additional liability to RHI.

BSF is a critical access hospital located in Oneida, Tennessee consisting of a 52,000-square foot hospital building and 6,300-square foot professional building on approximately 4.3 acres. BSF has 25 inpatient beds and a 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. The hospital became operational on August 8, 2017 and it became designated as a critical access hospital (rural) in December 2021, retroactive to June 30, 2021.

Acquisition of Vector Under Stock Purchase Agreement

On September 9, 2025, the Company entered into the Stock Purchase Agreement with Vector, (the “**Vector SPA**”), between the stockholders (each, a “**Seller**,” or, together, the “**Sellers**”) owning all of the issued and outstanding equity securities of Vector (the “**Purchased Shares**”) and FOXO Acquisition Corporation, a Florida corporation and wholly-owned subsidiary of the Company (“**FAC**”), (the “**Vector Acquisition**”). Pursuant to the SPA, upon closing on September 19, 2025, the Sellers exchanged the Purchased Shares for (i) \$500,000 in cash, (ii) 60,000 shares of the Company’s Series E Cumulative Redeemable Secured Preferred Stock (the “**Series E Preferred Stock**”) with a stated value of \$25.00 per share, or a total stated value of \$1,500,000, (iii) 386,847,195 three year warrants to purchase shares of the Company’s Class A Common Stock with an exercise price of \$0.00517 per share (the “**Vector Warrants**”), which was equal to the closing price of the Company’s Class A Common Stock on the trading day immediately prior to closing, plus 10%, (subject to adjustment) valued at \$769,826 and (iv) up to 80,000 shares of Series E Preferred Stock to be issued to the Sellers on or before 120 days after the two-year anniversary of the closing; provided that, such shares will only be issued in the event that the Qualifying Revenue (as defined in the Vector SPA) of the Business (as defined in the Vector SPA) during the 12-month period between the first and second anniversary of the closing are at least \$4,000,000; provided, further, that in the event that less than \$4,000,000 of Qualifying Revenues are actually collected by Vector on or before 90 days after the second anniversary of the closing, the number of shares of Series E Preferred Stock to be issued to the Sellers will be reduced by an amount equal to one share for each \$25.00 of Qualifying Revenues less than \$4,000,000 collected by such date; and, provided, further, if a Change of Control (as defined in the Vector SPA) of the Company occurs prior to the two-year anniversary of the closing, all of the up to 80,000 shares of Series E Preferred Stock will be issued to the Sellers as of the date of such Change of Control. Pursuant to the Vector SPA, the Sellers have the right, but not obligation, to repurchase the Purchased Shares under certain limited circumstances at fair market value as determined by a third party and subject to a floor. As of December 31, 2025, the Company has recorded \$500,000 of additional contingent purchase price consideration, which amount was based on the estimated value of additional shares of Series E Preferred Stock that will be owed pursuant to current projections of Qualifying Revenue.

Vector is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.

Amended Service Agreement and Termination of Employment, Settlement and Mutual Release Agreement

On July 25, 2024, we entered into an amended Services Agreement with Mark White, our former interim chief executive officer, (the “**Services Agreement**”).

On December 5, 2024, we entered into a Termination of Employment, Settlement and Mutual Release Agreement (the “**White Termination Agreement**”) pursuant to which the Services Agreement is to be terminated.

KR8 Termination Agreement

On December 6, 2024, we entered into the Termination Agreement with KR8, pursuant to which 3,000 shares (the “**KR8 Shares**”) of our Series D Cumulative Convertible Redeemable Preferred Stock (“**Series D Preferred Stock**”) were issued to KR8 as full and final satisfaction of approximately \$3.0 million owed to KR8 and the Master Software and Services Agreement with KR8 dated January 12, 2024, as amended (the “**MSSA**”), was terminated (the “**KR8 Termination Agreement**”). The Series D Preferred Stock have no voting rights and conversion to common stock by KR8 is subject to relevant approvals from NYSE and shareholders. The Termination Agreement closed on December 6, 2024. Effective December 6, 2024, the Company and KR8 entered into Amendment No. 1 to the KR8 Termination Agreement, which clarifies that the KR8 Termination Agreement did not terminate the MSSA but terminated the financial obligations of the Company under the MSSA.

Current Business Strategy

Myrtle Recovery Centers, Inc.

Myrtle was formed in the second quarter of 2022 to pursue opportunities in the behavioral health sector, including substance abuse treatment, initially in rural markets. Services are provided on either an inpatient, residential basis or an outpatient basis.

Myrtle was granted a license by the Department of Mental Health and Substance Abuse Services of Tennessee to operate an alcohol and drug treatment facility in Oneida, Tennessee. The facility, which is located at BSF’s campus, commenced operations and began accepting patients on August 14, 2023. The facility offers alcohol and drug residential detoxification and residential rehabilitation treatment services for up to 30 patients. On November 1, 2023, Myrtle began accepting patients at its OBOT. The OBOT is located adjacent to Myrtle’s alcohol and drug treatment facility in Oneida, Tennessee and complements the existing residential rehabilitation and detoxification services offered at Myrtle. On April 11, 2023, Myrtle sold shares of its common stock equivalent to a 1.961% ownership stake in the subsidiary for de minimis value to an unaffiliated individual licensed as a physician in Tennessee. The shares have certain transfer restrictions, including the right of the subsidiary to transfer the shares to another physician licensed in Tennessee for de minimis value. The shares were sold to the individual for Tennessee healthcare regulatory reasons.

We plan to expand the Myrtle business model by acquiring additional operating facilities and by replicating the model in other rural hospital properties or suitable premises.

Rennova Community Health, Inc.

RCHI’s wholly-owned subsidiary, SCCH, is an east Tennessee based Critical Access Designated (CAH) 25-bed hospital licensed by the state of Tennessee, offering quality healthcare services for Oneida and the surrounding areas. SCCH is doing business as BSF. BSF consists of a 52,000-square foot hospital building and 6,300-square foot professional building on approximately 4.3 acres. BSF has 25 inpatient beds, and 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. The hospital became operational on August 8, 2017 and it became designated as a Critical Access Hospital (rural) hospital in December 2021, retroactive to June 30, 2021. The hospital first opened in late 1955 and was known as Scott County Community Hospital. The hospital has been operated by RCHI since August 2017.

We plan to grow this division by expansion of services at its BSF campus and acquisitions in targeted areas.

Vector BioSource Inc.

Vector is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceuticals research industries. Vector plans to transform the biospecimen sourcing landscape with an innovative AI-driven platform that it believes will provide researchers’ immediate access to bio-samples, including, whole blood samples, bulk serum collections and toxicology urine specimens. The Company is actively pursuing an acquisition in the sector that, if successful, will deliver an FDA-approved collection and processing capability in the US from which Vector can aggressively grow its business. Vector is also actively seeking international sourcing partners that can provide certain (rare) disease state samples for the research and development sector only. Vector has initiated its first agreement with a partner in India and has been successful in sourcing samples from there as well as from Latin America to satisfy certain orders received.

We plan to grow this division by organic expansion of the current business and acquisition of similar or complementary businesses.

FOXO Labs

Our epigenetics subsidiary has been serving as a pioneer in the development and integration of epigenetic biomarkers into state-of-the-art underwriting protocols and consumer engagement tools. We are using next-generation technology to transform human health and longevity.

Epigenetic technology has been proven to provide health, lifestyle, and longevity insights that have never before been accessible to humans—from just a single saliva sample. Using saliva-based epigenetic biomarkers, we are eliminating the need for invasive collection, allowing us to provide scientists with advanced epigenetic testing services and bioinformatic tools that support groundbreaking research.

We believe there is growing demand for direct-to-consumer wellness testing and epigenetic data analysis tools and are concentrating efforts on: (1) our Bioinformatics Services offering, a suite of bioinformatic tools to help researchers process, analyze, and interpret epigenetic data; and (2) research and development in the fields of health and wellness testing powered by machine learning and artificial intelligence (including a potential AI platform for the delivery of health and well-being data-driven insights to individuals, healthcare professionals and third-party service providers). To further these goals, we intend to leverage the extensive epigenetic data we have generated in our clinical trials and the expertise of our team and continue building strategic alliances with new partners in academia, business, healthcare and government. We also intend to frequently evaluate and develop commercialization opportunities for our product and service offerings and our research findings.

The Board of Directors continues to consider its options for this division of our business. While there is significant opportunity to monetize and grow the epigenetics business the Company cannot pursue these opportunities until it secures required capital. Intangible assets in this division have been impaired to zero as there currently is no timeline for getting a revenue generating product to market. We believe significant value could be achieved by launching an interpretation product in partnership with nutrients providers for people to manage their diet and wellbeing but will also consider joint ventures or the sale of this business if viable.

Net Revenues

Healthcare generates revenues from hospital and ancillary services as well as substance abuse treatments, including inpatient and outpatient services. Life Science Services generates revenues from sales of biological materials, such as blood and urine to the pharmaceutical and biotechnology research sectors. Labs currently recognizes revenues from collecting a royalty from Illumina, Inc. related to the sales of the Infinium Mouse Methylation Array.

Results of Operations

Years Ended December 31, 2025 and 2024

	December 31,		Change in	Change in
	2025	2024	\$	%
Net revenues	\$ 16,367,617	\$ 4,051,601	\$ 12,316,016	303.98%
Operating expenses:				
Direct costs of revenues	8,328,614	2,484,361	5,844,253	235.24%
Research and development	182,498	312,267	(129,769)	-41.56%
Management contingent share plan expense (forfeitures), net	(173,048)	(56,231)	(116,817)	207.74%
Impairments of intangible assets	-	1,847,994	(1,847,994)	-100.00%
Goodwill impairment	7,000,000	-	7,000,000	0.00%
Selling, general and administrative expenses	11,358,767	7,225,124	4,133,643	57.21%
Total operating expenses	26,696,831	11,813,515	14,883,316	125.99%
Loss from operations	(10,329,214)	(7,761,914)	(2,567,300)	33.08%
Change in fair value of warrant liabilities	41,246	(32,425)	73,671	-227.20%
Interest expense	(3,434,005)	(3,910,340)	476,335	-12.18%
Gain (loss) from extinguishments of debt	1,863,834	(428,295)	2,292,129	-535.18%
Other non-operating expenses, net	(771,823)	(287,988)	(483,835)	168.01%
Loss before benefit for income taxes	(12,629,962)	(12,420,962)	(209,000)	1.7%
Income tax benefit	(182,831)	-	182,831	0.00%
Net loss, including noncontrolling interest	(12,447,131)	(12,420,962)	(26,169)	0.21%
Noncontrolling interest	16,741	14,573	2,168	14.88%
Net loss attributable to FOXO	(12,430,390)	(12,406,389)	(24,001)	0.19%
Deemed dividends	(21,673,282)	(1,073,993)	(20,599,289)	NM
Net loss to common stockholders	\$ (34,103,672)	\$ (13,480,382)	\$ (20,623,290)	152.99%

NM = Not Meaningful

Net revenues. Net revenues were \$16.4 million for the year ended December 31, 2025, compared to \$4.1 million for the year ended December 31, 2024 an increase of \$12.3 million. Myrtle, acquired on June 14, 2024, contributed \$1.6 million of the increase, RCHI, acquired on September 10, 2024, contributed \$10.4 million of the increase and Vector, acquired on September 19, 2025, contributed \$0.3 million of the increase. Labs net revenues were \$13,923 and \$32,640 for the years ended December 31, 2025 and 2024, respectively. Included in RCHI net revenues for the year ended December 31, 2025, were net revenues of \$3.5 million from the State of Tennessee's Hospital Improvement Plan (the "THIP"). The THIP is designed to increase revenues for hospitals serving TennCare patients.

Direct Costs of Revenues. Direct costs of revenues were \$8.3 million for the year ended December 31, 2025, compared to \$2.5 million of direct costs of revenues for the year ended December 31, 2024. Myrtle's direct costs of revenues were \$1.2 million, RCHI's were \$7.0 million and Vector's were \$0.1 million for the year ended December 31, 2025. Myrtle was acquired on June 14, 2024, RCHI was acquired on September 10, 2024 and Vector was acquired on September 19, 2025. Myrtle's and RCHI's direct costs for the year ended December 31, 2024 were \$0.4 million and \$2.1 million respectively.

Research and Development. Research and development expenses were \$0.2 million or the year ended December 31, 2025, compared to \$0.3 million for the year ended December 31, 2024. The decrease was due to research and development projects that were paused or that are no longer ongoing.

Management Contingent Share Plan. During the years ended December 31, 2025 and 2024, forfeitures of 168 and 620 unvested shares, respectively, that were previously granted under the Management Contingent Share Plan resulted in a net decrease of compensation expense under the plan of (\$0.2) million and (\$0.1) million, respectively.

Impairments of Intangible Assets. During the years ended December 31, 2025 and 2024, total impairment losses were \$0 million and \$1.8 million, respectively. The impairment loss recorded for 2024 consisted of \$1.7 million for the Epigenetic APP and \$0.2 for the methylation pipeline asset. In December 2024, the Company determined that the projected cash flows could no longer support the Epigenetic APP and the methylation pipeline asset.

Goodwill Impairment. During the year ended December 31, 2025, the Company recorded \$7.0 million of goodwill impairment. No goodwill impairment was recorded in 2024. We determined that the goodwill recorded for SCCH was impaired as of December 31, 2025, based on our annual goodwill impairment testing in which we estimated fair value of the business using a discounted cash flow analysis of future projected cash flows.

Selling, General and Administrative. Selling, general and administrative expenses were \$11.4 million for the year ended December 31, 2025, compared to \$7.2 million for the year ended December 31, 2024. The increase of \$4.2 million, or 48.49%, was driven by expenses associated with Myrtle acquired on June 14, 2024, RCHI acquired on September 10, 2024 and Vector acquired on September 19, 2025. In addition, Corporate's selling, general and administrative expenses increased by \$0.5 million in 2025 compared to 2024, which we attribute primarily to legal and insurance expenses, digital and website advertising, professional fees, rent and franchise taxes, offset by a decrease in payroll related expenses, among other items.

Change in Fair Value of Warrant Liability. The fair value of the warrant liability decreased by \$41,246 and increased by \$32,425 for the years ended December 31, 2025 and 2024, respectively. The changes in the fair values were due primarily to the changes in the quoted prices of the Public Warrants on the OTC Pink Marketplace.

Gain (Loss) from Extinguishment of Debt. During the year ended December 31, 2025, we exchanged \$5.4 million of Senior PIK Notes, which included \$1.9 million of accrued interest, for \$3.5 million of stated value of our Series B Cumulative Convertible Redeemable Preferred Stock ("**Series B Preferred Stock**") resulting in a gain of \$1.9 million. The loss from extinguishment of debt for the year ended December 31, 2024 of \$0.4 million, resulted from the exchange of \$2.2 million of notes payable and \$1.1 million of accounts payable for \$3.7 million of stated value of our preferred stock.

Interest Expense. Interest expense was \$3.4 million for the year ended December 31, 2025 compared to \$3.9 million for the year ended December 31, 2024. The decrease was primarily attributable to a reduction of interest expense on the Senior PIK Notes that were exchanged for the Company's Series B Preferred Stock in January 2025 and interest for the right-of-use operating lease obligation that is included in selling, general and administrative expenses in 2025. Partially offsetting these items, was additional interest expense on promissory notes.

Other Non-Operating Expenses, Net. Other non-operating expenses, net were \$0.9 million for the year ended December 31, 2025, compared to other non-operating expenses, net of \$0.3 million for the year ended December 31, 2024. The non-operating expenses, net in 2025 resulted primarily from \$0.8 million of penalties and interest for nonpayment of payroll taxes, an \$0.1 million of additional purchase price consideration for RCHI, partially offset by hospital cafeteria income of \$0.2 million, among other items. The non-operating expenses, net in 2024 were attributable to \$0.3 million of penalties and interest for nonpayment of payroll taxes, a \$0.1 million loss on legal settlement, partially offset by cafeteria income of \$0.1 million.

Income Tax Benefit. The \$0.2 million income tax benefit in the year ended December 31, 2025, resulted from the release of \$0.2 million of deferred tax valuation allowance due to the acquisition of Vector. We did not incur a benefit for income taxes in 2024.

Net Loss Attributable to FOXO. Net loss attributable to FOXO was \$12.4 million for the year ended December 31, 2025 compared to a net loss attributable to FOXO of \$12.4 million for the year ended December 31, 2024. The loss from operations was \$10.3 million and \$7.8 million for the years ended December 31, 2025 and 2024, respectively, or an increase of \$2.5 million due primarily to the \$7.0 million goodwill impairment in 2025 compared to an intangible asset impairment of \$1.8 million in 2024. Excluding these asset impairments, the loss from operations decreased by \$2.7 million for the year ended December 31, 2025 compared to 2024, which we attribute primarily to the \$3.5 million of THIP net revenues recorded in the year ended December 31, 2025. Partially offsetting the net loss attributable to FOXO in the year ended December 31, 2025 was the \$1.9 million gain from extinguishment of Senior PIK Notes in the 2025 period, compared to a loss from extinguishments of debt of \$0.4 million in the 2024 period, a decrease of interest expense of \$0.5 million and the gain from the change in fair value of warrants of \$41,246 in 2025 period, partially offset by an increase in other non-operating expenses, net of \$0.5 million in the year ended December 31, 2025 compared to 2024. We recorded deemed dividends in the year ended December 31, 2025 of \$21.7 million resulting primarily from decreases in the floor conversion prices of our convertible preferred stock from floors ranging from \$0.01 to \$0.995 per share to \$0.0001 per share. Deemed dividends in the year ended December 31, 2025 also resulted from the issuances of preferred stock, the conversion of and anti-dilution provisions of our Series C Cumulative Convertible Redeemable Preferred Stock ("**Series C Preferred Stock**") and the triggers of the down-round provisions of the Assumed Warrants compared to deemed dividends of \$1.1 million related to the triggers of the down-round provisions and extension of the Assumed Warrants during year ended December 31, 2024. The deemed dividends resulted in a net loss to common stockholders of \$34.1 million and \$13.5 million for the years ended December 31, 2025 and 2024, respectively.

Analysis of Segment Results:

The following is an analysis of our results by reportable segment for the year ended December 31, 2025 compared to the year ended December 31, 2024. The primary earnings/loss measure used for assessing reportable segment performance is segment income/loss defined as earnings/loss before interest, income taxes, and depreciation and amortization not associated with a specific segment. Segment income/loss by reportable segment also excludes corporate and other costs, including management, IT, and overhead costs. For further information regarding our reportable business segments, please refer to our consolidated financial statements and related notes included elsewhere in this Annual Report.

Healthcare

	Year ended December 31, 2025	Year Ended December 31, 2024	Change in \$	Change in %
Total revenues	\$ 16,086,099	\$ 4,018,961	\$ 12,067,138	300%
Operating expenses ⁽¹⁾	(25,010,019)	(5,732,626)	(19,277,393)	336%
Noncontrolling interest	16,741	14,573	2,168	15%
Segment Loss	<u>\$ (8,907,179)</u>	<u>\$ (1,699,092)</u>	<u>\$ (7,208,087)</u>	<u>424%</u>

(1) Includes \$7.0 million of goodwill impairment for the year ended December 31, 2025.

Net Revenues. Net revenues were \$16.1 million for the year ended December 31, 2025 and include Myrtle's net revenues of \$2.2 million and RCHI's net revenues of \$13.9 million. Net revenues for the year ended December 31, 2024 of \$4.0 million represent \$0.6 million net revenues of Myrtle and \$3.4 million net revenues of RCHI. Myrtle was acquired on June 14, 2024 and RCHI was acquired on September 10, 2024. Our healthcare segment began with the acquisition of Myrtle. The net revenues of RCHI for the year ended December 31 2025 included \$3.5 million of net revenues from the THIP.

Segment Loss. Segment loss was \$8.9 million for the year ended December 31, 2025 compared to segment loss of \$1.7 million for the year ended December 31, 2024, an increase of \$7.2 million. We attributable the increase in the loss primarily to the \$7.0 million of goodwill impairment recorded for the year ended December 31 2025.

Life Science Services

	Year Ended December 31, 2025	Year Ended December 31, 2024	Change in \$	Change in %
Net revenues	\$ 252,502	\$ -	\$ 252,502	NM
Operating expenses	(370,994)	-	(370,994)	NM
Segment Loss	<u>\$ (118,492)</u>	<u>\$ -</u>	<u>\$ (118,492)</u>	<u>NM</u>

NM = Not meaningful

Net Revenues. Net revenues were \$0.3 million for the year ended December 31, 2025 and represent net revenues from Vector, which was acquired on September 19, 2025.

Segment Loss. Segment loss was \$0.1 million for the year ended December 31, 2025 and represents the loss from Vector.

Labs

	Year Ended December 31, 2025	Year Ended December 31, 2024	Change in \$	Change in %
Total revenues	\$ 13,923	\$ 32,640	\$ (18,717)	(57)%
Operating expenses	(187,306)	(1,173,945)	986,639	(84)%
Segment Loss	<u>\$ (173,383)</u>	<u>\$ (1,141,305)</u>	<u>\$ 967,922</u>	<u>(85)%</u>

Net revenues. Net revenues were \$13,923 and \$32,640 for the years ended December 31, 2025 and 2024, respectively. Net revenues consist primarily of royalty income.

Segment Loss. Segment loss decreased to \$0.2 million for the year ended December 31, 2025 compared to a loss of \$1.1 million for the year ended December 31, 2024. The decrease was driven by research and development projects that are paused or that are no longer ongoing. During the year ended December 31, 2024, the Company incurred approximately \$0.8 million of maintenance fees and minimum royalties associated with its Epigenetic APP.

Other Operating Data:

We use Adjusted EBITDA to evaluate our operating performance. Adjusted EBITDA does not represent and should not be considered an alternative to net income as determined by U.S. GAAP, and our calculations thereof may not be comparable to those reported by other companies. We believe Adjusted EBITDA is an important measure of operating performance and provides useful information to investors because it highlights trends in our business that may not otherwise be apparent when relying solely on U.S. GAAP measures and because it eliminates items that have less bearing on our operating performance. Adjusted EBITDA, as presented herein, is a supplemental measure of our performance that is not required by, or presented in accordance with, U.S. GAAP. We use non-GAAP financial measures as supplements to our U.S. GAAP results in order to provide a more complete understanding of the factors and trends affecting our business. Adjusted EBITDA is a measure of operating performance that is not defined by U.S. GAAP and should not be considered a substitute for net (loss) income as determined in accordance with U.S. GAAP.

We reconcile our non-GAAP financial measure to our net loss, which is its most directly comparable financial measure calculated and presented in accordance with U.S. GAAP. Our management uses Adjusted EBITDA as a financial measure to evaluate the profitability and efficiency of our business model. Adjusted EBITDA is not presented in accordance with U.S. GAAP. Adjusted EBITDA includes adjustments for provision for income taxes, as applicable, interest income and expense, depreciation and amortization, equity-based compensation, and certain other infrequent and/or unpredictable non-cash charges or benefits, such as impairments, changes in fair value of warrant liabilities, adjustments for right-of-use operating lease expense and adjustments to include pro forma operating performance of acquisitions as if they had occurred at the beginning of the earliest period presented.

	For the year ended December 31,	
	2025	2024
Net loss attributable to FOXO	\$ (12,430,390)	\$ (12,406,389)
Add: Depreciation and amortization	597,433	1,235,015
Add: Interest expense, excluding interest for right-of-use obligations	3,434,005	3,557,778
Add: Income tax benefit	(182,831)	-
Add: Equity-based compensation, net of forfeitures	(164,209)	(101,734)
Add: (Gain) loss from extinguishment of debt	(1,863,834)	428,295
Add: Change in fair value of warrant liability	(41,246)	32,425
Add: Impairment charges	7,000,000	1,847,994
Add: Interest expense for right-of-use obligations	853,247	352,562
Add: Write off investment	-	100,000
Add: RCHI purchase price adjustment	97,731	-
Subtotal	(2,700,094)	(4,954,054)
Add: Right-of-use operating lease expense (proforma for 2024)	(1,296,356)	(1,200,000)
Add: Pro Forma 2025 and 2024 adjusted EBITDA for RCHI, Myrtle and Vector	(43,312)	(414,206)
Adjusted EBITDA	\$ (4,039,762)	\$ (6,568,260)

Liquidity and Capital Resources

Sources of Liquidity and Capital

We had cash and cash equivalents of \$207,453 and \$68,268 as of December 31, 2025 and 2024, respectively. We have incurred net losses since our inception. For the years ended December 31, 2025 and 2024, we incurred net losses attributable to FOXO of \$12.4 million and \$12.4 million, respectively. As of December 31, 2025, we had a working capital deficit of \$25.5 million. Cash used in operations was \$3.9 million and \$2.8 million in the years ended December 31, 2025 and 2024, respectively. We expect to incur additional losses in future periods. Our current revenue and operating cash flow is not adequate to fund our operations for the next twelve months and requires us to fund our business through other sources until the time we achieve adequate scale. Securing additional capital is necessary to execute our business strategy.

Private Placements

Strata Purchase Agreement, As Amended

During the fourth quarter of 2023, we entered into the Strata Purchase Agreement with ClearThink, as supplemented by that certain Supplement to Strata Purchase Agreement, dated as of October 13, 2023, by and between us and ClearThink. On August 13, 2024, we entered into Amendment No. 1 to the Strata Purchase Agreement pursuant to which the commitment amount was increased from \$2.0 million to \$5.0 million. On May 15, 2025, we amended and restated the Strata Purchase Agreement to extend the maturity date to June 30, 2026 and improve and simplify the Purchase Price to define the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period. To utilize this Agreement and access funding from the equity line of credit described, the Company was required to obtain an effective registration statement, which was obtained on February 11, 2026. Despite having an effective registration statement, we have not been able to access the operating capital available under the Strata Purchase Agreement because current market conditions, including the low trading price and limited trading volume of our Class A Common Stock, have prevented us from satisfying the contractual conditions required for puts under the agreement.

Third Party Promissory Notes Payable

During the year ended December 31, 2024, we issued to third parties 17 promissory notes with principal balances totaling \$5.0 million and one-time interest expense totaling \$0.1 million and we received net cash proceeds from the issuances totaling \$4.1 million. During the year ended December 31, 2024, we exchanged \$2.2 million of the promissory notes issued in 2024 for 2,464 shares of our Series A Preferred Stock with a stated value of \$1,000 per share. In addition, during the year ended December 31, 2024, \$0.6 million of the principal balances of three of the promissory notes issued during 2024 and \$61,745 of associated accrued interest were converted into 104,564 shares of our Class A Common Stock pursuant to the conversion terms of such notes.

During the year ended December 31, 2025, we entered into 13 third party promissory notes with principal balances totaling \$3.1 million and one-time interest expense totaling \$0.2 million and we received net cash of \$1.7 million. In addition, in February 2025, the Western Note Payable (the “**Western Note**”), which we assumed when we acquired SCCH, was sold to a new third party holder, Western Healthcare LLC, and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which included previously accrued interest expense, totaled \$1.1 million, the maturity date was February 26, 2026 and the note was convertible into shares of the Company’s Class A Common Stock at a conversion price equal to 90% of the average VWAP for the five trading days prior to conversion. During the year ended December 31, 2025, the third party paid Western approximately 50% of the debt owed, and we issued 0.3 million shares of our Class A Common Stock upon conversions of \$0.5 million principal balance of the Western Note. The Western Note is currently in default as the third party failed to make further payments to Western Healthcare LLC and it is probable that no further conversions of the principal balance into shares of our Class A common stock will take place. In addition to the conversion of the Western Note discussed above, during the year ended December 31, 2025, \$2.4 million of principal balance of the third-party notes issued in 2025 and 2024, and including accrued interest, were converted and/or exchanged into 535.6 million shares of our Class A Common Stock.

Also in January 2025, we exchanged all outstanding Senior PIK Notes (including all accrued and unpaid interest) (which total value was \$5.4 million on the date of the exchange) into 3,457.5 shares of our Series B Preferred Stock with a total stated value of \$3.5 million. As a result of the exchange, during the year ended December 31, 2025, the Company recorded a gain from extinguishment of the Senior PIK Notes of \$1.9 million,

At December 31, 2025, \$1.5 million of the outstanding principal balance and associated one-time accrued interest of third-party promissory notes (excluding the Western Note, which was purchased by a third party that failed to make further payments to Western Healthcare LLC and it is probable that no further conversions of the principal balance into shares of our Class A common stock will take place) were convertible into 15.4 billion shares of our Class A Common Stock per the conversion terms of the notes. Two other promissory notes outstanding at December 31, 2025, were convertible but only in the event of an event of default as that term is defined in the applicable agreements.

As of December 31, 2025, the total principal balance of third-party promissory notes payable was \$2.2 million, which was net of \$0.1 million of debt discounts. In addition, \$0.2 million of accrued interest was owed on these notes. Each of these notes is more fully discussed in the footnotes to the consolidated financial statements presented elsewhere in this Annual Report.

Related Party Promissory Notes and Loans Payable

On September 10, 2024, we issued a note payable that had a maturity date of September 10, 2026 to RHI in the principal amount of \$22.0 million for the purchase of RCHI. During December, 2024, we exchanged \$21.0 million of the promissory note owed to RHI for 21,000 shares of our Series A Preferred Stock with a stated value of \$1,000 per share and we issued to RHI a new promissory note in the principal amount of \$1.0 million due on June 5, 2025. At December 31, 2025, the note is in default and the Company is in discussions with RHI about extending the maturity date of the note which extension we expect to receive. During the year ended December 31, 2025, we issued an additional note payable to RHI in the principal amount of \$6.0 million for additional purchase price consideration for the purchase of RCHI, of which \$5.0 million was exchanged for 5,000 shares of our Series A Preferred Stock with a stated value of \$1,000 per share on August 18, 2025 leaving an additional note due to RHI at December 31, 2025 of \$1.0 million. During the fourth quarter of 2025, we issued a \$0.1 million loan to RHI for an additional purchase price consideration for the purchase of RCHI.

In addition, to the two notes discussed in the paragraph above, we have outstanding at December 31, 2025: (i) a note payable to RHI in the amount of \$264,565 for the purchase of Myrtle; (ii) a note payable to RHI in the original amount of \$1.6 million, which was the amount owed by Myrtle to RHI on the date that we acquired Myrtle, which balance was \$1.4 million as of December 31, 2025; (iii) a note payable to RHI in the amount of \$0.3 million for working capital purposes; and (iv) we have outstanding at December 31, 2025, three additional promissory notes payable to related parties totaling \$0.8 million. The total amount of notes and loans payable owed to RHI and its subsidiaries from the Company and its subsidiaries at December 31, 2025 was \$4.1 million.

Other Loans

At December 31, 2025, the Company had outstanding \$237,810 of other loans consisting of loan assumed in the acquisition of Vector with a balance of \$36,053 and a loan that was issued under an accounts receivable sales agreement with of a balance of \$201,757. Payments under the accounts receivable sale agreement loan of \$35,000 per week were due and all of the weekly payments have not been made as required and the loan is in payment default.

Preferred Stock

In addition to the issuances of shares of Series A Preferred Stock for the exchange of third party and RHI notes payable as discussed above, during the year ended December 31, 2024, we issued 120 shares of our Series C Preferred Stock with a stated value of \$1,000 per share for net cash proceeds of \$0.1 million and we issued 4,311.7 shares of our Series D Preferred Stock with a stated value of \$1,000 per share for \$4.2 million of accounts payable and accrued expenses. During December 2024, 924 shares of our Series A Preferred Stock were converted into 179,563 shares of our Class A Common Stock.

During the year ended December 31, 2025, we issued 3,400 shares of our Series A Preferred Stock to institutional investors for net cash proceeds of \$2.950 million, and, as discussed above, on August 18, 2025, we issued to RHI 5,000 shares of our Series A Preferred Stock with a stated value of \$1,000 per share in exchange for \$5.0 million principal balance of a note payable. During the year ended December 31, 2025, we issued 1.9 billion shares of our Class A Common Stock upon conversions of 11,599 shares of the Series A Preferred Stock with stated values totaling \$11.6 million.

During the year ended December 31, 2025, we issued 3,457.5 shares of our Series B Preferred Stock with a stated value of \$1,000 per share in exchange of \$5.4 million value of Senior PIK Notes.

During the year ended September 30, 2025, three investors purchased 135 shares of our Series C Preferred Stock for net cash proceeds of \$0.1 million and in doing so exchanged 212.5 shares of Series B Preferred Stock for 318.75 shares of Series C Preferred Stock. During the year ended December 31, 2025, we issued 2.5 million shares of our Class A Common Stock upon conversions of 270 shares of our Series C Preferred Stock with stated values totaling \$0.3 million.

During the year ended December 31, 2025, we issued 60,000 shares of our Series E Preferred Stock for the acquisition of Vector and we issued 8,000 shares of our Series E Preferred Stock to RHI for payment of \$0.2 million of notes payable. Our Series E Preferred Stock has a stated value of \$25 per share.

Going Concern

Our primary uses of cash are to fund our operations as we continue to grow our business, as well as to service our debt. We closed the acquisition of Myrtle on June 14, 2024, the acquisition of RCHI on September 10, 2024 and the acquisition of Vector on September 19, 2025. Capital expenditures have historically not been material to our consolidated operations, and we do not anticipate making material capital expenditures over the next 12 months unless we secure additional capital to expand the current operations. We expect that our liquidity requirements will continue to consist of working capital, including payments of outstanding debt and accrued liabilities and general corporate expenses associated with the growth of our business. Based on the size of our current operations, we do not have sufficient capital to fund our corporate overhead for at least 12 months from the date hereof. We expect to address our liquidity needs through the pursuit of additional funding through a combination of equity or debt financing and additional strategic acquisitions that we expect will contribute to positive cash flow to enable us to fund our operations. Completing such acquisitions requires significant additional capital that has not yet been secured.

We have taken various actions to bolster our cash position, including raising funds through the private placements and the issuances of promissory notes and other loans, and conserving cash by issuing shares of our preferred stock and shares of our Class A Common Stock under exchange agreements, license agreements, legal settlements, consulting agreements, finder's fees related to equity and debt financing and consulting agreements, among other transactions, as an alternative to paying in cash.

Based on our current operating plan, our cash position as of December 31, 2025, and after taking into account the actions described above, we do not expect to be able to fund our operations through the twelve months ended December 31, 2026 without the need for additional financing or other increases in our cash and cash equivalents balances to enable us to fund our future operations.

We have based our estimates as to how long we expect we will be able to fund our operations on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect, in which case we would be required to obtain additional financing sooner than currently projected, which funding may not be available to us on acceptable terms, or at all. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. We may raise additional capital through equity offerings, debt financings or other capital sources. If we do raise additional capital through public or private equity offerings, or convertible debt offerings, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely impact our existing stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take certain actions.

The accompanying consolidated financial statements to this Annual Report do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The following table presents our capital resources as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024	Change Increase (Decrease)
Cash	\$ 207,453	\$ 68,268	\$ 139,185
Working capital (deficit)	(25,546,280)	(28,319,562)	(2,773,282)
Total debt, net of discounts of \$119,122 and \$678,925, respectively	7,292,040	10,219,905	(2,927,865)
Total stockholders' equity	11,076,300	5,271,811	5,804,489

The following table summarizes our cash flow data for the years ended December 31, 2025 and 2024:

Years Ended December 31,	Cash Provided by/ (Used in)	
	2025	2024
Operating Activities	\$ (3,865,117)	\$ (2,840,614)
Investing Activities	\$ (655,606)	\$ 13,329
Financing Activities	\$ 4,659,908	\$ 2,857,437

Operating Activities

The net cash used in operations in the year ended December 31, 2025 was \$3.9 million, or \$1.1 million more than the cash of \$2.8 million used in operations during the year ended December 31, 2024. The increase was primarily due to the less cash provided by accounts receivable and accrued expenses and other liabilities, including related parties' payables in the year ended December 31, 2025 compared to 2024.

Investing Activities

Cash flows used \$0.7 million and provided \$13,329 from investing activities in the years ended December 31, 2025 and 2024, respectively. The cash used in investing activities for the year ended December 31, 2025 resulted from the purchase of Vector, net of cash acquired, of \$0.5 million, \$0.1 million for the purchase of an intangible assets and \$62,021 for the purchases of property and equipment. For the year ended December 31, 2024, the cash provided resulted from the cash acquired from Myrtle and RCHI.

Financing Activities

Net cash provided by financing activities for year ended December 31, 2025 was \$4.7 million compared to \$2.9 million for the year ended December 31, 2024. Net cash provided by financing activities for the year ended December 31, 2025, included \$3.1 million from the issuances of preferred stock, \$1.7 million from the issuances of third party notes payable, \$3.8 million from related party notes payable, and \$0.3 million from other loans, partially offset by \$2.1 million of payments of related party notes payable, \$0.5 million of payments on other loans and \$1.7 million of payments of third party notes payable. Net cash provided by financing activities for the year ended December 31, 2024, included \$4.1 million from the issuances of third-party notes payable and \$0.1 million from the issuance of preferred stock, partially offset by \$1.0 million paid on related party notes payable, \$0.3 million of payments on other loans, among other items.

Off-Balance Sheet Financing Arrangements

We have no obligations, assets or liabilities which would be considered off-balance sheet arrangements. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements.

We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or entered into any non-financial assets.

Critical Accounting Policies

The preparation of the consolidated financial statements and related notes included under “*Item 8. Financial Statements*” and related disclosures in conformity with U.S. GAAP. The preparation of these consolidated financial statements requires the selection of the appropriate accounting principles to be applied and the judgments and assumptions on which to base accounting estimates, which affect the reported amounts of assets and liabilities as of the date of the balance sheets, the reported amounts of revenue and expenses during the reporting periods, and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances at the time such estimates are made. Actual results and outcomes may differ materially from our estimates, judgments, and assumptions. We periodically review our estimates in light of changes in circumstances, facts, and experience. The effects of material revisions in estimates are reflected in the consolidated financial statements prospectively from the date of the change in estimate.

We define our critical accounting policies and estimates as those that require us to make subjective judgments about matters that are uncertain and are likely to have a material impact on our financial condition and results of operations as well as the specific manner in which we apply those principles. We believe the critical accounting policies used in the preparation of our financial statements which require significant estimates and judgments are as follows:

Revenue Recognition Policy

The Company recognizes revenue in accordance with ASC, “*Revenue from Contracts with Customers (Topic 606)*,” including subsequently issued updates. Under the accounting guidance, revenues are presented net of estimated contractual allowances and estimated implicit price concessions.

Healthcare

Presently, its healthcare segment consists of the operations of Myrtle from its acquisition date of June 14, 2024, and of RCHI from its acquisition date of September 10, 2024.

Myrtle’s revenues relate to contracts with patients in which its performance obligations are to provide behavioral health care services to its patients. Revenues are recorded during the period its obligations to provide health care services are satisfied. Myrtle’s performance obligations for inpatient services are generally satisfied over periods averaging approximately 7 to 28 days depending on the service line, and revenues are recognized based on charges incurred. The contractual relationships with patients, in most cases, also involve third-party payers and the transaction prices for the services provided are dependent upon the terms provided by or negotiated with the third-party payers. The payment arrangements with third-party payers for the services Myrtle provides to its patients typically specify payments at amounts less than its standard charges. Services provided to patients are generally paid at prospectively determined rates per diem.

RCHI’s revenues relate to contracts with patients of BSF in which its performance obligations are to provide health care services to the patients. Revenues are recorded during the period its obligations to provide health care services are satisfied. Its performance obligations for inpatient services are generally satisfied over periods averaging approximately three days, and revenues are recognized based on charges incurred. Its performance obligations for outpatient services, including emergency room-related services, are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payer (Medicare, Medicaid, managed care health plans and commercial insurance companies) and the transaction prices for the services provided are dependent upon the terms provided by (Medicare and Medicaid) or negotiated with (managed care health plans and commercial insurance companies) the third-party payers. The payment arrangements with third-party payers for the services it provides to the related patients typically specify payments at amounts less than our standard charges. Medicare, because of BSF’s designation as a critical access care hospital, generally pays for inpatient and outpatient services at rates related to the hospital’s costs. Services provided to patients having Medicaid coverage are generally paid at prospectively determined rates per discharge, per identified service or per covered member. Agreements with commercial insurance carriers, managed care and preferred provider organizations generally provide for payments based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates.

Management continually reviews the contractual estimation process to consider the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals. Under the revenue recognition accounting guidance, revenues are presented net of estimated contractual allowances and estimated implicit price concessions. The healthcare segment's net revenues are based upon the estimated amounts it expects to be entitled to receive from third-party payers and patients based, in part, on Medicare and Medicaid rates as discussed above as for each of Myrtle and BSF. The healthcare segment also records estimated implicit price concessions related to uninsured accounts to record self-pay revenues at the estimated amounts it expects to collect.

The collection of outstanding receivables is the healthcare segment's primary source of operating cash and is critical to its operating performance. The primary collection risks relate to patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. Implicit price concessions relate primarily to amounts due directly from patients. Accounts are written off when all reasonable internal and external collection efforts have been carried out. The estimates for implicit price concessions are based upon management's assessment of historical write offs and expected net collections, business and economic conditions and other collection indicators.

Life Science Services

Our Life Science Services segment's revenue consists of revenue from Vector, which was acquired on September 19, 2025. The Company recognizes revenue from the sale of high-quality bio-samples and bulk biological materials for every stage of life science research in accordance with ASC 606. Revenue is recognized when control of the promised goods or services is transferred to the customer, which generally occurs upon shipment or delivery. As a result of applying this five-step model under ASC 606, the Company recognizes revenues from its sale of products upon their transfer of control to the customer, which is considered complete at either the time of shipment or arrival at destination based upon agreed upon terms within the contract. The Company's payment terms for the sale of standard products are typically 30 to 60 days.

Labs

The Company has recorded minor amounts of revenues from its Labs segment during the years ended December 31, 2025 and 2024. Labs currently recognizes revenue from collecting a royalty from Illumina, Inc. related to the sales of the Infinium Mouse Methylation Array.

Contractual Allowances and Doubtful Accounts Policy

In accordance with ASC, "*Revenue from Contracts with Customers (Topic 606)*," including subsequently issued updates, the Company does not present "allowances for doubtful accounts" on its balance sheets, rather its accounts receivable are reported at realizable value, net of estimated contractual allowances and estimated implicit price concessions (also referred to as doubtful accounts), which are estimated and recorded in the period the related revenue is recorded. ASC, "*Financial Instruments Credit Losses (Topic 326)*," requires that healthcare organizations estimate credit losses on a forward-looking basis taking into account historical collection and payer reimbursement experience as an integral part of the estimation process related to contractual allowances and doubtful accounts. Receivables deemed to be uncollectible are charged against the allowance for doubtful accounts after all collection efforts have ceased or the account is settled for less than the amount originally estimated to be collected. Recoveries of receivables previously written-off are recorded as credits to the allowance for doubtful accounts. Revisions to the allowances for doubtful accounts are recorded as adjustments to revenues.

During the years ended December 31, 2025 and 2024, estimated contractual allowances and implicit price concessions of \$70.0 million and \$18.6 million, respectively, have been recorded as reductions to revenues and accounts receivable balances to enable the Company to record its revenues and accounts receivable at the estimated amounts it expects to collect. As required by Topic 606, after estimated contractual allowances and implicit price concessions to the health care segment's revenues for the years ended December 31, 2025 and 2024, the Company recorded healthcare net revenues of \$16.1 million and \$4.0 million, respectively. Myrtle and SCCH were acquired on June 14, 2024 and September 10, 2024, respectively.

Equity-Based Compensation

In 2022, we offered equity-based compensation to employees and nonemployees in the form of stock options and restricted stock. We measure and recognize all equity-based payments to employees, service providers and board members at fair value. The cost of services received from employees and non-employees in exchange for awards of equity instruments is recognized in the consolidated statements of operations based on the estimated fair value of those awards on the grant date or reporting date, if required to be remeasured, and amortized on a straight-line basis over the requisite service period. We recognize forfeitures as incurred. We utilize a Black-Scholes valuation model to estimate the fair value of stock options and this model requires the input of assumptions, including the exercise price, volatility, expected term, discount rate, and the fair value of the underlying membership or stock on the date of grant. These inputs are provided at the grant date for an equity classified award and each measurement date for a liability classified award. Equity-based compensation awards are considered granted (i) when there is a mutual understanding of key terms, (ii) we are contingently obligated to issue the options, and (iii) the option holder begins to benefit or be adversely impacted by changes in our stock price. This primarily occurs at the time the stock option agreements are executed. The fair value of each stock option is estimated using a Black-Scholes valuation model while considering the respective rights of each type of stockholder. We did not grant stock options during the years ended December 31, 2025 and 2024, however, we had forfeitures during those years.

BUSINESS COMBINATIONS

The Company follows the guidance in ASC 805, *Business Combinations* for determining the appropriate accounting treatment for business acquisitions. Under ASC 805, the assets acquired, and liabilities assumed are recorded as of the acquisition date, at their respective fair values and consolidated with those of the Company. The excess of the purchase prices over the aggregate fair value of the tangible assets acquired and liabilities assumed is treated as goodwill in accordance with ASC 805. During the measurement period or until valuation studies are completed, the provisional amounts used for the purchase price allocation are subject to adjustments for a period not to exceed one year from the date of acquisition. Acquisition costs are expensed as incurred.

Going Concern

On a quarterly basis, we assess going concern uncertainty for our consolidated financial statements to determine if we have sufficient cash and cash equivalents on hand and working capital to operate for a period of at least one year from the date our consolidated financial statements are issued or are available to be issued (the “**look-forward period**”). Based on conditions that are known and reasonably knowable to us, we consider various scenarios, forecasts, projections, and estimates, and we make certain key assumptions, including the timing and nature of projected cash expenditures or programs, among other factors, and our ability to delay or curtail those expenditures or programs within the look-forward period, if necessary. Until additional equity or debt capital is secured, there is substantial doubt about the Company’s ability to continue as a going concern.

Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-09, *Improvements to Income Tax Disclosures*, which requires enhanced annual disclosures for specific categories in the rate reconciliation and income taxes paid disaggregated by federal, state and foreign taxes. ASU 2023-09 was effective for public business entities for annual periods beginning on January 1, 2025. The Company adopted ASU 2023-09 effective January 1, 2025 using a retrospective approach to all prior periods presented in these annual financial statements. Income taxes, including the enhanced annual disclosures required by ASU 2023-09, as applicable, are presented in Note 16.

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversions and Other Options (Subtopic 470-20), Induced Conversions of Convertible Debt Instruments*. The amendments in this ASU clarify when the settlement of a debt instrument should be accounted for as an induced conversion. Under this ASU, (a) to be accounted for as an induced conversion, an inducement offer is required to preserve the form and amount of consideration issuable upon conversion in accordance with the terms of the instrument (rather than only the equity securities issuable upon conversion), (b) whether a settlement of convertible debt is an induced conversion should be assessed as of the date the inducement offer is accepted by the holder, and (c) issuers that have exchanged or modified a convertible debt instrument within the preceding 12 months (that did not result in extinguishment accounting) should use the terms that existed 12 months before the inducement offer was accepted when determining whether induced conversion accounting should be applied. The amendments in this ASU are effective for all entities for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted for all entities that have adopted the amendments in ASU 2020-06. The amendments in this ASU permit an entity to apply the new guidance on either a prospective or a retrospective basis. The Company has not yet determined the impact of the adoption of this ASU on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-07, *Intangibles—Goodwill and Other— Internal-Use Software (Subtopic 350-40)*. The target of this update is accounting for internal use software. The amendments in this Update remove all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout Subtopic 350-40. Therefore, an entity is required to start capitalizing software costs when both of the following occur: 1. Management has authorized and committed to funding the software project. 2. It is probable that the project will be completed and the software will be used to perform the function intended (referred to as the “probable-to-complete recognition threshold”). In evaluating the probable-to-complete recognition threshold, an entity is required to consider whether there is significant uncertainty associated with the development activities of the software (referred to as “significant development uncertainty”). The two factors to consider in determining whether there is significant development uncertainty are whether:

1. The software being developed has technological innovations or novel, unique, or unproven functions or features, and the uncertainty related to those technological innovations, functions, or features, if identified, has not been resolved through coding and testing.
2. The entity has determined what it needs the software to do (for example, functions or features), including whether the entity has identified or continues to substantially revise the software’s significant performance requirements.

The amendments in this Update specify that the disclosures in Subtopic 360 10, Property, Plant, and Equipment—Overall, are required for all capitalized internal-use software costs, regardless of how those costs are presented in the financial statements. Furthermore, the amendments in this Update supersede the website development costs guidance and incorporate the recognition requirements for website-specific development costs from Subtopic 350-50 into Subtopic 350-40. Under current GAAP, entities are required to capitalize development costs incurred for internal-use software depending on the nature of the costs and the project stage during which they occur. The amendments in this ASU improve the operability of the guidance by removing all references to software development project stages so that the guidance is neutral to different software development methods, including methods that entities may use to develop software in the future. The amendments in this ASU are effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period. The amendments in this ASU permit an entity to apply the new guidance on either a prospective or a retrospective basis. The Company has not yet determined the impact of the adoption of this ASU on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting Topic 270*. The amendments in this Update clarify interim disclosure requirements and the applicability of Topic 270. The amendments in this Update result in a comprehensive list of interim disclosures that are required by GAAP. In developing the list of disclosures required by other Topics, the FASB focused on identifying the interim disclosures that are currently required under GAAP. The objective of the amendments is to provide clarity about the current requirements, rather than evaluate whether to expand or reduce interim disclosure requirements. The amendments in this Update also include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The intent of the disclosure principle, which is modeled after a previous SEC disclosure requirement, is to help entities determine whether disclosures not specified in Topic 270 should be provided in interim reporting periods. The amendments in this Update also clarify the applicability of Topic 270, the types of interim reporting, and the form and content of interim financial statements in accordance with GAAP. The amendments in this Update are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, for public business entities. Early adoption is permitted. The amendments in this Update can be applied either (1) prospectively or (2) retrospectively to any or all prior periods presented in the financial statements. The Company has not yet determined the additional information that it will be required to provide upon adoption of this ASU.

Other recent accounting standards issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the SEC did not or are not believed by management to have a material impact on the Company’s present or future consolidated financial statements.

Factors That May Adversely Affect our Results of Operations

Our results of operations may be adversely affected by various factors that could cause economic uncertainty and volatility in the financial markets, many of which are beyond our control. This risk is amplified by our current need to secure additional capital which efforts have been hindered by our inability to get approval from FINRA to complete that Corporate Action approval to execute a reverse split of our common shares on a timely basis. Our business could be impacted by, among other things, downturns in the financial markets or in economic conditions, Medicare and Medicaid cost reimbursement, increases in oil prices, inflation, increases in interest rates, supply chain disruptions, declines in consumer confidence and spending, a resurgence of the COVID-19 pandemic and/or the emergence of new variants or new pandemics, cyber security risks and geopolitical instability. We cannot at this time fully predict the likelihood of one or more of the above events, their duration or magnitude or the extent to which they may negatively impact our business.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

Item 8. Financial Statements and Supplementary Data

Reference is made to the consolidated financial statements listed under the heading (a) (1) Consolidated Financial Statements and Report of Independent Registered Public Accounting Firm of Item 15, which consolidated financial statements are incorporated by reference in response to this Item 8.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedure

In connection with the preparation of this Annual Report on Form 10-K, an evaluation was carried out by the Company's management, with the participation of the Chief Executive Officer, and Chief Financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2025. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were not effective as of December 31, 2025 because of the material weaknesses in internal control over financial reporting discussed in Management's Annual Report on Internal Control over Financial Reporting, presented below.

Management's Report on Internal Control Over Financial Reporting

The management of the Company is responsible for the preparation of the financial statements and related financial information appearing in this Annual Report on Form 10-K. The financial statements and notes have been prepared in conformity with U.S. GAAP. The management of the Company is also responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. A company's internal control over financial reporting is defined as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). There are risks related to the timing and accuracy of the integration of information from various accounting systems whereby the Company has experienced delays in receiving information in a timely manner from its subsidiaries. Based on our evaluation, our management concluded that our internal control over financial reporting was not effective as of December 31, 2025.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. We were not required to have, nor have we, engaged our independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the rules of the Commission that permit us to provide only management's report in this Annual Report on Form 10-K.

The Company has made improvements on the integration of information during 2025 and plans to move towards securing a prompt and accurate reporting system. The Company is continuing to further remediate the material weaknesses identified above. The Company has taken or is in the process of taking the following steps to remediate these material weaknesses: (i) appointing a chief financial officer separate from its chief executive officer, (ii) increasing the staffing of its internal accounting department; and (iii) implementing enhanced documentation procedures to be followed by the internal accounting department.

Notwithstanding such material weakness, management believes that the consolidated financial statements included in this Form 10-K fairly present in all material respects the Company's financial condition, results of operations and cash flows for the periods and dates presented.

Material Weaknesses in Internal Control Over Financial Reporting

A material weakness in internal controls over financial reporting is a deficiency, or a combination of deficiencies, in internal controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The review, testing and evaluation of key internal controls over financial reporting completed by the Company resulted in the Company's principal executive officer and principal financial officer concluding that as of December 31, 2025, material weaknesses existed in the Company's internal controls over financial reporting. Specifically, in connection with our:

- (i) **Ineffective entity-level controls.** The Company did not maintain effective entity-level controls, including controls over risk assessment and monitoring, to identify and address risks of material misstatement in the consolidated financial statements and related disclosures.
- (ii) **Ineffective controls over the financial reporting process.** The Company did not maintain effective controls over journal entries, account reconciliations, and the preparation and review of the consolidated financial statements and related disclosures. In addition, the Company did not maintain adequate segregation of duties within certain accounting processes.
- (iii) **Ineffective controls over complex and non-routine transactions.** The Company did not maintain effective controls to identify, evaluate, and account for complex and non-routine transactions in accordance with U.S. GAAP. Specifically, the Company did not timely evaluate the accounting implications of the contingent consideration arrangement related to the RCHI and SCCH acquisition, including the related impact on goodwill and financial statement disclosures.

The Company has and will continue to address the material weaknesses described above through the following actions:

- Engaging third-party consultants with appropriate expertise to assist the finance and accounting department on an interim basis until key roles are filled;
- Assessing finance and accounting resources to identify the areas and functions that lack sufficient personnel and recruiting for experienced personnel to assume these roles;
- Further centralization of key accounting processes to enable greater segregation of duties;
- Developing further training on segregation of duties; and
- Designing and implementing additional compensating controls where necessary.

While we continue working diligently to remediate these material weaknesses, there is no assurance that these material weaknesses will be fully remediated by December 31, 2026.

Changes in Internal Control Over Financial Reporting

During the most recently completed fiscal quarter, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

During the quarter ended December 31, 2025, no director or officer adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Our business and affairs are managed by or under the direction of the Board.

Executive Officers and Directors

The business and affairs of the Company are managed by or under the direction of the Board.

The following table sets forth the name, age and position of each of the current directors and executive officers of the Company:

Name	Age	Position
<i>Executive Officer</i>		
Seamus Lagan	57	Chief Executive Officer, Director
Celene Grant	44	Chief Financial Officer
<i>Non-Employee Directors</i>		
Bret Barnes (1)(2)(3)	43	Director
Francis Colt deWolf III (1)(2)(3)	57	Director
Mark White	64	Director
Trevor Langley	64	Chairman

(1) Member of nominating and corporate governance committee.

(2) Member of compensation committee.

(3) Member of audit committee.

The principal occupations and positions for at least the past five years of our executive officers and directors are described below. There are no family relationships among any of our directors or executive officers.

Executive Officers

Seamus Lagan – Chief Executive Officer and Director

Mr. Lagan was elected as a director of the Company on September 10, 2024 in connection with the acquisition of Rennova Community Health, Inc. by the Company. Mr. Lagan became Chief Executive Officer of the Company on December 5, 2024. He was appointed Chief Executive Officer and President and a director of RHI, a company subject to section 13(a) or 15(d) of the Exchange Act, on November 2, 2015 and as Chief Executive Officer and a director of Medytox Solutions, Inc., the predecessor business to a merger with RHI in 2015, and now a wholly-owned subsidiary of RHI (“**Medytox**”), effective September 15, 2014. Mr. Lagan served as Interim Chief Financial Officer of RHI effective October 13, 2017, and served through April 8, 2019. Mr. Lagan has also been the Interim Chief Financial Officer of RHI since May 10, 2019. Mr. Lagan has been through Alcimed LLC until November 1, 2021 and Alcimed Limited since November 1, 2021, a consultant to Medytox since May 2011. Mr. Lagan is the managing director of Alcimed Limited, a Bahamas company that provides various consulting services, including management, organization, and financial consulting services. Mr. Lagan also currently serves, through Alcimed Limited, as Chief Executive Officer of most of the subsidiaries of RHI.

Celene Grant – Chief Financial Officer

On March 24, 2026, the Company appointed Celene Grant as the Company’s Chief Financial Officer. Ms. Grant is a Certified Public Accountant with over 15 years of experience in financial management, business leadership, and corporate strategy, with particular expertise in the healthcare industry. Ms. Grant began her engagement with the Company’s predecessor as a consultant Financial Controller in April 2018, a role she held through June 2021. She then joined Certified Foot and Ankle Specialists as Chief Accounting Officer, serving in that capacity from June 2021 through February 2024. Ms. Grant returned to FOXO Technologies in April 2024 as a consultant, where she played a key role in returning the Company to good standing with its SEC reporting obligations, through November 2025. Most recently, from November 2025 until her appointment as Chief Financial Officer, Ms. Grant has been engaged with Rennova Health Inc., leading efforts to bring that company into compliance with SEC reporting requirements.

Ms. Grant holds a Bachelor of Science in Accounting from Florida Atlantic University and a Master of Business Administration from Nova Southeastern University.

Non-Employee Directors

Trevor Langley – Chairman and Director

Mr. Langley was elected as a director of the Company on September 10, 2024 in connection with the acquisition of RCHI by the Company and was appointed Chairman of our Board on March 12, 2025. He has served as a director of RHI since April 9, 2017. Since 2006, he has been the owner and managing partner of Avanti Capital Group LLC/Avanti Partners, LLC (“**Avanti**”). Avanti assists micro, small and mid-cap publicly traded companies and those looking to become public by leveraging traditional and new communication technologies with a specialization in healthcare and alternative-energy markets. Avanti also provides comprehensive consulting services.

Bret Barnes — Director

Mr. Barnes has served as a member of our Board since November 2021 and served as Chairman of our Board from November 2022 to March 12, 2025. Since April 2007, Mr. Barnes has served as a Staff Bioinformatics Scientist for Illumina, Inc. (NASDAQ: ILMN). Mr. Barnes has developed a number of patents and products, including methods to examine methylation of genomic DNA and methods for diagnosing respiratory pathogens and predicting COVID-19 related outcomes. Mr. Barnes has been the core bioinformatics lead on all Infinium Methylation products, including all original and new novel design capabilities. In addition to his array development efforts, Mr. Barnes has been instrumental in developing structural variant detection algorithms via DNA sequencing at Illumina, Inc. Prior to that position, Mr. Barnes served as a Bioinformatics Software Engineer from 2005 to 2007 at Science Applications International Corporation (NYSE American: SAIC). Mr. Barnes holds a Bachelor of Science degree in Bioinformatics from the University of California, Santa Cruz. Mr. Barnes was among the first graduates at University of California, Santa Cruz to receive a degree in bioinformatics.

Francis Colt deWolf III — Director

Mr. deWolf has served as a director of the Company since January 2024. Mr. deWolf has over 20 years' experience in the financial services sector. From June 2009 until the present, he has served as President of Colt Capital LLC, a Florida-based company, whose principal activities focus on advising emerging market companies on private and public financing strategies, in particular, the reverse merger process. He is also engaged in lending using equity as collateral as well as trading equity. Notable transactions in which Mr. deWolf was instrumental include China Security (CSR), China Public Security (CNIT), and China Valve (CVVT). The financing strategies undertaken by these companies have ranged from private equity, to public listings on the NASDAQ and the AMEX. Mr. deWolf's role in such transactions has not only been advisory; he has also raised capital, and sourced legal and audit expertise, as well as ultimately orchestrated large share block sales to private equity funds in order to assist the company in optimizing its share position. From June 2019 to the present, Mr. deWolf has served as Managing Director of Crediblock.com LLC, a global digital productions and marketing agency. From October 2019 to the present, Mr. deWolf has served as Executive Director of Blockstreet Network, Inc., a firm dealing in in acquisition, enhancement and disposition of distressed titles of property. From March 2020 to the present, Mr. deWolf has served as President of Diamond Rock, Inc., a cash/non-cash sponsor of distressed real estate transactions. Prior to founding Colt Capital LLC, Mr. deWolf was a Senior Vice President at Oppenheimer and Company, where he was involved in the Chinese markets, focusing on restricted stock placements, reverse mergers and secondary financing for emerging and mid-size Chinese companies. In the earlier years of his career, Mr. deWolf was a bond broker for Tucker Anthony, and subsequently an equities broker, and Vice President at Prudential Securities in Washington D.C. where he developed his expertise in restricted securities. Mr. deWolf is a graduate of Tulane University and received his business degree from the AB Freeman School of Business Studies at Tulane University.

Mark White — Director

Mr. White served as our Interim Chief Executive Officer from September 2023 to December 5, 2024. He has been a director since September 2023. In addition to his roles at the Company, Mr. White has served since 2022, and continues to serve, as President of Kr8 ai Inc., a company in the development stage that uses artificial intelligence and machine learning to develop products and tools for content creators. Prior to his role with KR8, in 2014, Mr. White founded and became Chief Executive Officer of One Horizon Group PLC, a predecessor of One Horizon Group, Inc. which he served as Chief Executive Officer and a Director from 2012 to 2014. Mr. White was again appointed Chief Executive Officer and director of One Horizon Group, Inc. in 2017. Mr. White founded Next Destination Limited in 1993, the European distributor for Magellan GPS and satellite products, and sold the business in 1997. Prior to that, Mr. White was Chief Executive Officer for Garmin Europe, where he built up the company's European distribution network. Mr. White's entrepreneurial career in the distribution of electronic equipment and telecommunications spans over 25 years. Apart from his product and technical knowledge, Mr. White has a wealth of experience in corporate finance. He has led in excess of 25 merger and acquisition transactions and associated funding and financing rounds and has helped numerous private and public companies obtain financing. We believe that Mr. White's extensive commercial and operational management experience at technology companies and his experience launching new businesses and raising capital qualifies him to serve on our Board.

Board of Directors

Directors elected at annual meetings of stockholders following the consummation of the business combination will be elected for terms expiring at the next annual meeting of stockholders or until the election and qualification of their respective successors in office, subject to their earlier death, resignation, removal or the earlier termination of his or her term of office.

Our Charter and Company Bylaws provide that the authorized number of directors may be changed only by resolution of the Board. Subject to the terms of any preferred stock, any or all of the directors may be removed from office at any time, with or without cause, and only by the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of voting stock of the Company entitled to vote at an election of directors. Any vacancy on the Board, including a vacancy resulting from an enlargement of the Board, may be filled only by the affirmative vote of a majority of the Company's directors then in office.

When considering whether directors and director nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board to satisfy its oversight responsibilities effectively in light of its business and structure, the Board expects to focus primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth above in order to provide an appropriate mix of experience and skills relevant to the size and nature of its business.

Director Independence

Under the rules of NYSE American, independent directors must comprise a majority of a listed company's board of directors. In addition, the rules of NYSE American require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent. Under the rules of NYSE American, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Audit committee members must also satisfy the additional independence criteria set forth in Rule 10A-3 under the Exchange Act. Compensation committee members must also satisfy the additional independence criteria set forth in Rule 10C-1 under the Exchange Act.

The Company's Class A Common Stock is currently quoted on the OTC Markets. OTC Markets does not impose director independence requirements. While not required to do so, the Board has voluntarily chosen to evaluate director independence using the NYSE American standards as a corporate governance best practice. Under these voluntary standards, the Board has determined that Messrs. Barnes and deWolf qualify as "independent directors." Mr. Langley, as a director of RHI, which controls a majority of the voting power of the Company, does not qualify as an independent director under these standards.

Board Committees

The Board directs the management of its business and affairs, as provided by Delaware law, and will conduct its business through meetings of the Board and standing committees. The Company has a standing audit committee, compensation committee and nominating and corporate governance committee, each of which operates under a written charter.

In addition, from time to time, special committees may be established under the direction of the Board when the Board deems it necessary or advisable to address specific issues. Current copies of the Company's committee charters are posted on its website, www.foxotechnologies.com, as required by applicable SEC rules.

Audit Committee

The Company's audit committee consists of Messrs. Langley (head of the Audit Committee) Barnes and deWolf. The Board has determined that each of Messrs. Barnes and deWolf meets the independence requirements of Rule 10A-3 under the Exchange Act and the voluntarily-applied NYSE American independence standards.

The audit committee's responsibilities include, among other things:

- appointing, compensating, retaining, evaluating, terminating and overseeing the Company's independent registered public accounting firm;
- discussing with the Company's independent registered public accounting firm its independence from management;
- reviewing with the Company's independent registered public accounting firm the scope and results of its audit;
- pre-approving all audit and permissible non-audit services to be performed by the Company's independent registered public accounting firm;
- overseeing the financial reporting process and discussing with management and the Company's independent registered public accounting firm the interim and annual financial statements that the Company files with the SEC;
- reviewing and monitoring the Company's accounting principles, accounting policies, financial and accounting controls and compliance with legal and regulatory requirements; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

The composition and function of the audit committee comply with applicable requirements of the Sarbanes-Oxley Act and the SEC rules. The Company will comply with future requirements to the extent they become applicable to the Company.

Compensation Committee

The Company's compensation committee consists of Messrs. Barnes and deWolf. Messrs. Barnes and deWolf are non-employee directors, as defined in Rule 16b-3 promulgated under the Exchange Act. The Board has determined that Messrs. Barnes and deWolf are "independent" as defined under Rule 10C-1 under the Exchange Act and the voluntarily-applied NYSE American independence standards.

The compensation committee's responsibilities include, among other things:

- reviewing and approving corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer, evaluating the performance of the Company's Chief Executive Officer in light of these goals and objectives and setting or making recommendations to the Board regarding the compensation of the Company's Chief Executive Officer;
- reviewing and setting or making recommendations to the Board regarding the compensation of the Company's other executive officers;
- making recommendations to the Board regarding the compensation of the Company's directors;

- reviewing and approving or making recommendations to the Board regarding the Company’s incentive compensation and equity-based plans and arrangements; and
- appointing and overseeing any compensation consultants.

The composition and function of its compensation committee complies with all applicable requirements of the Sarbanes-Oxley Act, SEC rules and regulations. The Company will comply with future requirements to the extent they become applicable to the Company.

Nominating and Corporate Governance Committee

The Company’s nominating and corporate governance committee consists of Messrs. Barnes and deWolf. The Board has determined that each of Messrs. Barnes and deWolf is “independent” as defined under Rule 10C-1 under the Exchange Act and the voluntarily-applied NYSE American independence standards.

The nominating and corporate governance committee’s responsibilities include, among other things:

- identifying individuals qualified to become members of the Board, consistent with criteria approved by the Board;
- recommending to the Board the nominees for election to the Board at annual meetings of the Company’s stockholders;
- overseeing an evaluation of the Board and its committees; and
- developing and recommending to the Board a set of corporate governance guidelines.

The composition and function of the nominating and corporate governance committee complies with all applicable requirements of the Sarbanes-Oxley Act, SEC rules and regulations. The Company will comply with future requirements to the extent they become applicable to the Company.

Compensation Committee Interlocks and Insider Participation

None of the members of the Company’s compensation committee has ever been an executive officer or employee of the Company. None of the Company’s executive officers currently serve, or have served during the last completed fiscal year, on the compensation committee or board of directors of any other entity that has one or more executive officers that will serve as a member of the Board or compensation committee.

Role of the Board in Risk Oversight

One of the key functions of the Board is informed oversight of the Company’s risk management process. The Board does not anticipate having a standing risk management committee, but rather anticipates administering this oversight function directly through the Board as a whole, as well as through various standing committees of the Board that address risks inherent in their respective areas of oversight. For example, the Company’s audit committee will be responsible for overseeing the management of risks associated with the Company’s financial reporting, accounting, and auditing matters; and the Company’s compensation committee will oversee the management of risks associated with our compensation policies and programs.

Board Oversight of Cybersecurity Risks

The Company faces a number of risks, including cybersecurity risks and those other risks described under the section titled “*Risk Factors*” included in its SEC filings. The Board plays an active role in monitoring cybersecurity risks and is committed to the prevention, timely detection, and mitigation of the effects of any such incidents on the Company’s operations. In addition to regular reports from each of the Board’s committees, the Board receives regular reports from management, including its chief technology officer and chief security officer, on material cybersecurity risks and the degree of the Company’s exposure to those risks. While the Board oversees its cybersecurity risk management, management is responsible for day-to-day risk management processes. Management works with third party service providers to maintain appropriate controls. We believe this division of responsibilities is the most effective approach for addressing the Company’s cybersecurity risks and that the Board leadership structure supports this approach.

Limitation on Liability and Indemnification of Directors and Officers

Our Certificate of Incorporation contains provisions that limit the liability of the Company's directors for damages to the fullest extent permitted by Delaware law. Consequently, the Company's directors will not be personally liable to the Company or its stockholders for damages as a result of an act or failure to act in his or her capacity as a director, unless:

- the presumption that directors are acting in good faith, on an informed basis, and with a view to the interests of the corporation has been rebutted; and
- it is proven that the director's act or failure to act constituted a breach of his or her fiduciary duties as a director and such breach involved intentional misconduct, fraud or a knowing violation of law.

Our Certificate of Incorporation requires the Company to indemnify and advance expenses to, to the fullest extent permitted by applicable law, its directors, officers and agents. Finally, the Certificate of Incorporation prohibits any retroactive changes to the rights or protections or increasing the liability of any director in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

In addition, the Company has entered and will enter into separate indemnification agreements with the Company's directors and officers. These agreements, among other things, require the Company to indemnify its directors and officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of their services as one of the Company's directors or officers or any other company or enterprise to which the person provides services at the Company's request.

We believe these provisions in the Certificate of Incorporation are necessary to attract and retain qualified persons as directors and officers for the Company.

Corporate Governance Guidelines and Code of Business Conduct

The Board adopted Corporate Governance Guidelines that address items such as the qualifications and responsibilities of its directors and director candidates and corporate governance policies and standards applicable to its directors. In addition, the Board adopted a Code of Business Conduct and Ethics that applies to all of its employees, officers and directors, including its Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers.

The full text of the Company's Corporate Governance Guidelines and its Code of Business Conduct and Ethics are posted on the Corporate Governance portion of the Company's website at www.foxotechnologies.com. Information contained on or accessible through the Company's website is not a part of this Annual Report, and the inclusion of the Company's website address in this Annual Report is an inactive textual reference only. The Company intends to make any legally required disclosures regarding amendments to, or waivers of, provisions of its Code of Business Conduct and Ethics on its website rather than by filing a Current Report on Form 8-K.

Item 11. Executive Compensation

EXECUTIVE COMPENSATION

FOXO is an "emerging growth company," as defined in the JOBS Act, and thus the following disclosures are intended to comply with the scaled disclosure requirements applicable to emerging growth companies and "smaller reporting companies," as such term is defined in the rules promulgated under the Securities Exchange Act, which require compensation disclosure for our principal executive officer and the two most highly compensated executive officers other than our principal executive officer, whom we refer to as our "named executive officers."

This section discusses the material components of the executive compensation program offered to our named executive officers. Our named executive officers for the years ended December 31, 2025 and 2024 were as follows

- Seamus Lagan, our current Chief Executive Officer; and
- Sylwia Hauman, our former Chief Financial Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that FOXO adopts could vary materially from our historical practices and currently planned programs summarized in this discussion.

We will continue to update, in accordance with the rules and regulations of the SEC, information in this section regarding the compensation of our named executive officers.

Summary Compensation Table

The following table sets forth information regarding the total compensation awarded to and earned by our named executive officers for services rendered in all capacities for the years ended December 31, 2025 and 2024.

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$)	All Other Compensation (\$)	Total (\$)
Seamus Lagan ⁽¹⁾ Chief Executive Officer	2025	—	—	—	—
	2024	—	—	—	—
Sylwia Hauman ⁽²⁾ Former Chief Financial Officer	2025	50,000	—	10,000 ⁽³⁾	60,000
	2024	—	—	—	—

- (1) Seamus Lagan was appointed as Chief Executive Officer and director of the Company effective as of December 5, 2024.
- (2) Sylwia Hauman was appointed as Chief Financial Officer of the Company effective as of September 23, 2025 and resigned from the Company effective March 18, 2026.
- (3) Represents a \$10,000 bonus.

Agreements with Named Executive Officers

Seamus Lagan, our current Chief Executive Officer

There is no agreement in place with Seamus Lagan or any entity for his services, and no compensation has been paid to date for services provided. The Board of Directors expects to secure an agreement with Alcimed Limited through which Mr. Lagan provides his services, when the Company is in a position to pay for such services.

Sylwia Hauman, our former Chief Financial Officer

Pursuant to her appointment as Chief Financial Officer on September 23, 2025, the board of directors approved Ms. Hauman being paid an annual salary of \$200,000 with a possible bonus of \$25,000. Ms. Hauman resigned from the Company effective March 18, 2026.

2022 Equity Incentive Plan

No shares of restricted stock were granted under the 2022 Plan during the years ended December 31, 2025 and 2024. No stock options were granted under the 2022 Plan during the years ended December 31, 2025 and 2024. Summary terms of the 2022 Plan are as follows:

Eligibility

Employees (including officers), non-employee directors and consultants who render services to us or an affiliate thereof (whether now existing or subsequently established) are eligible to receive awards under the 2022 Plan. Incentive stock options may only be granted to our employees or a parent or subsidiary thereof. As of the date of this Annual Report, we have four non-executive employees, one consultant, two executive officers (one of whom is also a director), and two non-employee directors, eligible to participate in the 2022 Plan.

Administration

The compensation committee of our Board, or such other committee as may be designated by the Board, or in the absence of any such committee, the Board (the “**compensation committee**” or “**Administrator**”) administers the 2022 Plan. Subject to the terms of the 2022 Plan, the compensation committee has complete authority and discretion to determine the terms of awards under the 2022 Plan.

Types of Awards

The 2022 Plan provides for the grant of stock options, which may be ISOs or NSOs, stock appreciation rights (“**SARs**”), restricted shares, restricted stock units (“**RSUs**”) and other equity-based awards, or collectively, awards.

Share Reserve

32,727 shares of Class A Common Stock may be issued under the 2022 Plan. All of the shares available under the 2022 Plan may be issued upon the exercise of ISOs.

Awards granted under the 2022 Plan upon the assumption of, or in substitution for, awards authorized or outstanding under a qualifying equity plan maintained by an entity with which we enter into a merger or similar corporate transaction do not reduce the shares available for grant under the 2022 Plan but will count against the maximum number of shares that may be issued upon the exercise of ISOs.

If options, SARs, restricted stock, RSUs or any other awards are forfeited, cancelled or expire before being exercised or settled in full, the shares subject to such awards will again be available for issuance under the 2022 Plan. Notwithstanding anything to the contrary contained herein: shares subject to an award under the 2022 Plan shall not again be made available for issuance or delivery under the 2022 Plan if such shares are (a) shares tendered in payment of an option, (b) shares delivered or withheld by the company to satisfy any tax withholding obligation, or (c) shares covered by a stock-settled SAR or other awards that were not issued upon the settlement of the award. Shares issued under the 2022 Plan may be authorized but unissued shares or treasury shares. As of the date hereof, no awards have been granted under the 2022 Plan.

Annual Limitation on Awards to Non-Employee Directors

The grant date fair value of 2022 Plan awards granted to each non-employee director during any calendar year may not exceed \$500,000 (on a per-director basis).

Stock Options

The 2022 Plan authorizes the grant of ISOs and NQSOs (each an “**Option**”). Options granted under 2022 Plan entitle the grantee, upon exercise, to purchase a specified number of shares of Class A Common Stock from us at a specified exercise price per share. The Administrator of the 2022 Plan determines the period during which an Option may be exercised, as well as any Option vesting schedule, except that no Option may be exercised more than 10 years after the date of grant and will generally expire sooner if the option holder’s service terminates. The exercise price for shares of Class A Common Stock covered by an Option cannot be less than the fair market value of the common stock on the date of grant unless pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 409A of the Code.

An Option’s exercise price may be paid in cash or by certified check at the time the Option is exercised, or, at the discretion of the Administrator, (1) a stock-for-stock exchange whereby the exercise price is paid by exchange of other common stock with a fair market value equal to the Option exercise price; (2) a “cashless” exchange established with a broker; (3) by reducing the number of shares of common stock otherwise deliverable upon exercise with the fair market value equal to the aggregate Option exercise price; (4) any combination of the previous methods; or (5) in any other form of legal consideration that may be acceptable by the Administrator.

Tax Limitations on Incentive Stock Options

The aggregate fair market value, determined on the date of grant, of shares for which ISOs granted under the 2022 Plan first become exercisable by a participant during any calendar year shall not exceed \$100,000, and any amount in excess of \$100,000 shall be treated as NQSOs. If an ISO is granted to any employee who owns more than 10% of the total combined voting securities of the Company, the exercise price of such ISO shall be at least 110% of the fair market value of our Class A Common Stock on the date of grant, and such ISO shall not be exercisable more than five years after the date of grant.

Stock Appreciation Rights

Stock appreciation rights may be granted under the 2022 Plan. Stock appreciation rights allow the recipient to receive the appreciation in the fair market value of the Company Class A Common Stock between the exercise date and the date of grant. Stock appreciation rights may not have a term exceeding ten years. The grant price for a stock appreciation right may not be less than 100% of the fair market value per share on the date of grant. Subject to the provisions of the 2022 Plan, the Administrator determines the other terms of stock appreciation rights, including when such rights become exercisable.

Restricted Stock Awards

Restricted stock may be granted under the 2022 Plan. Restricted stock awards are grants of shares of Company Class A Common Stock that vest in accordance with terms and conditions established by the compensation committee. The Administrator determines the number of shares of restricted stock granted to any employee, director or consultant and, subject to the provisions of the 2022 Plan, determines the terms and conditions of such awards. The compensation committee may impose whatever conditions to vesting it determines to be appropriate. The compensation committee, in its sole discretion, may accelerate the time at which any restrictions will lapse or be removed.

Recipients of restricted stock awards generally have voting rights with respect to such shares upon grant unless the Administrator provides otherwise. Unless the Administrator determines otherwise, during the restricted period, all dividends or other distributions paid upon any restricted stock awards will be retained by the Company for the account of the recipient. Such dividends or other distributions will revert to the Company if for any reason the restricted stock award upon which such dividends or other distributions were paid reverts to the company. Upon the expiration of the restricted period, all such dividends or other distributions made on such restricted share and retained by the Company will be paid to the recipient, with or without interest as determined by the Administrator.

Restricted Stock Units

RSUs may be granted under the 2022 Plan. RSUs are bookkeeping entries representing an amount equal to the fair market value of one share of company common stock. Subject to the provisions of the 2022 Plan, the Administrator determines the terms and conditions of RSUs, including the vesting criteria and the form and timing of payment. The Administrator may also grant RSUs with a deferral feature, whereby settlement is deferred beyond the vesting date or lapse of the restricted period until the occurrence of a future payment date or event set forth in an award agreement. A holder of RSUs will have only the rights of a general unsecured creditor of the Company, until the delivery of shares, cash or other securities or property. On the delivery date, the holder of each RSU not previously forfeited or terminated will receive one share, cash or other securities or property equal in value to one share or a combination thereof, as specified by the Administrator.

Other Equity-Based Awards

The 2022 Plan also authorizes the grant of other types of equity-based awards based in whole or in part by reference to the Company's Class A Common Stock. The Administrator will determine the terms and conditions of any such awards.

Change in Control

Unless otherwise provided in an award agreement, under the 2022 Plan, if a participant is terminated without cause or for good reason during the 12-month period following a change in control (as defined in the 2022 Plan), all of such participant's outstanding awards shall vest and be immediately exercisable as of the date of termination. With respect to awards subject to performance goals, in the event of a change in control, all incomplete performance periods in respect of such awards in effect on the date the change in control occurs shall end on the date of such change and the Administrator shall (i) determine the extent to which performance goals with respect to each such performance period have been met based upon such audited or unaudited financial information then available as it deems relevant and (ii) cause to be paid to the applicable participant partial or full awards with respect to performance goals for each such performance period based upon the Administrator's determination of the degree of attainment of performance goals or, if not determinable, assuming that the applicable "target" levels of performance have been attained, or on such other basis determined by the Administrator. In addition, in the event of a change in control, the Administrator may in its discretion cash out any or all outstanding awards immediately before the change in control.

Changes to Capital Structure

In the event of certain changes in capitalization, including a stock split, reverse stock split or stock dividend, proportionate adjustments will be made in the number and kind of shares available for issuance under the 2022 Plan, the limit on the number of shares that may be issued under the 2022 Plan as ISOs, the number and kind of shares subject to each outstanding award and/or the exercise price of each outstanding award.

Duration, Amendment and Termination

The Administrator of the 2022 Plan may suspend or terminate the 2022 Plan without stockholder approval or ratification at any time or from time to time. Unless sooner terminated, the 2022 Plan will terminate on the tenth anniversary of its effective date. The Administrator may also amend the 2022 Plan at any time, except that no amendment shall be effective unless approved by our stockholders, to the extent stockholder approval is necessary to satisfy any applicable laws. No change may be made that increases the total number of shares of Class A Common Stock reserved for issuance pursuant to awards or reduces the minimum exercise price for options or exchange of options for other awards, unless such change is authorized by our stockholders. No modification may be made to an outstanding award under the 2022 Plan if such modification effects a "repricing" of the award unless such a repricing is approved by our stockholders. A termination or amendment of the 2022 Plan will not, without the consent of the participant, materially impair the rights under a previously granted award.

Restrictions on Transfer

ISOs may not be transferred or exercised by another person except by will or by the laws of descent and distribution. NQSOs may, in the sole discretion of the Administrator, be transferable to certain permitted transferees as provided in the individual award agreements.

International Participation

The Administrator has the authority to implement sub-plans (or otherwise modify applicable grant terms) for purposes of satisfying applicable foreign laws, conforming to applicable market practices or for qualifying for favorable tax treatment under applicable foreign laws, and the terms and conditions applicable to awards granted under any such sub-plan or modified award may differ from the terms of the 2022 Plan. Any shares issued in satisfaction of awards granted under a sub-plan will come from the 2022 Plan share reserve.

Incentive Stock Options

A participant will not recognize income on the grant, vesting, or exercise of an ISO. However, the difference between the exercise price and the fair market value of our Class A Common Stock on the date of exercise is an adjustment item for purposes of the alternative minimum tax. If a participant does not exercise an ISO within certain specified periods after termination of employment, the participant will recognize ordinary income on the exercise of an ISO in the same manner as on the exercise of a NQSO, as described below.

Non-Qualified Stock Options and SARs

A participant generally is not required to recognize income on the grant or vesting of a NQSO or SAR. Instead, ordinary income generally is required to be recognized on the date the NQSO or SAR is exercised. In general, the amount of ordinary income required to be recognized is (a) in the case of a NQSO, an amount equal to the excess, if any, of the fair market value of the shares on the exercise date over the exercise price and (b) in the case of a SAR, the amount of cash and/or the fair market value of any shares received upon exercise. If the participant is an employee or former employee, the participant will be required to satisfy the tax withholding requirements applicable to such income.

A participant who receives an award of restricted stock generally does not recognize taxable income at the time of the award. Instead, the participant recognizes ordinary income when the shares vest, subject to withholding if the participant is an employee or former employee. The amount of taxable income is equal to the fair market value of the shares on the vesting date(s) less the amount, if any, paid for the shares. Alternatively, a participant may make a one-time election to recognize income at the time the participant receives restricted stock in an amount equal to the fair market value of the restricted stock (less any amount paid for the shares) on the date of the award by making an election under Section 83(b) of the Code.

Restricted Stock Unit Awards

In general, no taxable income results upon the grant of an RSU. The recipient will generally recognize ordinary income, subject to withholding if the recipient is an employee or former employee, equal to the fair market value of the shares that are delivered to the recipient upon settlement of the RSU.

Gain or Loss on Sale or Exchange of Shares

In general, gain or loss from the sale or exchange of shares of common stock granted or awarded under the 2022 Plan will be treated as capital gain or loss, provided that the shares are held as capital assets at the time of the sale or exchange. However, if certain holding period requirements are not satisfied at the time of a sale or exchange of shares acquired upon exercise of an ISO, a participant generally will be required to recognize ordinary income upon such disposition.

Section 409A

The foregoing description assumes that Section 409A of the Code does not apply to an award. In general, options and stock appreciation rights are exempt from Section 409A if the exercise price per share is at least equal to the fair market value per share of the underlying stock at the time the option or stock appreciation right was granted. RSUs are subject to Section 409A unless they are settled within two and one half months after the end of the later of (a) the end of the Company's fiscal year in which vesting occurs or (b) the end of the calendar year in which vesting occurs. Restricted stock awards are not generally subject to Section 409A. If an award is subject to Section 409A and the provisions for the exercise or settlement of that award do not comply with Section 409A, then the participant would be required to recognize ordinary income whenever a portion of the award vested (regardless of whether it had been exercised or settled). This amount would also be subject to a 20% U.S. federal tax and premium interest in addition to the U.S. federal income tax at the participant's usual marginal rate for ordinary income.

Deductibility by Company

The Company will generally be entitled to an income tax deduction at the time and to the extent a participant recognizes ordinary income as a result of an award granted under the 2022 Plan. However, Section 162(m) of the Code may limit the deductibility of certain awards granted under the 2022 Plan. Although the Administrator considers the deductibility of compensation as one factor in determining executive compensation, the Administrator retains the discretion to award and pay compensation that is not deductible as it believes that it is in the stockholders' best interests to maintain flexibility in the approach to executive compensation and to structure a program that the Administrator considers to be the most effective in attracting, motivating and retaining key employees.

Management Contingent Share Plan

In connection with the business combination, we adopted an earnout incentive plan (the “**Management Contingent Share Plan**”) to secure and retain the services of certain key employees and service providers and incentivize such key employees and service providers to exert maximum efforts for the success of FOXO and its affiliates. The Management Contingent Share Plan made available a total of 46,231 shares eligible to be issued pursuant to restricted share awards, all of which were issued. These restricted share awards will vest and be subject to forfeiture according to time-based criteria established as part of the business combination. With the sale of FOXO Life Insurance Company on February 3, 2023, performance-based criteria is no longer required for vesting. A summary of the Management Contingent Share Plan is as follows:

Eligibility

Employees (including officers), non-employee directors and consultants who render services to the Company or an affiliate thereof (whether now existing or subsequently established) are eligible to receive awards under the Management Contingent Share Plan.

Administration

The Management Contingent Share Plan is administered by the compensation committee, or such other committee of the Board, composed of independent directors, as is designated by the Board to administer the Management Contingent Share Plan (the “**Committee**”).

Subject to the terms of the Management Contingent Share Plan, the Committee will have complete authority to construe and interpret the plan and awards granted under it. The Committee shall be solely responsible for monitoring and determining whether or not any performance-based condition (described below) was achieved, and any such determination shall be final and conclusive. The Committee may utilize whatever rules and processes it believes are appropriate in this determinative process. All determinations, interpretations, and constructions made by the Committee in good faith and consistent with the terms of the plan shall not be subject to review by any person and shall be final, binding, and conclusive on all persons.

Share Reserve

The number of shares of our Class A Common Stock that may be issued under the Management Contingent Share Plan is 46,231 shares, subject to equitable adjustment for share splits, share dividends, combinations and recapitalizations, including to account for any equity securities into which such shares are exchanged or converted. All 46,231 shares of Class A Common Stock were issued to members of our management designated by management.

Types of Awards

The Management Contingent Share Plan provided for the grant of restricted share awards of Class A Common Stock. All of the shares of Class A Common Stock issued to employees at the Closing were issued pursuant to a “Restricted Share Award,” the terms of which apply to all shares issued to such recipient. For the purposes of the Management Contingent Share Plan, shares of restricted Class A Common Stock issued in accordance with such plan will be considered “vested” when they are no longer subject to forfeiture in accordance with the terms of such plan.

Each restricted share award issued under the Management Contingent Share Plan was initially subject to both a time-based vesting component and a performance-based vesting component as discussed below.

Time-Based Vesting

Each restricted share award shall be subject to three service-based vesting conditions:

- (a) 60% of a participant's restricted share award will become vested on the third anniversary of the Closing if the participant is still employed by us on such date (and has been continuously employed by us from the date of grant through such vesting date).
- (b) An additional 20% of a participant's restricted share award will become vested on the fourth anniversary of the Closing if the participant is still employed by us on such date (and has been continuously employed by us from the date of grant through such vesting date).
- (c) The final 20% of a participant's restricted share award will become vested on the fifth anniversary of the Closing if the participant is still employed by us on such date (and has been continuously employed by us from the date of grant through such vesting date).

Performance-Based Vesting

In addition, to time-based vesting, prior to the sale of FOXO Life Insurance Company on February 3, 2023, one-third of each restricted share award only become vested upon satisfaction of each of the following three performance-based conditions:

- (a) The operational launch of digital online insurance products by FOXO Life Insurance Company (or its functional equivalent under a managing general agency relationship with a life insurance company), with at least 100 policies sold, within one year following the Closing;
- (b) The signing of a commercial research collaboration agreement with an insurance company or reinsurance company for saliva-based epigenetic biomarkers in life insurance underwriting within two years following the Closing; and
- (c) The implementation of saliva-based epigenetic biomarkers in life insurance underwriting by the Company, with at least 250 policies sold using such underwriting, within two years following the Closing.

With the sale of FOXO Life Insurance Company on February 3, 2023, performance-based vesting was no longer required.

Service Based-Conditions

The Management Contingent Share Plan provides that in the event of the death, disability, or termination without cause of the CEO at the time of the Closing, service-based conditions will not apply.

Forfeiture of Restricted Share Awards

Prior to the discontinuation of the performance-based vesting, if a performance-based condition was not achieved within the specified timeframe then the one-third portion of each restricted share award that is associated to that performance-based condition was forfeited. The Committee was solely responsible for monitoring and determining whether or not any performance-based condition was achieved and any such determination was final and conclusive.

Any restricted stock awards that fail to vest due to a time-based vesting condition not being satisfied will be forfeited by the participant and the shares associated with that award will be permanently forfeited and cancelled.

Change in Control

In the event of a change in control (as defined in the plan), all time-based vesting conditions time frame for achievement has not expired will be waived.

Duration, Amendment and Termination

Unless sooner terminated, the Management Contingent Share Plan will terminate on the first to occur of (a) the date that 100% of the restricted share awards have become vested or (b) the first business day following the fifth (5th) anniversary of the Closing. The Board may suspend or terminate the plan with the written consent of all remaining participants in the Management Contingent Share Plan (at the time of the proposed suspension or termination of the Management Contingent Share Plan). The Board at any time, and from time to time, may amend, supplement, modify or restate the plan or any award provided that any such amendment applicable to a previously outstanding award shall not have an adverse effect on a participant or diminish the value of any previously outstanding award under the plan without participant's prior written consent.

Restrictions on Transfer

Except for transfers without consideration to persons or entities related to a participant (family members, family trusts, etc.) restricted share awards may not be transferred to another person except in the sole discretion of the Committee.

Short-Term Incentive Compensation

As outlined in our compensation policy, our named executive officers are eligible to earn discretionary biannual incentive bonuses. These discretionary incentive bonuses are worth, at maximum, 10% of each named executive officer's annual base salary per review cycle, for an annual total value of up to 20% of each named executive officer's base salary. Review cycles occur biannually, following the second and fourth quarter of each year, and discretionary incentive bonuses are paid at the conclusion of these review cycles. Discretionary biannual incentive bonuses awarded to named executive officers are paid in the form of stock option awards, cash, or some combination of the two. As such, since our named executive officers typically received their biannual incentive bonuses in the form of stock options, these amounts, as applicable to each year presented, are included in the "option awards" column of the summary compensation table above.

Outstanding Equity Awards

During the year ended December 31, 2025, there were no unexercised options; stock that has not vested; and equity incentive plan awards outstanding for any of our named executive officers.

Director Compensation

Non-Employee Director Compensation Table

During the year ended December 31, 2025, the following compensation was earned by, paid to, or awarded to our non-employee directors who served on the board of directors during 2025.

Name	Year	Salary (\$)	Total (\$)
Bret Barnes	2025	60,000 ⁽¹⁾	60,000
Francis Colt deWolf III	2025	60,000 ⁽²⁾	60,000
Trevor Langley	2025	60,000	60,000
Mark White	2025	140,748 ⁽³⁾	140,748

(1) Amount based on the Independent Director Agreement dated October 31, 2025

(2) Amount based on the Independent Director Agreement dated January 22, 2024.

(3) Amount based under the Independent Services Agreement dated December 6, 2024. Includes \$20,748 for a car lease.

On January 22, 2024, we entered into an Independent Director Agreement with Francis Colt deWolf III pursuant to which Mr. deWolf is to be paid \$5,000 per month commencing in January 2024 for his services as a director.

On October 31, 2025, we entered into an updated Independent Director Agreement with Bret Barnes pursuant to which Mr. Barnes confirmed that the only liability owed to him was \$5,000 per month for his services as a director.

On December 6, 2024, FOXO Labs Inc. entered into a Independent Services Agreement with Mark White pursuant to which he was appointed as Chief Executive Officer of FOXO Labs Inc. The initial term of the agreement is beginning January 1, 2025 until December 31, 2025 and will automatically extend for an additional 12 months, unless terminated prior by its terms. Mr. White will be compensated \$10,000 per month and will be allowed a reimbursement for the lease and insurance of a vehicle not to exceed \$80,000.

Insider Trading Policy

Although the Company has not adopted an insider trading policy, its officers and directors comply with all applicable SEC rules and regulations.

Policies and Practices Related to the Timing of Grants of Certain Equity Awards

It is the Compensation Committee's practice to approve ordinary course annual equity grants during a scheduled meeting held each year. At this meeting, the Compensation Committee will approve each named executive officer's annual equity award, if any. At this time, we do not currently anticipate granting stock options to any of our named executive officers. The Company does not schedule its equity grants in anticipation of the release of material, non-public information, nor does the Company time the release of material nonpublic information based on equity grant dates.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table lists, as of April 10, 2026, the number of shares of Class A Common Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, and Series D Preferred Stock beneficially owned by (i) each person, entity or group (as that term is used in Section 13(d)(3) of the Exchange Act) known to us to be the beneficial owner of more than 5% of the outstanding shares of common stock; (ii) each of our directors; (iii) each of our named executive officers; and (iv) all current executive officers and directors as a group. Information relating to beneficial ownership of common stock by our principal stockholders and management is based upon information furnished by each person using “beneficial ownership” concepts under the rules of the SEC. Under these rules, a person is deemed to be a beneficial owner of a security if that person directly or indirectly has or shares voting power, which includes the power to vote or direct the voting of the security, or investment power, which includes the power to dispose or direct the disposition of the security. The person is also deemed to be a beneficial owner of any security of which that person has a right to acquire beneficial ownership within 60 days from the date of this Annual Report. Under the SEC rules, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which he or she may not have any pecuniary interest. Except as noted below, each person has sole voting and investment power with respect to the shares beneficially owned and each stockholder’s address is c/o FOXO Technologies Inc., 477 South Rosemary Ave., Suite 224, West Palm Beach, FL 33401.

Applicable percentage of ownership is based on 3,732,660,151 shares of Class A Common Stock, 19,249.99 shares of Series A Preferred Stock, 3,245 shares of Series B Preferred Stock, and 303.75 shares of Series C Preferred Stock.

Name and Address of Beneficial Owner	Number of Shares of Class A Common Stock ⁽⁶⁾	% of Class ⁽⁷⁾	% of Votes
<i>Directors, Named Executive Officers, and Executive Officers:</i>			
Seamus Lagan, Chief Executive Officer, Director ⁽²⁾	51,439	*	*(8)
Celene Grant, Chief Financial Officer			
Sylwia Nowak Hauman, Former Chief Financial Officer	0	-	-
Mark White, Director ⁽¹⁾	11,912	*	*
Bret Barnes, Director ⁽³⁾	282	*	*
Francis Colt deWolf III, Director	-	-	-
Trevor Langley, Director ⁽⁴⁾	51,439	*	*(8)
All current directors and executive officers as a group (seven individuals) ⁽⁵⁾	63,633	*	*
5% Beneficial Holders (Not Named Above) Rennova Health, Inc.			
477 S. Rosemary Avenue, Suite 224 West Palm Beach, Florida 33401	51,439	*	*(8)

* Less than 1%.

(1) Includes 11,912 shares of Class A Common Stock held by KR8 AI, an entity which Mr. White controls.

(2) Shares are owned by RHI. Mr. Lagan is the Chief Executive Officer and President and a director of RHI. Mr. Lagan disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein. RHI currently owns 5,520 shares of Series A Preferred Stock, which are not included in the above table.

(3) 282 shares of Class A Common Stock underlying vested options held by Mr. Barnes.

(4) Shares are owned by RHI. Mr. Langley is a director of RHI. Mr. Langley disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein. RHI currently owns 5,520 shares of Series A Preferred Stock, which are not included in the above table.

(5) Our current directors and executive officers are: Trevor Langley (Chairman of our Board of Directors), Seamus Lagan (Chief Executive Officer and Director), Celene Grant (Chief Financial Officer), Francis Colt deWolf III (Director), Bret Barnes (Director), Mark White (Director). Sylwia Hauman is our former Chief Financial Officer.

(6) These amounts are based upon information available to the Company as of the date of this Annual Report.

(7) To our knowledge, except as indicated in the footnotes above and subject to state community property laws where applicable, all beneficial owners named in the beneficial ownership table above have sole voting and investment power with respect to all shares shown as beneficially owned by them.

(8) On February 3, 2025, RHI entered into a Voting Agreement and Irrevocable Proxy with each of Sabby Volatility Warrant Master Fund, Ltd. (“**Volatility**”) and Sabby Healthcare Master Fund, Ltd. (“**Healthcare**”) pursuant to which at every meeting of the stockholders of the Company, and at every adjournment or postponement thereof, and on every action or approval by written consent or resolution of the stockholders of FOXO, each of Volatility and Healthcare shall, to the extent permissible and consistent with Volatility and Healthcare’s internal compliance policies (which may require abstention with respect to certain matters), vote, to the extent not voted by the person(s) appointed under the proxy, the shares of the Company owned by it and any new shares of the Company in such manner as is decided by RHI in its sole and absolute discretion.

Name and Address of Beneficial Owner	Number of Shares of Series A Preferred Stock ⁽¹⁾	% of Class ⁽²⁾	% of Votes
Rennova Health, Inc. 477 S. Rosemary Avenue, Suite 224 West Palm Beach, Florida 33401	5,520	28.7%	% 97.6 ⁽³⁾
Sabby Volatility Warrant Master Fund, Ltd. Miami Beach, FL	5,317	27.6%	~(4)
Sabby Healthcare Master Fund, Ltd. Miami Beach, FL	2,495.99	13.0%	~(4)
Chris Diamantis Nashville, TN	5,800	30.1%	~(5)

(1) These amounts are based upon information available to the Company as of the date hereof.

(2) To our knowledge, except as indicated in the footnotes above and subject to state community property laws where applicable, all beneficial owners named in the beneficial ownership table above have sole voting and investment power with respect to all shares shown as beneficially owned by them.

(3) Due to the Voting Agreement and Irrevocable Proxies with Sabby Volatility, Sabby Healthcare, and Mr. Diamantis, as described below, the combined voting percentage of RHI is approximately 97.6%.

(4) On February 3, 2025, RHI entered into a Voting Agreement and Irrevocable Proxy with each of Sabby Volatility and Sabby Healthcare pursuant to which at every meeting of the stockholders of the Company, and at every adjournment or postponement thereof, and on every action or approval by written consent or resolution of the stockholders of FOXO, each of Sabby Volatility and Sabby Healthcare shall, to the extent permissible and consistent with Sabby Volatility and Sabby Healthcare's internal compliance policies (which may require abstention with respect to certain matters), vote, to the extent not voted by the person(s) appointed under the proxy, the shares of the Company owned by it and any new shares of the Company in such manner as is decided by RHI in its sole and absolute discretion.

(5) On May 8, 2025, RHI entered into a Voting Agreement and Irrevocable Proxy with Mr. Diamantis pursuant to which at every meeting of the stockholders of the Company, and at every adjournment or postponement thereof, and on every action or approval by written consent or resolution of the stockholders of FOXO, Mr. Diamantis shall, to the extent permissible (which may require abstention with respect to certain matters), vote, to the extent not voted by the person(s) appointed under the proxy, the shares of the Company owned by him and any new shares of the Company in such manner as is decided by RHI in its sole and absolute discretion.

Name and Address of Beneficial Owner	Number of Shares of Series B Preferred Stock ⁽¹⁾	% of Class ⁽²⁾	% of Votes
David S. Nagelberg 2003 Rev. Trust+	250	7.7%	*
Mitchell Kersch+	250	7.7%	*
John Nash+	500	15.4%	*
John Paulsen+	200	6.2%	*
Ardara Capital/ Patrick Mullin+	200	6.2%	*
Portner Partners+	200	6.2%	*
Ryan Wong+	200	6.2%	*

* Less than 1%.

+ Address unknown to the Company.

(1) These amounts are based upon information available to the Company as of the date hereof.

(2) To our knowledge, except as indicated in the footnotes above and subject to state community property laws where applicable, all beneficial owners named in the beneficial ownership table above have sole voting and investment power with respect to all shares shown as beneficially owned by them.

Name and Address of Beneficial Owner	Number of Shares of Series C Preferred Stock ⁽¹⁾	% of Class ⁽²⁾	% of Votes
Andrew Smukler 404 Via Placita Palm Beach Gardens, FL 33418	135	44.4%	*
Joel Yanowitz & Amy B. Metzenbaum Rev. Trust 3 Stanton Way Mill Valley, CA 94941	135	44.4%	*
Steven Wu 30327 Garfinkle Street Union City, CA 94587	33.75	11.1%	*

* Less than 1%.

(1) These amounts are based upon information available to the Company as of the date hereof.

(2) To our knowledge, except as indicated in the footnotes above and subject to state community property laws where applicable, all beneficial owners named in the beneficial ownership table above have sole voting and investment power with respect to all shares shown as beneficially owned by them.

Item 13. Certain Relationships and Related Transactions, Director Independence

Except as disclosed below, for transactions with our executive officers and directors, please see the disclosure under “*EXECUTIVE COMPENSATION*” above.

Other than compensation arrangements, the following is a summary of the transactions and series of similar transactions since January 1, 2024, or any currently proposed transactions, to which we were a participant or will be a participant, in which:

- the amounts involved exceeded or will exceed \$120,000; and
- any of our directors, executive officers or holders of more than 5% of our voting securities, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

Compensation arrangements for our directors and named executive officers are described the section titled “*EXECUTIVE COMPENSATION*” herein.

Letter Agreement for Software License and Development

On October 29, 2023, we entered into a letter agreement (the “**Letter Agreement**”) with KR8, pursuant to which KR8 granted us a provisional exclusive license (the “**License**”) to use KR8’s KR8 AI Eco System and iOS/Android app to develop one or more consumer health, wellness and longevity apps. The Letter Agreement limits the distribution of any such apps to consumers in North America. The Letter Agreement provides that KR8 will grant us a non-provisional exclusive License with a perpetual term upon the parties’ signing of a definitive license agreement.

Pursuant to the Letter Agreement, we agreed to pay KR8 an initial license and development fee of \$2,500,000, with \$1,500,000 to be paid in cash in agreed upon monthly increments and the remaining \$1,000,000 to be paid in our Class A Common Stock at 102% of the closing price of the Common Stock on the date of the definitive agreement, subject to the authorization of NYSE American, provided that, (i) with the consent of KR8, portions of the cash fee may be paid in shares of Common Stock and (ii) for so long as the Common Stock is listed on a major exchange, commencing July 1, 2024, if the average trading volume exceeds \$50,000 per day for an agreed upon period, up to a third of any monthly fee may be paid in shares of Common Stock.

In addition to the license and development fee, we agreed to pay KR8 a royalty of 15% of product subscriber revenues, with a minimum annual royalty to be agreed upon by the parties. If the royalty paid in respect of any year is less than the applicable minimum, the License will become non-exclusive; we will have the option to maintain exclusivity by paying the shortfall.

Pursuant to the Letter Agreement, KR8 will provide ongoing support and maintenance for a monthly fee of \$50,000. In addition, KR8 will assist with the development of any apps. We will pay KR8 110% of its out-of-pocket costs in providing development services; provided that the first \$50,000 due for development services any month will be deemed satisfied by payment of the monthly maintenance fee.

Pursuant to the Letter Agreement, KR8 will own all rights to intellectual property produced solely by KR8 in performing under the License, provided that we will have the right to use such property pursuant to the License. We will own all rights to intellectual property in the form of both sample meta-data and paired molecular data collected including research results and biomarkers produced solely by us utilized in KR8's products, including without limitation the raw and processed epigenetic data, provided KR8 will have the right to use such property pursuant to the License. We and KR8 will jointly own all rights to intellectual property produced jointly.

Pursuant to the Letter Agreement, the parties agreed to promptly negotiate and enter into a definitive license agreement containing the terms described in the Letter Agreement and such other customary terms and conditions, including among others, scope and timing of deliverables, use restrictions, terms with respect to confidentiality, indemnification, insurance, choice of law and forum, conditions of default, rights and remedies upon a default, warranties and limitations of liability. If the parties fail to enter into a definitive license agreement prior to November 15, 2023, each party's remedy will be limited to commencing an arbitration to determine all issues not agreed upon. If the arbitrators fail to provide a remedy with respect to each issue raised, the parties will nevertheless be obligated to perform as set forth in the Letter Agreement, subject to such rights of termination as may be agreed upon in a license agreement.

Mark White, our former Interim Chief Executive Officer and director, is KR8's President. Mr. White beneficially owns more than 5% of the common stock of KR8.

KR8 Master License and Services Agreement

Effective January 12, 2024, we entered into the License Agreement with KR8. Our then Interim CEO and then Interim CFO each are equity owners of KR8. Under the License Agreement, KR8 granted to us a limited, non-sub licensable, non-transferable perpetual license to use the "Licensor Products" listed in Exhibit A to the License Agreement, to develop, launch and maintain license applications based upon our epigenetic biomarker technology and software to develop an AI machine learning epigenetic APP to enhance health, wellness and longevity. The territory of the License Agreement is solely within the U.S., Canada and Mexico.

Under the License Agreement, we agreed to pay to KR8 an initial license and development fee of \$2,500,000, a monthly maintenance fee of \$50,000, and an ongoing royalty equal to 15% of "Subscriber Revenues," as defined in the License Agreement, in accordance with the terms and subject to the minimums set forth in the schedules of the License Agreement. We agreed to reimburse KR8 for all reasonable travel and out-of-pocket expenses incurred in connection with the performance of the services under the License Agreement, in addition to payment of any applicable hourly rates. If we fail to timely pay the "Minimum Royalty," as defined in the License Agreement, due with respect to any calendar year, the license will become non-exclusive.

The initial term of the License Agreement commences on the effective date of the License Agreement. Unless terminated earlier in accordance with the terms, the License Agreement will be perpetual. Either party may terminate the License Agreement, effective on written notice to the other party, if the other party materially breaches this License Agreement, and such breach remains uncured 30 days after the non-breaching party provides the breaching party with written notice of such breach, in which event, the non-breaching party will then deliver a second written notice to the breaching party terminating the License Agreement, in which event the License Agreement, and the licenses granted under the License Agreement, will terminate on the date specified in such second notice. Either party may terminate the License Agreement, effective immediately upon written notice to the other party, if the other party: (i) is unable to pay, or fails to pay, its debts as they become due; (ii) becomes insolvent, files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (iii) makes or seeks to make a general assignment for the benefit of its creditors; or (iv) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

We may terminate the License Agreement at any time upon 90 days' notice to KR8 provided that, as a condition to such termination, we immediately cease using any Licensors Products. KR8 may terminate the License Agreement at any time upon 30 days' notice to us if we fail to pay any portion of the "Initial License Fee," as defined in the License Agreement.

Under the License Agreement, on January 19, 2024 we issued 1,300,000 shares of Class A Common Stock to KR8. We also issued 237,037 shares of Class A Common Stock to KR8 on October 9, 2024.

Termination of Payment Obligations Under KR8 Master License and Services Agreement and Assignment

On December 6, 2024, we entered into the Termination Agreement with KR8 pursuant to which 3,000 shares of Series D Preferred Stock (the "**KR8 Shares**") were issued to KR8 as full and final satisfaction of approximately \$3,000,000 owed to KR8 and the MSSA was terminated (the "**KR8 Termination Agreement**"). The Series D Preferred Stock have no voting rights and conversion to common stock by KR8 is subject to relevant approvals from NYSE and shareholders.

On December 5, 2024, the Company entered into a Registration Rights Agreement with KR8 (the "**KR8 Registration Rights Agreement**").

The Termination Agreement closed on December 6, 2024. The exchange of \$3,000,000 of existing debt and/or liabilities to equity will result in an increase of approximately \$3,000,000 in the Company's shareholders equity.

Effective as of December 6, 2024, we filed an Amendment No. 1 to the Termination Agreement between the Company and KR8 pursuant to which it was clarified that the license terms had not been terminated but the payment obligations of the Company were terminated. In addition, the Company assigned its rights and liabilities under the License Agreement were assigned to FOXO Labs.

Myrtle Recovery Centers Acquisition

On June 10, 2024, we entered into the Stock Exchange Agreement (the "**Myrtle SEA**") with Myrtle and RHI. Pursuant to the Myrtle SEA, upon closing, RHI will exchange with the Company 100 shares of Common Stock of Myrtle (which represents 98.4% of the issued and outstanding shares of Myrtle Common Stock) for total consideration of \$500,000 (the "**Myrtle Purchase Price**"), which payment will be made by the issuance of a number of shares of Class A Common Stock of the Company determined by dividing \$500,000 by the volume weighted average price (the "**VWAP**") on the day immediately prior to the closing date (the "**Price**") but in no event will the number of shares be more than 19.99% of the number of outstanding shares of the Company's Class A Common Stock on the trading day prior to the closing date. If the number of FOXO Shares to be issued to RHI multiplied by the Price is less than \$500,000, the Company will pay the deficit in cash within 12 months from the closing date. If the earnings before interest, taxes, depreciation and amortization ("**EBITDA**") indicated in the audited financial statements of Myrtle varies by more than 10% from the Myrtle Financial Statements (as defined in the Myrtle SEA), the Myrtle Purchase Price will automatically increase or decrease on a dollar for dollar basis and, if increased, the difference will be paid in additional shares of Class A Common Stock of the Company or cash or, if decreased, the difference will result in either cancellation of Class A Common Stock of the Company or return of cash paid.

On July 17, 2024, the board of directors of the Company approved the closing of the Myrtle SEA effective as of June 14, 2024.

Renova Community Health Acquisition and Exchange Agreement

On June 10, 2024, we entered into the Stock Exchange Agreement (the “**RCHI SEA**”) with RCHI and RHI.

On September 10, 2024, we entered into the Amended and Restated Stock Exchange Agreement with RCHI and RHI (the “**Amendment**”) pursuant to which the RCHI SEA was amended to change the consideration to be received by RHI in exchange for all of the equity interests of RCHI from 20,000 shares of Series A Preferred Stock of the Company to \$100. In addition, under the Amendment, RCHI will issue to RHI a senior note in the principal amount of \$22,000,000 (subject to adjustments) (the “**Note**”), which will be secured by all of the assets of RCHI and its subsidiary, Scott County Community Hospital, Inc., a Tennessee corporation (“**SCCH**”), under the Security and Pledge Agreement dated September 10, 2024 by, between, and among RHI, RCHI, and SCHH (the “**Subsidiary Security Agreement**”), with the Company and SCCH providing a guaranty on the Note pursuant to the Guaranty Agreement dated September 10, 2024 (the “**Guaranty Agreement**”) and with the Company providing a security interest in the “Collateral,” as defined in the Security and Pledge Agreement dated September 10, 2024 (the “**Security Agreement**”) with RHI.

The Note matures on September 10, 2026 and accrues interest on any outstanding principal amount at an interest rate of 8% per annum for the first six months increasing to 12% per annum after six months until maturity. After maturity, the default interest rate will be 20% per annum until the Note is paid in full. The Note requires principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI and its subsidiary. Payments will be one month in arrears. The Note will be reduced by payment of 25% of any net proceeds from equity capital raised by the Company. The Note is secured by the assets of RCHI and the Company and guaranteed by Company under the Guaranty Agreement and Security Agreement, respectively.

On September 10, 2024, the board of directors of the Company approved the closing of the RCHI SEA, as amended, effective as of September 10, 2024.

On December 5, 2024, we entered into an Exchange Agreement (the “**Exchange Agreement**”) with RCHI and RHI. Pursuant to the Exchange Agreement, \$21,000,000 of the principal of the Note is to be exchanged for 21,000 shares (the “**Exchange Shares**”) of the Company’s Series A Preferred Stock. Upon the closing of the Exchange Agreement, RCHI is to execute and deliver a senior secured promissory note payable to RHI in the principal amount of \$1,000,000 on the same terms of the Note (the “**New Note**”). The New Note will mature six months from the closing of the Exchange Agreement. The Exchange Agreement also provided for the following:

- The Company filing a proxy statement on Schedule 14A with the U.S. Securities and Exchange Commission (the “**SEC**”) in connection with an Annual Meeting of Shareholders to be held on or prior to December 31, 2024 with a proposal to permit the full conversion of the Exchange Shares into shares of the Company’s shares of Class A Common Stock pursuant to the rules of the New York Stock Exchange American (“**NYSE**”);
- Mark White shall be appointed as the sole director and Chief Executive Officer of FOXO Labs Inc., a Delaware corporation (“**FOXO Labs**”) that is a wholly owned subsidiary of the Company;
- Seamus Lagan be appointed as the Chief Executive Officer of the Company; and
- The Company shall have executed the Registration Rights Agreement with RHI dated December 5, 2024. (The “**RHI Registration Rights Agreement**”).

The Exchange Agreement closed on December 5, 2024.

Note Payable to RHI for the Acquisition of Myrtle

Pursuant to the acquisition of Myrtle, the Company issued a non-interest bearing note payable to RHI in the amount of \$0.3 million. The note is due on demand.

Note Payable to RHI In Connection with Myrtle Acquisition

The Company has a note payable to RHI dated June 13, 2024, in the original principal amount of \$1.6 million which represented amounts owed by Myrtle to RHI at the time of the acquisition of Myrtle. The note is non-interest bearing, except if not paid by the maturity date of December 31, 2024, in which case the note bears interest at 18% per annum. The note may be increased for any subsequent borrowings made by Myrtle from RHI. During the year ended December 31, 2025, the Company borrowed a net of \$1.0 million under the note and during the year ended December 31, 2024, the Company repaid a net of \$1.0 million of the note. In addition, in December 2025, the Company issued RHI 8,000 shares of its Series E Preferred Stock with a stated value of \$200,000, or \$25 per share, under an exchange agreement, as more fully discussed below, leaving a principal balance of \$1.4 million and \$0.6 million on December 31, 2025 and 2024, respectively. At December 31, 2025, the note is in default. No default interest has been accrued on the note as of December 31, 2025.

RCHI Note, New RCHI Note and Additional RCHI Note Issued In Connection with the RCHI Acquisition

In connection with the acquisition of RCHI, RCHI issued the RCHI Note to RHI. On December 5, 2024, \$21.0 million of the principal balance of the RCHI Note was exchanged for \$21.0 million of stated value of the Company's Series A Preferred Stock and RCHI issued to RHI the New RCHI Note in the principal balance of \$1.0 million. The New RCHI Note matured on June 5, 2025 and accrued interest on any outstanding principal amount at an interest rate of 8% per annum. After maturity, the default interest rate is 20% per annum until the New RCHI Note is paid in full. The New RCHI Note requires principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI. Payments will be one month in arrears. As of December 31, 2025, the Company owes RHI a total of \$1.1 million of accrued interest on the RCHI Note and the New RCHI Note. At December 31, 2025, the New RCHI Note remains in default.

On June 30, 2025, the Company issued the Additional RCHI Note in the principal amount of \$5.8 million as additional consideration payable for the acquisition of RCHI and in the last half of 2025, an additional considerable payable for the acquisition of RCHI of \$133,209 was added to the principal amount of the Additional Note, as more fully discussed in Note 5. On August 18, 2025, RHI exchanged \$5.0 million of the principal balance of the Additional RCHI Note for 5,000 shares of the Company's Series A Preferred Stock, leaving a principal balance of the Additional Note of \$1.0 million at December 31, 2025. The Additional RCHI Note does not bear interest and has a maturity date of June 30, 2026.

Loans from Subsidiary of RHI

During the year ended December 31, 2025, the Company had two loans outstanding from a subsidiary of RHI with original principal balances aggregating to \$1.0 million and the Company received net cash proceeds of \$0.7 million, resulting in original issue discounts totaling \$0.3 million. During 2025, the Company repaid \$0.6 million of the loans and it recorded amortization of the original issue discounts during the year ended December 31, 2025 of \$0.2 million as interest expense. At December 31, 2025, one of the loans remained outstanding with a principal balance of \$0.3 million, which was net of unamortized discount of \$0.1 million.

Health Information Technology Provided By InnovaQor.

RCHI and SCCH contracted with InnovaQor, Inc. ("InnovaQor") to provide ongoing information technology-related services totaling approximately \$0.3 million and \$0.1 million, respectively, during the years ended December 31, 2025 and 2024, and they owed InnovaQor \$0.1 million and \$0.1 million at December 31, 2025 and 2024, respectively. RHI holds preferred stock in InnovaQor and Mr. Lagan is the controlling shareholder of InnovaQor.

Software Development Agreement with InnovaQor

In July 2025, Myrtle entered into an agreement with InnovaQor to develop a behavioral health patient engagement mobile application with a cost of \$0.1 million, which is currently under construction.

Rent and Utilities Owed to RHI and A Subsidiary of RHI Under Facility Leases

As of December 31, 2025 and 2024, SCCH and Myrtle owed \$0.3 million and \$0.6 million, respectively, to a subsidiary of RHI for rent under facility leases that are more fully discussed in Note 12 to the accompanying consolidated financial statements. The Company has waived payment defaults on these leases through June 30, 2026.

During the year ended December 31, 2025, the Company incurred \$0.2 million for rent and utilities associated with its corporate offices and it owed RHI \$33,670 for these costs at December 31, 2025. The Company shares office facilities with RHI and the rent stems from a lease between RHI and a third party.

RHI Exchange Agreement

On February 6, 2026, the Company entered into a Series E Preferred Stock Exchange Agreement (the “**Exchange Agreement**”) effective December 31, 2025 with RHI. Pursuant to the Exchange Agreement, in full satisfaction and extinguishment of \$200,000 in aggregate previously advanced amounts (the “**Prior Advances**”) made by RHI to the Company during the period from December 4, 2025 to December 10, 2025, the Company agreed to issue to RHI, and RHI agreed to accept, 8,000 shares of the Company’s Series E Preferred Stock at a stated value of \$25.00 per share. Upon issuance of the 8,000 shares of Series E Preferred Stock to RHI in accordance with the Exchange Agreement, the Prior Advances will be deemed fully satisfied, cancelled and of no further force or effect, and RHI will have no further rights as a creditor of the Company with respect to the Prior Advances.

Policies for Approval of Related Person Transactions

Our Board reviews and approves transactions with related persons. Prior to our Board’s consideration of a transaction with a related person, the material facts as to the related person’s relationship or interest in the transaction are disclosed to the Board, and the transaction is not considered approved by the Board unless a majority of the directors who are not interested in the transaction approve the transaction.

We adopted a written related person transaction policy that sets forth the following policies and procedures for the review and approval or ratification of related person transactions.

A “Related Person Transaction” is a transaction, arrangement or relationship in which we or any of our subsidiaries was, is or will be a participant, the amount of which involved exceeds \$120,000, and in which any related person had, has or will have a direct or indirect material interest. A “related person” means:

- any person who is, or at any time during the applicable period was, one of our officers or one of our directors;
- any person who is known by us to be the beneficial owner of more than 5% of our voting stock;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, officer or a beneficial owner of more than 5% of its voting stock, and any person (other than a tenant or employee) sharing the household of such director, officer or beneficial owner of more than 5% of its voting stock; and
- any firm, corporation or other entity in which any of the foregoing persons is a partner or principal or in a similar position or in which such person has a 10% or greater beneficial ownership interest.

We have policies and procedures designed to minimize potential conflicts of interest arising from any dealings it may have with its affiliates and to provide appropriate procedures for the disclosure of any real or potential conflicts of interest that may exist from time to time. Specifically, pursuant to its charter, the audit committee of the Board has the responsibility to review related party transactions.

Employment Arrangements

We have entered into interim employment agreements, which are described above under *EXECUTIVE COMPENSATION – Narrative Disclosure to the Summary Compensation Table – Agreements with Current Executive Officers.*” See “*EXECUTIVE COMPENSATION – Narrative Disclosure to the Summary Compensation Table – Agreements with Named Executive Officers*” for a description of the terms and conditions of employment agreements by and between our current and former executive officers.

Celene Grant, Chief Financial Officer

Pursuant to her appointment as Chief Financial Officer on March 24, 2026, the board of directors approved Ms. Grant being paid an annual salary of \$200,000 with a possible bonus of \$25,000.

Item 14. Principal Accountant Fees and Services

On December 5, 2025 and October 7, 2024, we engaged Kreit & Chiu CPA LLP (“**Kreit**”) to serve as our independent registered public accounting firm for the years ended December 31, 2025 and 2024, respectively.

The following is a summary of the fees and services provided by Kreit to FOXO for fiscal years 2025 and 2024:

	For the Fiscal Year Ended December 31,	
	2025	2024
Audit Fees ⁽¹⁾	\$ 466,500	\$ 666,550
Audit-Related Fees ⁽²⁾	30,900	40,000
Total ⁽³⁾	\$ 497,400	\$ 706,550

1. *Audit Fees.* Audit fees of \$466,500 and \$666,500 for 2025 and 2024, respectively, were for professional services rendered for the audits of our financial statements, review of interim financial statements, and services that are normally provided in connection with statutory and regulatory filings or engagements related to periods under their engagement.
2. *Audit-Related Fees.* Audit-related fees consist of fees billed by Kreit for assistance with registration statements filed with the SEC and for assurance and related services that are reasonably related to performance of the audit or review of our consolidated financial statements and are not reported under “*Audit Fees*.” These services include attest services that are not required by statute or regulation and consultation concerning financial accounting and reporting standards.
3. Kreit did not provide any non-audit or other professional services other than those reported under “*Audit-Fees*” and “*Audit-Related Fees*.”

The audit communicates with our independent registered public accounting firm at least four times a year. At such times, the audit committee reviews both audit and non-audit services performed by the independent registered public accounting firm, as well as the fees charged for such services. The audit committee is responsible for pre-approving all auditing services and non-auditing services (other than non-audit services falling within the *de minimis* exception set forth in Section 10A(i)(1)(B) of the Exchange Act and non-audit services that independent auditors are prohibited from providing to us) in accordance with the following guidelines: (1) pre-approval policies and procedures must be detailed as to the particular services provided; (2) the audit committee must be informed about each service; and (3) the audit committee may delegate pre-approval authority to one or more of its members, who shall report to the full committee, but shall not delegate its pre-approval authority to management. Among other things, the audit committee examines the effect that performance of non-audit services may have upon the independence of the auditors.

All of the services provided by Kreit and fees for such services, were pre-approved by the audit committee in accordance with these standards.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) Consolidated Financial Statements:

The following documents are filed as part of this Annual Report:

Consolidated Financial Statements and Report of Independent Registered Public Accounting Firm, all of which are set forth on pages F-1 through F-46 of this Annual Report.

(a)(2) Financial Statement Schedules:

Financial statement schedules are omitted because they are not required, not applicable or because the required information is shown in the consolidated financial statements or notes thereto.

(a)(3) Exhibits:

Required exhibits are incorporated by reference or are filed with this Annual Report.

Exhibit No.	Description	Included	Form	Referenced Exhibit	Filing Date
2.1+	<u>Agreement and Plan of Merger, dated as of February 24, 2022, by and among Delwinds Insurance Acquisition Corp., FOXO Technologies Inc., DWIN Merger Sub Inc., and DIAC Sponsor LLC, in its capacity as Purchaser Representative thereunder.</u>	By Reference	8-K	2.1	March 2, 2022
2.2	<u>Amendment to Agreement and Plan of Merger, dated as of April 26, 2022, by and among Delwinds Insurance Acquisition Corp., FOXO Technologies Inc. and DIAC Sponsor LLC, in its capacity as Purchaser Representative.</u>	By Reference	8-K	2.1	April 27, 2022
2.3	<u>Amendment No. 2 to Agreement and Plan of Merger, dated as of July 6, 2022, by and among Delwinds Insurance Acquisition Corp., FOXO Technologies Inc. and DIAC Sponsor LLC, in its capacity as Purchaser Representative.</u>	By Reference	8-K	2.1	July 6, 2022
2.4	<u>Amendment No. 3 to Agreement and Plan of Merger, dated as of August 12, 2022, by and among Delwinds Insurance Acquisition Corp., FOXO Technologies Inc. and DIAC Sponsor LLC, in its capacity as Purchaser Representative.</u>	By Reference	8-K	2.1	August 12, 2022
3.1	<u>Certificate of Incorporation of FOXO Technologies Inc.</u>	By Reference	8-K	3.1	September 21, 2022
3.2	<u>Certificate of Amendment to Certificate of Incorporation of FOXO Technologies Inc. filed October 31, 2023.</u>	By Reference	8-K	3.1	November 2, 2023
3.3	<u>Certificate of Amendment to Certificate of Incorporation filed April 22, 2025</u>	By Reference	8-K	3.1	April 28, 2025
3.4	<u>Certificate of Amendment to Certificate of Incorporation filed July 27, 2025</u>	By Reference	8-K	3.1	July 28, 2025

3.5	<u>Certificate of Amendment to Certificate of Incorporation filed with the Delaware Secretary of State effective October 22, 2025</u>	By Reference	8-K	3.1	October 23, 2025
3.6	<u>Certificate of Amendment to Certificate of Incorporation filed with the Delaware Secretary of State effective January 18, 2026</u>	By Reference	8-K	3.1	January 20, 2026
3.7	<u>Amended and Restated Bylaws</u>	By Reference	8-K	3.1	October 25, 2024
3.8	<u>Certificate of Designation filed with the Delaware Secretary of State on October 18, 2024</u>	By Reference	8-K	3.1	October 23, 2024
3.9	<u>Amended and Restated Certificate of Designation for Series A Preferred Stock filed with the Delaware Secretary of State on September 22, 2025</u>	By Reference	8-K	3.1	September 26, 2025
3.10	<u>Amended and Restated Certificate of Designation for Series B Preferred Stock filed with the Delaware Secretary of State on December 16, 2025</u>	By Reference	8-K	3.1	December 19, 2025
3.11	<u>Amended and Restated Certificate of Designation for Series C Preferred Stock filed with the Delaware Secretary of State on December 16, 2025</u>	By Reference	8-K	3.2	December 19, 2025
3.12	<u>Amended and Restated Certificate of Designation for Series D Preferred Stock filed with the Delaware Secretary of State on October 29, 2025</u>	By Reference	8-K	3.1	November 4, 2025
3.13	<u>Amended and Restated Certificate of Designation for Series E Preferred Stock filed with the Delaware Secretary of State on October 29, 2025</u>	By Reference	8-K	3.2	November 4, 2025
4.1	<u>Warrant Agreement, dated December 10, 2020, between Delwinds and Continental Stock Transfer & Trust Company, as Warrant Agent.</u>	By Reference	8-K	4.1	December 16, 2020
4.2	<u>Form of Assumed Warrant.</u>	By Reference	8-K	4.2	September 21, 2022
4.3	<u>Form of 15% Senior Promissory Note.</u>	By Reference	8-K	4.3	September 21, 2022

4.4	Demand Promissory Note.	By Reference	8-K	10.3	September 19, 2023
4.5	Demand Promissory Note 2.	By Reference	8-K	4.1	October 5, 2023
4.6	Promissory Note issued on January 30, 2024 to ClearThink Capital Partners, LLC in the principal amount of up to \$750,000	By Reference	10-Q	4.1	June 28, 2024
4.7	Form of Senior Note	By Reference	8-K	4.1	June 18, 2024
4.8	Senior Note issued by Rennova Community Health, Inc. to Rennova Health, Inc. on December 5, 2024	By Reference	8-K	4.1	December 10, 2024
4.9	Promissory Note in the Principal Amount of \$500,000 issued to Mark White	By Reference	8-K	4.2	December 10, 2024
10.1	FOXO Technologies Inc. 2022 Equity Incentive Plan, as amended.	By Reference	8-K	10.5	May 30, 2023
10.2	2022 Management Contingent Share Plan (including Notice of Grant)	By Reference	S-4/A	10.9	August 26, 2022
10.3	FOXO Technologies Inc. 2020 Equity Incentive Plan.	By Reference	8-K	10.7	September 21, 2022
10.4	Form of FOXO Technologies Inc. 2020 Equity Incentive Plan Award Agreements.	By Reference	8-K	10.8	September 21, 2022
10.5	Strata Purchase Agreement, dated as of October 13, 2023, by and between the Company and ClearThink Capital Partners, LLC.	By Reference	8-K	10.1	October 16, 2023
10.6	Amendment No. 1 dated August 13, 2024 to the Strata Purchase Agreement dated October 13, 2023 with ClearThink Capital Partners, LLC	By Reference	10-Q	10.5	November 19, 2024
10.7	Amended and Restated Strata Purchase Agreement dated May 15, 2025	By Reference	10-Q	10.1	May 20, 2025
10.8	Supplement to Strata Purchase Agreement, dated as of October 13, 2023, by and between the Company and ClearThink Capital Partners, LLC.	By Reference	8-K	10.2	October 16, 2023

10.9	Securities Purchase Agreement, dated as of October 13, 2023, by and between the Company and ClearThink Capital Partners, LLC.	By Reference	8-K	10.3	October 16, 2023
10.10	Registration Rights Agreement, dated as of October 13, 2023, by and between the Company and ClearThink Capital Partners, LLC.	By Reference	8-K	10.4	October 16, 2023
10.11	Master Software and Services Agreement with KR8 AI Inc. effective January 12, 2024	By Reference	8-K	99.1	January 19, 2024
10.12	Termination Agreement dated December 6, 2024 by and between FOXO Technologies Inc. and KR8 AI Inc.	By Reference	8-K	99.5	December 10, 2024
10.13	Amendment No. 1 to Termination Agreement dated effective December 6, 2024 by and between FOXO Technologies Inc. and KR8 AI Inc.	By Reference	10-K	10.46	April 15, 2025
10.14	Letter Agreement, dated October 29, 2023, by and between FOXO Technologies Inc. and KR8 AI Inc.	By Reference	8-K	10.1	November 2, 2023
10.15	Finder's Fee Agreement, dated as of October 9, 2023, between the Company and J.H. Darbie & Co., Inc.	By Reference	S-1/A	10.42	October 25, 2023
10.16	Exchange Agreement with Smithline Family Trust II dated May 28, 2024	By Reference	10-Q	10.1	August 19, 2024
10.17	Advisory Agreement July 25, 2024 with J.H. Darbie & Co., Inc.	By Reference	10-Q	10.2	November 19, 2024
10.18	Engagement of J.H. Darbie & Co., Inc. dated July 25, 2024	By Reference	10-Q	10.3	November 19, 2024
10.19*	Services Agreement July 25, 2024 with Mark White	By Reference	10-Q	10.4	November 19, 2024
10.20*	Termination of Employment, Settlement and Mutual Release Agreement December 5, 2024 by and between FOXO Technologies Inc., Rennova Health, Inc., and Mark White	By Reference	8-K	99.3	December 10, 2024

10.21	Registration Rights Agreement dated December 5, 2024 by and between FOXO Technologies Inc. and KR8 AI Inc.	By Reference	8-K	99.4	December 10, 2024
10.22	Purchase Agreement dated January 30, 2024 with ClearThink Capital Partners, LLC	By Reference	10-Q	10.1	June 28, 2024
10.23	Form of Securities Purchase Agreement for Senior Notes	By Reference	8-K	99.1	June 18, 2024
10.24	Share Exchange Agreement dated June 10, 2024 by, between, and among, by and among FOXO Technologies Inc., Myrtle Recovery Centers, Inc., and Rennova Health, Inc.	By Reference	8-K	99.1	June 13, 2024
10.25	Share Exchange Agreement dated June 10, 2024 by and among FOXO Technologies Inc., Rennova Community Health, Inc., and Rennova Health, Inc.	By Reference	8-K	99.2	June 13, 2024
10.26	Exchange Agreement dated December 5, 2024 by, between, and among FOXO Technologies Inc., Rennova Community Health, Inc., and Rennova Health, Inc.	By Reference	8-K	99.1	December 10, 2024
10.27	Registration Rights Agreement dated December 5, 2024 by and between FOXO Technologies Inc. and Rennova Health, Inc.	By Reference	8-K	99.2	December 10, 2024
10.28	Shares for Services Agreement dated December 23, 2024 with Mitchell Silberberg & Knupp LLP	By Reference	8-K	99.1	December 27, 2024
10.29	Registration Rights Agreement dated December 23, 2024 with Mitchell Silberberg & Knupp LLP	By Reference	8-K	99.2	December 27, 2024
10.30*	Independent Director Agreement with Bret Barnes dated July 24, 2024	By Reference	10-K	10.66	April 15, 2025
10.31*	Independent Director Agreement with Francis Colt deWolf III dated January 22, 2024	By Reference	10-K	10.67	April 15, 2025
10.32*	Services Agreement by and between FOXO Labs, Inc. and Mark White dated December 6, 2024	By Reference	10-K	10.68	April 15, 2025

10.33	Registration Rights Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated April 4, 2025	By Reference	S-1	10.69	May 2, 2025
10.34	Securities Purchase Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated April 4, 2025	By Reference	S-1	10.71	June 5, 2025
10.35	Securities Purchase Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated April 15, 2025	By Reference	S-1	10.72	June 5, 2025
10.36	Securities Purchase Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated May 8, 2025	By Reference	S-1	10.73	June 5, 2025
10.37	Securities Purchase Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated May 19, 2025	By Reference	S-1	10.74	June 5, 2025
10.38	Securities Purchase Agreement with Sabby Volatility Warrant Master Fund, Ltd. dated June 3, 2025	By Reference	S-1	10.75	June 5, 2025
10.39	Amendment No. 2 dated June 10, 2025 to the Exchange Agreement with Smithline Family Trust II	By Reference	10-Q	10.1	August 19, 2025
10.40	Stock Purchase Agreement dated September 9, 2025 by, between, and among FOXO Technologies Inc., Vector Bio Source Inc., stockholders of Vector, and FOXO Acquisition Corporation	By Reference	8-K	99.1	September 15, 2025
10.41	Form of Warrant Agreement	By Reference	8-K	99.1	September 22, 2025
10.42	Series E Preferred Stock Exchange Agreement, dated as of December 31, 2025, by and between FOXO Technologies Inc. and Rennova Health, Inc.	By Reference	8-K	99.1	February 6, 2026
14.1	Code of Conduct and Ethics.	By Reference	8-K	14.1	September 21, 2022
16.1	Letter from Grant Thornton LLP to the SEC dated September 21, 2022.	By Reference	8-K	16.1	September 21, 2022

16.2	Letter dated June 15, 2023 from KPMG LLP to the U.S. Securities and Exchange Commission.	By Reference	8-K	16.1	June 15, 2023
16.3	Letter from EisnerAmper LLP Dated January 5, 2024 Regarding Change in Certifying Accountant	By Reference	8-K	16.1	January 5, 2024
21.1	List of Subsidiaries.	By Reference	S-1	21.1	February 9, 2026
23.1	Consent of Independent Registered Public Accounting Firm	Filed Herewith			
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith			
31.2	Certification of the Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith			
32.1#	Certification of the Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed Herewith			
32.2#	Certification of the Principal Financial and Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed Herewith			
97.1	Clawback Policy	By Reference	10-K	97.1	June 6, 2024
101.INS#	Inline XBRL Instance Document.				
101.SCH#	Inline XBRL Taxonomy Extension Schema.				
101.CAL#	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF#	Inline XBRL Taxonomy Extension Definition Linkbase Document.				
101.LAB#	Inline XBRL Taxonomy Extension Label Linkbase Document.				
101.PRE#	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).				

+ The schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

* Indicates management contract or compensatory plan or arrangement.

Furnished not filed.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized, on 15th day of April, 2026.

FOXO TECHNOLOGIES INC.

By: /s/ Seamus Lagan

Seamus Lagan
Chief Executive Officer (Principal Executive Officer)

By: /s/ Celene Grant

Celene Grant
Chief Financial Officer (Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Position</u>	<u>Date</u>
<u>/s/ Seamus Lagan</u> Seamus Lagan	Chief Executive Officer and Director (Principal Executive Officer)	April 15, 2026
<u>/s/ Celene Grant</u> Celene Grant	Chief Financial Officer (Principal Financial and Accounting Officer)	April 15, 2026
<u>/s/ Trevor Langley</u> Trevor Langley	Director	April 15, 2026
<u>/s/ Mark White</u> Mark White	Director	April 15, 2026
<u>/s/ Francis Colt deWolf III</u> Francis Colt deWolf III	Director	April 15, 2026
<u>/s/ Bret Barnes</u> Bret Barnes	Director	April 15, 2026

FOXO TECHNOLOGIES INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
FOXO Technologies Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of FOXO Technologies Inc. and its subsidiaries (collectively, the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations, stockholders’ equity, and cash flows for each of the two years in the period ended December 31, 2025, 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, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered continued negative cash flows and losses from operations that raise substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2. 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 these 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 audits 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 entity’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/ Kreit & Chiu CPA LLP

We have served as the Company’s auditor since 2023.

Los Angeles, California
April 15, 2026

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 207,453	\$ 68,268
Accounts receivable, net	2,468,346	2,270,957
Inventory and supplies	183,627	161,466
Prepaid expenses	97,691	291,011
Other current assets	155,363	89,564
Total current assets	3,112,480	2,881,266
Property and equipment, net	322,357	364,481
Intangible assets, net	9,770,969	9,015,556
Goodwill	27,823,444	25,463,948
Right-of-use assets	3,548,623	3,982,820
Total assets	\$ 44,577,873	\$ 41,708,071
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 6,966,211	\$ 6,677,281
Accrued expenses	11,902,383	11,994,783
Notes payable	2,151,838	7,279,724
Related parties' notes and loans payable	4,902,392	2,671,924
Other loans	237,810	268,257
Related parties' payables and accrued expenses	1,998,775	1,941,385
Right-of-use lease obligations	499,351	367,474
Total current liabilities	28,658,760	31,200,828
Warrant liabilities	-	41,246
Contingent purchase price consideration	500,000	-
Right-of-use lease obligations, non-current	3,174,549	3,667,553
Medicare cost report settlement payables	1,168,264	1,526,633
Total liabilities	33,501,573	36,436,260
Commitments and contingencies (Note 18)		
Stockholders' equity (deficit)		
Series A preferred stock, \$0.0001 par value and \$1,000 stated value per share; 50,000 shares authorized, 19,341 and 22,540 shares issued and outstanding as of December 31, 2025 and 2024, respectively	2	2
Series B preferred stock, \$0.0001 par value and \$1,000 stated value per share; 7,500 shares authorized, 3,245 and 0 shares issued and outstanding as of December 31, 2025 and 2024, respectively	-	-
Series C preferred stock, \$0.0001 par value and \$1,000 stated value per share; 5,000 shares authorized, 304 and 120 shares issued and outstanding as of December 31, 2025 and 2024, respectively	-	-
Series D preferred stock, \$0.0001 par value and \$1,000 stated value per share; 10,000 shares authorized, 4,312 issued and outstanding as of December 31, 2025 and 2024	1	1
Series E preferred stock, \$0.0001 par value and \$25 stated value per share; 4,000,000 shares authorized, 68,000 and 0 issued and outstanding as of December 31, 2025 and 2024, respectively	7	-
Class A common stock, \$0.0001 par value, 2,500,000,000 shares authorized, 2,495,660,151 and 1,183,942 shares issued and outstanding as of December 31, 2025 and 2024, respectively	249,566	119
Additional paid-in-capital	235,540,145	195,864,697
Accumulated deficit	(224,644,739)	(190,541,067)
Total FOXO's stockholders' equity	11,144,982	5,323,752
Noncontrolling interest	(68,682)	(51,941)
Total stockholders' equity	11,076,300	5,271,811
Total liabilities and stockholders' equity	\$ 44,577,873	\$ 41,708,071

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,	
	2025	2024
Net revenues	\$ 16,367,617	\$ 4,051,601
Operating expenses:		
Direct costs of revenue	8,328,614	2,484,361
Research and development	182,498	312,267
Management contingent share plan, net of forfeitures	(173,048)	(56,231)
Impairments of intangible assets	-	1,847,994
Goodwill impairment	7,000,000	-
Selling, general and administrative	11,358,767	7,225,124
Total operating expenses	26,696,831	11,813,515
Loss from operations	(10,329,214)	(7,761,914)
Change in fair value of warrant liabilities	41,246	(32,425)
Interest expense	(3,434,005)	(3,910,340)
Gain (loss) from extinguishments of debt	1,863,834	(428,295)
Other non-operating expense, net	(771,823)	(287,988)
Total non-operating expenses, net	(2,300,748)	(4,659,048)
Loss before income taxes	(12,629,962)	(12,420,962)
Income tax benefit	(182,831)	-
Net loss, including noncontrolling interest	(12,447,131)	(12,420,962)
Noncontrolling interest	16,741	14,573
Net loss attributable to FOXO	(12,430,390)	(12,406,389)
Deemed dividends from preferred stock, including anti-dilution provisions, and triggers of down-round provisions and extension of Assumed Warrants	(21,673,282)	(1,073,993)
Net loss to common stockholders	(34,103,672)	(13,480,382)
Preferred stock dividends – undeclared	(937,809)	(81,326)
Net loss to common stockholders, net of preferred stock dividends – undeclared	\$ (35,041,481)	\$ (13,561,708)
Net loss per share of Class A Common Stock, basic and diluted	\$ (0.13)	\$ (18.47)
Weighted average number of shares of Class A Common Stock, basic and diluted	264,778,540	734,274

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Preferred Stock		Class A Common		Additional		Total FOXO		Total
	Shares	Amount	Shares	Amount	Paid- In-Capital	Accumulated Deficit	Stockholders' Equity	Noncontrolling Interest	Stockholders' Equity
Balance, December 31, 2024	26,972	\$ 3	1,183,942	\$ 119	\$195,864,697	\$(190,541,067)	\$ 5,323,752	\$ (51,941)	\$ 5,271,811
Net loss to common stockholders	-	-	-	-	-	(34,103,672)	(34,103,672)	-	(34,103,672)
Noncontrolling interest	-	-	-	-	-	-	-	(16,741)	(16,741)
Series A Preferred Stock issued in exchange for RCHI note payable	5,000	1	-	-	4,999,999	-	5,000,000	-	5,000,000
Series B Preferred Stock issued in exchange for Senior PIK Notes, net of finder's fees	3,458	-	-	-	3,282,500	-	3,282,500	-	3,282,500
Series A Preferred Stock issued in exchange for Senior Notes Payable	3,400	-	-	-	3,000,000	-	3,000,000	-	3,000,000
Exchanges of Series B Preferred Stock for Series C Preferred Stock, net	106	-	-	-	-	-	-	-	-
Conversions of Series A Preferred Stock into common stock	(11,599)	(1)	1,953,414,478	195,342	(195,341)	-	-	-	-
Series C Preferred Stock issued for cash investment, net of issuance costs	135	-	-	-	100,875	-	100,875	-	100,875
Series E Preferred Stock issued in exchange for related party note payable	8,000	1	-	-	199,999	-	200,000	-	200,000
Stock-based compensation, net of forfeitures	-	-	(168)	-	(164,209)	-	(164,209)	-	(164,209)
Common stock issued under corporate development and advisory agreements	-	-	38,389	4	(4)	-	-	-	-
Common stock issued and issuable to finder for finder's fee	-	-	11,494	1	181,650	-	181,651	-	181,651
Common stock issued under terms of notes payable	-	-	34,350	3	38,246	-	38,249	-	38,249
Common stock issuable under terms of notes payable	-	-	-	-	68,225	-	68,225	-	68,225
Common stock issued for Series C Preferred Stock dividends	-	-	67,114	7	6,743	-	6,750	-	6,750
Common stock issued for conversion of Series C Preferred Stock	(270)	-	2,535,879	254	(254)	-	-	-	-
Common stock issued for conversions of notes payable	-	-	535,933,281	53,592	2,961,789	-	3,015,381	-	3,015,381
Common stock issued for fractional shares in reverse stock split			15,361	1	(1)		-	-	-
Common stock issued for legal settlement	-	-	2,426,031	243	1,258,879	-	1,259,122	-	1,259,122
Series E Preferred Stock issued for purchase of Vector	60,000	6	-	-	1,499,994	-	1,500,000	-	00,000
Common stock warrants issued for purchase of Vector	-	-	-	-	769,826	-	769,826	-	769,826
Deemed dividends from issuances of preferred stock and triggers of down round provisions and extension of Assumed Warrants	-	-	-	-	437,194	-	437,194	-	437,194
Deemed dividends from conversion price changes of preferred stock	-	-	-	-	21,229,338	-	21,229,338	-	21,229,338
Balance, December 31, 2025	95,202	\$ 10	2,495,660,151	\$249,566	\$235,540,145	\$(224,644,739)	\$ 11,144,982	\$ (68,682)	\$ 11,076,300

	Preferred Stock		Class A Common		Additional	Accumulated	Total FOXO	Noncontrolling	Total
	Shares	Amount	Shares	Amount	Paid- In-Capital	Deficit	Stockholders' Equity (Deficit)	Interest	Stockholders' Equity (Deficit)
Balance, December 31, 2023	-	\$ -	384,223	\$ 38	\$ 162,960,438	(177,060,685)	\$ (14,100,209)	\$ -	\$ (14,100,209)
Net loss to common stockholders	-	-	-	-	-	(13,480,382)	(13,480,382)		(13,480,382)
Noncontrolling interest	-	-	-	-	-	-	-	(14,573)	(14,573)
Series A Preferred Stock issued in exchange for RCHI note payable	21,000	2	-	-	20,999,998	-	21,000,000	-	21,000,000
Series A Preferred Stock issued in exchange for Senior Notes Payable	2,464	0	-	-	2,464,000	-	2,464,000	-	2,464,000
Conversions of Series A Preferred Stock into common stock	(924)	(0)	179,563	17	(17)	-	-	-	-
Series C Preferred Stock issued for cash investment, net of issuance costs	120	0	-	-	89,925	-	89,925	-	89,925
Series D Preferred Stock issued to KR8 under the KR8 Termination Agreement	3,000	0	-	-	3,117,371	-	3,117,371	-	3,117,371
Series D Preferred Stock issued to MSK under Shares for Services Agreement	1,312	0	-	-	1,311,700	-	1,311,700	-	1,311,700
Stock-based compensation, net of forfeitures	-	-	(620)	-	(117,428)	-	(117,428)	-	(117,428)
Common stock issued under KR8 License Agreement	-	-	77,238	7	419,622	-	419,629	-	419,629
Common stock issued under corporate development and advisory agreements	-	-	97,990	9	545,991	-	546,000	-	546,000
Common stock issuable to finder for financial and strategic advisory services	-	-	-	-	165,000	-	165,000	-	165,000
Common stock issued to MSK under Shares for Services Agreement	-	-	25,680	2	(2)	-	-	-	-
Common stock issued to employee	-	-	2,673	5	15,690	-	15,695	-	15,695
Warrants issuable for finder's fees	-	-	-	-	61,915	-	61,915	-	61,915
Common stock issued under terms of notes payable	-	-	80,842	8	397,506	-	397,514	-	397,514
Common stock issued for extensions of notes payable	-	-	17,588	2	59,248	-	59,250	-	59,250
Common stock issuable under terms of notes payable	-	-	-	-	315,925	-	315,925	-	315,925
Common stock issued for conversions of notes payable	-	-	104,564	10	694,735	-	694,745		694,745
Common stock issued for legal settlement	-	-	162,762	16	902,774	-	902,790	-	902,790
Common stock issued for Myrtle acquisition	-	-	51,439	5	235,430	-	235,435	-	235,435
Common stock issuable to finder in lieu of finder's warrants and for finder's fees	-	-	-	-	150,884	-	150,884		150,884
Noncontrolling interest	-	-	-	-	-	-	-	(37,368)	(37,368)
Deemed dividends from trigger of down round provisions and extension of Assumed Warrants and preferred stock	-	-	-	-	1,073,993		1,073,993	-	1,073,993
Balance, December 31, 2024	<u>26,972</u>	<u>\$ 3</u>	<u>1,183,942</u>	<u>\$ 119</u>	<u>\$ 195,864,697</u>	<u>\$ (190,541,067)</u>	<u>\$ 5,323,752</u>	<u>\$ (51,941)</u>	<u>\$ 5,271,811</u>

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss, including noncontrolling interest	\$ (12,447,131)	\$ (12,420,962)
Adjustments to reconcile net loss, including non controlling interest to net cash used in operating activities:		
Depreciation and amortization	597,433	1,235,015
(Gain) loss from extinguishments of debt	(1,863,834)	428,295
Impairments of intangible assets	-	1,848,402
Goodwill impairment	7,000,000	-
Equity-based compensation (forfeitures), net	(164,209)	(101,734)
Amortization of consulting fees paid in common stock	229,817	481,183
Change in fair value of warrants	(41,246)	32,425
Non-cash interest	916,510	1,047,743
Amortization of debt discounts and debt issuance costs	1,763,189	1,376,498
Income tax benefit	(182,831)	-
RCHI additional purchase price consideration	97,731	-
Other	-	100,000
Changes in operating assets and liabilities:		
Accounts receivable	(119,051)	553,929
Inventory and supplies	(14,140)	40,268
Prepaid expenses	(36,497)	98,562
Other current assets	(65,799)	74,229
Accounts payable	186,251	1,157,448
Accrued and other liabilities, including related parties' payables	635,409	1,787,290
Change in other liabilities	12,000	(480,517)
Change in right-of-use lease obligations	(368,719)	(98,688)
Net cash used in operating activities	(3,865,117)	(2,840,614)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash acquired from purchases of Myrtle and RCHI	-	13,329
Purchase of Vector, net of cash acquired	(493,585)	-
Purchases of property and equipment	(62,021)	-
Purchase of intangible asset	(100,000)	-
Net cash used in investing activities	(655,606)	13,329
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuances of notes payable	1,740,000	4,090,500
Borrowings on notes payable to RHI	3,839,504	-
Payments on notes payable to RHI	(2,100,693)	(993,045)
Payments on notes payable	(1,672,396)	(30,881)
Payments on other loans	(526,382)	(257,062)
Proceeds from other loans	279,000	-
Proceeds from issuances of preferred stock, net of issuance costs	3,100,875	89,925
Finder's fees on notes payable paid in cash	-	(42,000)
Net cash provided by financing activities	4,659,908	2,857,437
Net change in cash and cash equivalents	139,185	30,152
Cash and cash equivalents at beginning of period	68,268	38,116
Cash and cash equivalents at end of period	\$ 207,453	\$ 68,268

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 DESCRIPTION OF BUSINESS

Overview

FOXO Technologies Inc. (“FOXO” or the “Company”), formerly known as Delwinds Insurance Acquisition Corp. (“Delwinds”), a Delaware corporation, was originally formed in April 2020 as a publicly traded special purpose company for the purpose of effecting a merger, capital stock exchange, asset acquisition, reorganization, or similar business combination involving one or more businesses.

As of December 31, 2025, FOXO owns and operates four principal subsidiaries.

Rennova Community Health, Inc., (“RCHI”) owns and operates Scott County Community Hospital, Inc. (“SCCH”) (d/b/a Big South Fork Medical Center (“BSF”)), a critical access designated (“CAH”) hospital in East Tennessee.

Myrtle Recovery Centers, Inc., (“Myrtle”) a 30-bed behavioral health facility in East Tennessee. Myrtle provides inpatient services for detox and residential treatment and outpatient services for medication assisted treatment (“MAT”) and Office-Based Opiate Treatment Facility (“OBOT”) Programs.

Vector BioSource Inc. (“Vector”) is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.

FOXO Labs, Inc. is a biotechnology company dedicated to improving human health and life span through the development of cutting-edge technology and product solutions for various industries.

Segments

The Company manages and classifies its business into three reportable business segments: (i) Healthcare, (ii) Life Science Services and (iii) Labs. Myrtle, RCHI and SCCH operate under the Healthcare segment and Vector operates under the Life Science Services segment. Previously, Labs consisted of Labs and Life, which were treated as separate segments, however, with the acquisition of Myrtle in June 2024, the Company’s operational focus shifted such that it was appropriate to combine its Labs and Life segments during the second quarter of 2024 and to rename the combined segment as Labs.

With the acquisitions from Rennova Health Inc. (“RHI”) of Myrtle effective on June 14, 2024, and RCHI on September 10, 2024, the Company offers behavioral health services, including substance use disorder treatment, and operates a critical access designated hospital in Oneida, Tennessee. With the acquisition of Vector on September 19, 2025, the Company offers biological materials that support research, diagnostics and emerging therapeutic applications. The acquisitions of Myrtle, RCHI and Vector are more fully discussed in Note 5. In addition, FOXO Labs is commercializing epigenetic biomarker technology to support scientific research and disruptive next-generation business initiatives. The Company applies automated machine learning and artificial intelligence (“AI”) technologies to discover epigenetic biomarkers of human health, wellness and aging.

The Business Combination

On February 24, 2022, Delwinds entered into a definitive Agreement and Plan of Merger, dated as of February 24, 2022, as amended on April 26, 2022, July 6, 2022 and August 12, 2022 (the “Merger Agreement”), with FOXO Technologies Inc., now known as FOXO Technologies Operating Company (“FOXO Technologies Operating Company”), DWIN Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of Delwinds (“Merger Sub”), and DIAC Sponsor LLC (the “Sponsor”), in its capacity as the representative of the stockholders of Delwinds from and after the closing (the “Closing”) of the transactions contemplated by the FOXO Transaction Agreement (collectively, the “Transaction” or the “Business Combination”).

The Business Combination was approved by Delwinds' stockholders on September 14, 2022, and closed on September 15, 2022 (the "Closing") whereby Merger Sub merged into FOXO Technologies Operating Company, with FOXO Technologies Operating Company surviving the merger as a wholly owned subsidiary of the Company (the "Combined Company"), and with FOXO Technologies Operating Company security holders becoming security holders of the Combined Company. Immediately upon the Closing, the name of Delwinds was changed to FOXO Technologies Inc.

Following the Closing, FOXO became a holding company whose wholly-owned subsidiary, FOXO Technologies Operating Company, conducted all of the core business operations. FOXO Technologies Operating Company maintains its two wholly-owned subsidiaries, FOXO Labs Inc. and FOXO Life, LLC. FOXO Labs maintains a wholly-owned subsidiary, Scientific Testing Partners, LLC.

Delisting Proceedings by NYSE American and Commencement of Trading on the OTC Market

On August 12, 2025, the Company received a letter from NYSE confirming that NYSE Regulation determined to commence proceedings to delist the Class A Common Stock of the Company from NYSE American, pursuant to Section 1003(f)(v) of the NYSE American Company Guide due to the low selling price of the Class A Common Stock. The share price went below the NYSE minimum price of \$0.10 on August 12, 2025 and was suspended from trading by NYSE. On August 22, 2025, a Form 25 was filed and, 10 days later the delisting was effective.

The Company submitted an application to have its Class A Common Stock traded on the OTC Markets and received on August 12, 2025 confirmation from FINRA's Department of Market Operations that the trading symbol, "FOXO" has been assigned by them to the Common Stock of FOXO Technologies, Inc., and that the Company's Class A Common Stock commenced trading on the OTC Markets as of August 13, 2025.

Amended and Restated Bylaws

On October 21, 2024, the Company's board of directors, approved the Amended and Restated Bylaws of the Company (the "Amended Bylaws"). The Amended Bylaws, which revise the quorum requirements for a meeting of the Company's shareholders from a majority to one-third, amend Section 2.4 to read as follows:

Section 2.4. Quorum. Except as otherwise provided by applicable law, the Corporation's Certificate of Incorporation, as the same may be amended or restated from time to time (the "*Certificate of Incorporation*") or these By Laws, the presence, in person or by proxy, at a stockholders meeting of the holders of shares of outstanding capital stock of the Corporation representing *one-third* (33.33%) of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote at such meeting shall constitute a quorum for the transaction of business at such meeting, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of shares representing a majority of the voting power of the outstanding shares of such class or series shall constitute a quorum of such class or series for the transaction of such business. If a quorum shall not be present or represented by proxy at any meeting of the stockholders of the Corporation, the chairman of the meeting may adjourn the meeting from time to time in the manner provided in Section 2.6 until a quorum shall attend. The stockholders present at a duly convened meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the voting power of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any such other corporation to vote shares held by it in a fiduciary capacity.

Note 2 GOING CONCERN AND MANAGEMENT'S PLAN

Under Accounting Standards Codification ("ASC"), *Presentation of Financial Statements—Going Concern (Subtopic 205-40)* ("ASC 205-40"), the Company has the responsibility to evaluate whether conditions and/or events raise substantial doubt about its ability to meet its future financial obligations as they become due within one year after the date that the financial statements are issued. As required by ASC 205-40, this evaluation shall initially not take into consideration the potential mitigating effects of plans that have not been fully implemented as of the date the financial statements are issued. Management has assessed the Company's ability to continue as a going concern in accordance with the requirement of ASC 205-40.

The Company's history of losses requires management to critically assess its ability to continue operating as a going concern. For the years ended December 31, 2025 and 2024, the Company incurred net losses attributable to FOXO of \$12.4 million and \$12.4 million, respectively. As of December 31, 2025, the Company had a working capital deficit of \$25.5 million. Cash used in operating activities for the years ended December 31, 2025 and 2024 was \$3.9 million and \$2.8 million, respectively. As of December 31, 2025, the Company had \$0.2 million available cash and cash equivalents.

The Company's ability to continue as a going concern is dependent on generating revenue, raising additional equity or debt capital, reducing losses and improving future cash flows. The Company will continue ongoing capital-raising initiatives and has demonstrated previous success in raising capital to support its operations, including the private placements and debt financings.

On June 14, 2024, September 10, 2024 and September 19, 2025, the Company completed the acquisitions of Myrtle, RCHI and Vector, respectively, which are more fully discussed in Note 5. In addition, to fund our operations, we continue to (i) pursue additional avenues to capitalize the Company and(ii) pursue additional strategic operating companies.

See Note 10 for information on promissory notes payable issued during the years ended December 31, 2025 and 2024, Note 13 for information on preferred stock and common stock issued during the years ended December 31, 2025 and 2024 and Note 20 for financing transactions entered into subsequent to December 31, 2025.

On September 20, 2022, the Company issued to certain investors 15% Senior Promissory Notes (the "Senior PIK Notes") in an aggregate principal amount of \$3.5 million, each with a maturity date of April 1, 2024 (the "Maturity Date"). The Senior PIK Notes are more fully discussed in Note 10. Pursuant to the terms of the Senior PIK Notes, commencing on November 1, 2023, and on each one-month anniversary thereof, the Company was required to pay the holders of the Senior PIK Notes an equal amount until their outstanding principal balance has been paid in full on the Maturity Date, or, if earlier, upon acceleration or prepayment of the Senior PIK Notes in accordance with their terms. The Company failed to make the payments due on November 1, 2023 and on each one-month anniversary thereof, which constituted an event of default under the Senior PIK Notes. On October 18, 2024, the Company entered into Amendment No. 1 to the Senior PIK Notes (the "PIK Notes Amendment No. 1"). Under the PIK Notes Amendment No.1, which was approved by the Company's shareholders effective January 17, 2025, on January 22, 2025, the Senior PIK Notes were automatically exchanged for 3,475.5 shares of the Company's newly designated Series B Cumulative Convertible Redeemable Preferred Stock (the "Series B Preferred Stock"), as more fully discussed in Note 13.

While there have been improvements to the Company's capital structure, until such time as it is able to generate positive cash flows from operations, it will need to obtain other sources of financing to fund its operations. There can be no assurances that additional sources of financing will be available, or if available at all, on favorable terms. As such, until additional equity or debt capital is secured and the Company begins generating sufficient revenue and operating cash flows, there is substantial doubt about the Company's ability to continue as a going concern for the one-year period following the issuance of these consolidated financial statements. If the Company is unable to fund its operations, it will be required to evaluate further alternatives, which could include further curtailing or suspending its operations, selling the Company, dissolving and liquidating its assets or seeking protection under bankruptcy laws. A determination to take any of these actions could occur at a time that is earlier than when the Company would otherwise exhaust its cash resources.

These consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Note 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and in accordance with Regulation S-X of the SEC. The consolidated financial statements include the accounts of FOXO and its wholly owned and majority-owned subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

EMERGING GROWTH COMPANY

The Company is an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933 and as modified by the Jumpstart Our Business Startups Act of 2012, and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, and reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements. Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make a comparison of the Company’s consolidated financial statements with another public company, which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult because of the potential differences in accounting standards used.

COMPREHENSIVE LOSS

During the years ended December 31, 2025 and 2024, comprehensive loss was equal to the net loss to common stockholders amounts presented in the consolidated statements of operations.

RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform to the current year presentation.

REVERSE STOCK SPLITS

On April 17, 2025, the Company’s board of directors (pursuant to a previously-obtained shareholder approval) approved the implementation of a 1-for-10 reverse stock split, such that every 10 shares of the Company’s Class A Common Stock will be combined into one issued and outstanding share of Common Stock, with no change in the \$0.0001 par value per share (the “First Reverse Stock Split”). The First Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on April 28, 2025. Trading reopened on April 29, 2025, which is when the Company’s Class A Common Stock began trading on a post reverse stock split basis.

On July 17, 2025, the Company’s board of directors (pursuant to previously-obtained shareholder approval) approved the implementation of a 1-for-1.99 reverse stock split, such that every 1.99 shares of the Company’s Class A Common Stock will be combined into one issued and outstanding share of the Company’s Class A Common Stock, with no change in the \$0.0001 par value per share (the “Second Reverse Stock Split”) and together with the First Reverse Stock Split, (the “Reverse Stock Splits”). The Second Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on July 27, 2025. Trading reopened on July 28, 2025, which is when the Company’s Class A Common Stock began trading on a post reverse stock split basis.

All share and per share information included in these financial statements has been reflected as if the Reverse Stock Splits occurred as of the earliest period presented.

USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with U.S. 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 reported period. Management evaluates these estimates and judgments on an ongoing basis and bases its estimates on experience, current and expected future conditions, third-party evaluations, and various other assumptions that management believes are reasonable under the circumstances. Significant estimates and assumptions include the estimates of fair values of assets acquired and liabilities assumed in business combinations, contractual allowances and doubtful account reserves, the recoverability of supplies and long-lived assets, the valuation allowance relating to the Company's deferred tax assets, the valuations of goodwill, intangible assets, equity and derivative instruments, deemed dividends, litigation and related reserves, among others. It is reasonably possible that actual experience could differ from the estimates and assumptions utilized and would impact future results of operations and cash flows. All revisions to accounting estimates are recognized in the period in which the estimates are revised. A description of each critical estimate is incorporated within the discussion of the related accounting policies which follow.

CASH AND CASH EQUIVALENTS

The company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents are stated at cost, which approximates fair value. At times, cash account balances may exceed insured limits. The Company has not experienced any losses related to such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

IMPAIRMENT OF GOODWILL AND INTANGIBLE ASSETS

The Company acquired goodwill and intangible assets in 2024 from the acquisitions of Myrtle and RCHI and in 2025 from the acquisition of Vector, as more fully discussed in Note 5.

Goodwill is required to be tested annually or whenever events have occurred that suggest that goodwill may be impaired. Goodwill is tested at the reporting unit level. The Company has three reporting units: Myrtle, SCCH and Vector. Step 0 in the goodwill impairment test model is to perform a qualitative analysis. This step is not required but can be applied to determine if it is more likely than not that an impairment has occurred. Step 1 is to perform a qualitative analysis to determine a reporting unit's fair value and to compare the fair value to the reporting unit's carrying value. If the carrying value exceeds the unit's fair value, a goodwill impairment is recorded to adjust the unit's carrying value to fair value. The guidance allows the use of a single valuation technique or multiple valuation techniques. The Company elected to use a single present value technique consisting of a discounted cash flow model. Considerable management judgment is necessary to estimate future cash flows. Accordingly, actual results could vary significantly from such estimates. Based on its testing, management determined that there was an impairment of SCCH's goodwill during the year ended December 31, 2025, as more fully discussed in Note 8.

The Company reviews its intangible assets to determine potential impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be fully recoverable. For intangible assets, recoverability is measured by comparing the carrying amount of the asset group with the future undiscounted cash flows the assets are expected to generate. Considerable management judgment is necessary to estimate future cash flows. Accordingly, actual results could vary significantly from such estimates. If such assets are considered impaired, an impairment loss is measured by comparing the amount by which the carrying value exceeds the fair value of the long-lived assets. Management determined that there were impairments of certain intangible assets during the year ended December 31, 2024 as more fully discussed in Note 8.

LEASES

We account for leases in accordance with Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*, which requires leases with durations greater than 12 months to be recognized on the balance sheet. We lease facilities under operating leases with a subsidiary of RHI, a related party. For operating leases with terms greater than 12 months, we record the related right-of-use assets and right-of-use obligations at the present value of lease payments over the term. We do not separate lease and non-lease components of contracts. Our operating leases are more fully discussed in Note 12.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received for sale of an asset or paid for transfer of a liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers include:

Level 1 –defined as observable inputs such as quoted prices (unadjusted) for identical instruments in active markets.

Level 2 –defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active.

Level 3 –defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

In some circumstances, the inputs used to measure the fair value might be categorized within different levels of the fair value hierarchy. In these instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement. The fair value of financial instruments is presented in Note 15.

DERIVATIVE INSTRUMENTS

The Company does not use derivative instruments to hedge exposure to cash flow, market or foreign currency risks. The Company evaluates all of its financial instruments, including preferred stock, convertible debt and stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to ASU 2020-06, *Debt – Debt with Conversion and Other Options, Subtopic 470-20 and Derivative and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)*, ASC 480, *"Distinguishing Liabilities from Equity,"* and ASC 815-15, *"Derivatives and Hedging – Embedded Derivatives."*

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is reassessed at the end of each reporting period. When determining whether certain financial instruments should be classified as liabilities or equity instruments, a down-round provision no longer precludes equity classification when assessing whether the instrument is indexed to an entity's own stock. As a result, a freestanding equity-linked financial instrument (or embedded conversion option) no longer would be accounted for as a derivative liability at fair value as a result of the existence of a down round provision. Convertible instruments with embedded conversion options that have down-round features are now subject to the specialized guidance in Subtopic 470-20, including related earnings/loss per share ("guidance (in Topic 260)).

For freestanding equity classified financial instruments, the amendments require entities that present earnings (loss) per share in accordance with Topic 260 to recognize the effect of the down round feature when it is triggered. That effect is treated as a deemed dividend and as a reduction of income available to common stockholders in basic and diluted earnings/loss per share. This reflects the occurrence of an economic transfer of value to the holder of the instrument, while alleviating the complexity and income statement volatility associated with fair value measurement on an ongoing basis. See Note 13 for an additional discussion of derivative financial instruments.

REVENUE RECOGNITION POLICY

The Company recognizes revenue in accordance with ASC, *"Revenue from Contracts with Customers (Topic 606),"* including subsequently issued updates. Under the accounting guidance, revenues are presented net of estimated contractual allowances and estimated implicit price concessions.

Healthcare

The Company's healthcare segment consists of the operations of Myrtle from its acquisition date of June 14, 2024 and of RCHI from its acquisition date of September 10, 2024.

Myrtle's revenues relate to contracts with patients in which its performance obligations are to provide behavioral health care services to its patients. Revenues are recorded during the period in which its obligations to provide health care services are satisfied. Myrtle's performance obligations for inpatient services are generally satisfied over periods averaging approximately 7 to 28 days depending on the service line, and revenues are recognized based on charges incurred. The contractual relationships with patients, in most cases, also involve third-party payers and the transaction prices for the services provided are dependent upon the terms provided by or negotiated with the third-party payers. The payment arrangements with third-party payers for the services Myrtle provides to its patients typically specify payments at amounts less than its standard charges. Services provided to patients are generally paid at prospectively determined rates per diem.

RCHI's revenues relate to contracts with patients of BSF in which its performance obligations are to provide health care services to the patients. Revenues are recorded during the period its obligations to provide health care services are satisfied. Its performance obligations for inpatient services are generally satisfied over periods averaging approximately three days, and revenues are recognized based on charges incurred. Its performance obligations for outpatient services, including emergency room-related services, are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payer (Medicare, Medicaid, managed care health plans and commercial insurance companies) and the transaction prices for the services provided are dependent upon the terms provided by (Medicare and Medicaid) or negotiated with (managed care health plans and commercial insurance companies) the third-party payers. The payment arrangements with third-party payers for the services it provides to the related patients typically specify payments at amounts less than our standard charges. Medicare, because of BSF's designation as a critical access care hospital, generally pays for inpatient and outpatient services at rates related to the hospital's costs. Services provided to patients having Medicaid coverage are generally paid at prospectively determined rates per discharge, per identified service or per covered member. Agreements with commercial insurance carriers, managed care and preferred provider organizations generally provide for payments based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates.

Included in healthcare revenue for the year ended December 31, 2025 is \$3.5 million from the State of Tennessee's Hospital Improvement Plan ("THIP"). The THIP is designed to increase revenues for hospitals serving TennCare patients.

Laws and regulations governing Medicare and Medicaid programs are complex and subject to interpretation. Estimated reimbursement amounts are adjusted in subsequent periods as cost reports are prepared and filed and as final settlements are determined (in relation to certain government programs, primarily Medicare, this is generally referred to as the "cost report" filing and settlement process). As of December 31, 2025 and December 31, 2024, \$1.9 million and \$2.1 million, respectively, of Medicare cost report settlement liabilities were recorded, as presented in Note 9.

Management continually reviews the contractual estimation process to consider the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals. Under the revenue recognition accounting guidance, revenues are presented net of estimated contractual allowances and estimated implicit price concessions. The healthcare segment's net revenues are based upon the estimated amounts it expects to be entitled to receive from third-party payers and patients based, in part, on Medicare and Medicaid rates as discussed above as for each of Myrtle and BSF. The healthcare segment also records estimated implicit price concessions related to uninsured accounts to record self-pay revenues at the estimated amounts it expects to collect.

The collection of outstanding receivables is the healthcare segment's primary source of operating cash and is critical to its operating performance. The primary collection risks relate to patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. Implicit price concessions relate primarily to amounts due directly from patients. Accounts are written off when all reasonable internal and external collection efforts have been carried out. The estimates for implicit price concessions are based upon management's assessment of historical write offs and expected net collections, business and economic conditions and other collection indicators.

Life Science Services

Our Life Science Services segment's revenue consists of revenue from Vector, which was acquired on September 19, 2025. The Company recognizes revenue from the sale of high-quality bio-samples and bulk biological materials for every stage of life science research in accordance with ASC 606. Revenue is recognized when control of the promised goods or services is transferred to the customer, which generally occurs upon shipment or delivery. As a result of applying this five-step model under ASC 606, the Company recognizes revenues from its sale of products upon their transfer of control to the customer, which is considered complete at either the time of shipment or arrival at destination based upon agreed upon terms within the contract. The Company's payment terms for the sale of standard products are typically 30 to 60 days.

Labs

The Company has recorded minor amounts of revenues from its Labs segment during the years ended December 31, 2025 and 2024. Labs currently recognizes revenue from collecting a royalty from Illumina, Inc. related to the sales of the Infinium Mouse Methylation Array. Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. The Company applies judgment in determining the customer's ability and intention to pay based on a variety of factors including the customer's historical payment experience.

CONTRACTUAL ALLOWANCES AND DOUBTFUL ACCOUNTS POLICY

In accordance with ASC, "*Revenue from Contracts with Customers (Topic 606)*," including subsequently issued updates, the Company does not present "allowances for doubtful accounts" on its balance sheets, rather its accounts receivable are reported at realizable value, net of estimated contractual allowances and estimated implicit price concessions (also referred to as doubtful accounts), which are estimated and recorded in the period the related revenue is recorded. ASC, "*Financial Instruments Credit Losses (Topic 326)*," requires that healthcare organizations estimate credit losses on a forward-looking basis taking into account historical collection and payer reimbursement experience as an integral part of the estimation process related to contractual allowances and doubtful accounts. Receivables deemed to be uncollectible are charged against the allowance for doubtful accounts after all collection efforts have ceased or the account is settled for less than the amount originally estimated to be collected. Recoveries of receivables previously written-off are recorded as credits to the allowance for doubtful accounts. Revisions to the allowances for doubtful accounts are recorded as adjustments to revenues.

During the years ended December 31, 2025 and 2024, estimated contractual allowances and implicit price concessions of \$70.0 million and \$18.6 million, respectively, have been recorded as reductions to revenues and accounts receivable balances to enable the Company to record its revenues and accounts receivable at the estimated amounts it expects to collect. As required by Topic 606, after deducting estimated contractual allowances and implicit price concessions from the healthcare segment's revenues for the years ended December 31, 2025 and 2024, the Company recorded healthcare net revenues of \$16.1 million and \$4.0 million, respectively. The Company continues to review the provisions for contractual allowances and implicit price concessions. See Note 6, *Accounts Receivable, Net*.

EQUITY-BASED COMPENSATION

In 2022, we offered equity-based compensation to employees and non-employees in the form of stock options and restricted stock. We measure and recognize all equity-based payments to employees, service providers and board members at fair value. The cost of services received from employees and non-employees in exchange for awards of equity instruments is recognized in the consolidated statements of operations based on the estimated fair value of those awards on the grant date or reporting date, if required to be remeasured, and amortized on a straight-line basis over the requisite service period. We recognize forfeitures as incurred. We utilize a Black-Scholes valuation model to estimate the fair value of stock options and this model requires the input of assumptions, including the exercise price, volatility, expected term, discount rate, and the fair value of the underlying stock on the date of grant. These inputs are provided at the grant date for an equity-classified award and each measurement date for a liability-classified award. Equity-based compensation awards are considered granted (i) when there is a mutual understanding of key terms, (ii) we are contingently obligated to issue the options, and (iii) the option holder begins to benefit or be adversely impacted by changes in our stock price. This primarily occurs at the time the stock option agreements are executed. The fair value of each stock option is estimated using a Black-Scholes valuation model. We did not grant stock options during the years ended December 31, 2025 and 2024, however, we had forfeitures during those years. We also had forfeitures of restricted stock awards during the years ended December 31, 2025 and 2024. See Note 14 for additional disclosures regarding equity-based compensation.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as incurred. Research and development expenses consist primarily of personnel costs and related benefits, as well as costs for outside consultants.

INCOME TAXES

Deferred taxes are provided on an asset and liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. The Company is required to analyze its filing positions open to review and believes all significant positions have a “more-likely-than-not” likelihood of being upheld based on their technical merit and, accordingly, the Company has not identified any unrecognized tax benefits.

NET LOSS PER SHARE

Net loss per share of common stock is calculated by dividing net loss to common stockholders by the weighted average number of shares of common stock outstanding during the period. The Company follows the provisions of ASC Topic 260, *Earnings Per Share* for determining whether outstanding shares that are contingently returnable are included for purposes of calculating net loss to common stockholders per share and determining whether instruments granted in equity-based compensation arrangements are participating securities for purposes of calculating net loss to common stockholders per share. See Note 4, *Net Loss Per Share*.

BUSINESS COMBINATIONS

The Company follows the guidance in ASC 805, *Business Combinations* for determining the appropriate accounting treatment for business acquisitions. Under ASC 805, the assets acquired, and liabilities assumed are recorded as of the acquisition date, at their respective fair values and consolidated with those of the Company. The excess of the purchase prices over the aggregate fair value of the tangible assets acquired and liabilities assumed is treated as goodwill in accordance with ASC 805. During the measurement period or until valuation studies are completed, the provisional amounts used for the purchase price allocation are subject to adjustments for a period not to exceed one year from the date of acquisition. Acquisition costs are expensed as incurred. The accounting for the acquisitions of Myrtle, RCHI and Vector are presented in Note 5, *Acquisitions*.

RECENTLY ISSUED ACCOUNTING STANDARDS

In December 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-09, *Improvements to Income Tax Disclosures*, which requires enhanced annual disclosures for specific categories in the rate reconciliation and income taxes paid disaggregated by federal, state and foreign taxes. ASU 2023-09 was effective for public business entities for annual periods beginning on January 1, 2025. The Company adopted ASU 2023-09 effective January 1, 2025 using a retrospective approach to all prior periods presented in these annual financial statements. Income taxes, including the enhanced annual disclosures required by ASU 2023-09, as applicable, are presented in Note 16.

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversions and Other Options (Subtopic 470-20), Induced Conversions of Convertible Debt Instruments*. The amendments in this ASU clarify when the settlement of a debt instrument should be accounted for as an induced conversion. Under this ASU, (a) to be accounted for as an induced conversion, an inducement offer is required to preserve the form and amount of consideration issuable upon conversion in accordance with the terms of the instrument (rather than only the equity securities issuable upon conversion), (b) whether a settlement of convertible debt is an induced conversion should be assessed as of the date the inducement offer is accepted by the holder, and (c) issuers that have exchanged or modified a convertible debt instrument within the preceding 12 months (that did not result in extinguishment accounting) should use the terms that existed 12 months before the inducement offer was accepted when determining whether induced conversion accounting should be applied. The amendments in this ASU are effective for all entities for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted for all entities that have adopted the amendments in ASU 2020-06. The amendments in this ASU permit an entity to apply the new guidance on either a prospective or a retrospective basis. The Company has not yet determined the impact of the adoption of this ASU on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-07, *Intangibles—Goodwill and Other— Internal-Use Software (Subtopic 350-40)*. The target of this update is accounting for internal use software. The amendments in this Update remove all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout Subtopic 350-40. Therefore, an entity is required to start capitalizing software costs when both of the following occur: 1. Management has authorized and committed to funding the software project. 2. It is probable that the project will be completed and the software will be used to perform the function intended (referred to as the “probable-to-complete recognition threshold”). In evaluating the probable-to-complete recognition threshold, an entity is required to consider whether there is significant uncertainty associated with the development activities of the software (referred to as “significant development uncertainty”). The two factors to consider in determining whether there is significant development uncertainty are whether: 1. The software being developed has technological innovations or novel, unique, or unproven functions or features, and the uncertainty related to those technological innovations, functions, or features, if identified, has not been resolved through coding and testing. 2. The entity has determined what it needs the software to do (for example, functions or features), including whether the entity has identified or continues to substantially revise the software’s significant performance requirements. The amendments in this Update specify that the disclosures in Subtopic 360-10, Property, Plant, and Equipment—Overall, are required for all capitalized internal-use software costs, regardless of how those costs are presented in the financial statements. Furthermore, the amendments in this Update supersede the website development costs guidance and incorporate the recognition requirements for website-specific development costs from Subtopic 350-50 into Subtopic 350-40. Under current GAAP, entities are required to capitalize development costs incurred for internal-use software depending on the nature of the costs and the project stage during which they occur. The amendments in this ASU improve the operability of the guidance by removing all references to software development project stages so that the guidance is neutral to different software development methods, including methods that entities may use to develop software in the future. The amendments in this ASU are effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period. The amendments in this ASU permit an entity to apply the new guidance on either a prospective or a retrospective basis. The Company has not yet determined the impact of the adoption of this ASU on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting Topic 270*. The amendments in this Update clarify interim disclosure requirements and the applicability of Topic 270. The amendments in this Update result in a comprehensive list of interim disclosures that are required by GAAP. In developing the list of disclosures required by other Topics, the FASB focused on identifying the interim disclosures that are currently required under GAAP. The objective of the amendments is to provide clarity about the current requirements, rather than evaluate whether to expand or reduce interim disclosure requirements. The amendments in this Update also include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The intent of the disclosure principle, which is modeled after a previous SEC disclosure requirement, is to help entities determine whether disclosures not specified in Topic 270 should be provided in interim reporting periods. The amendments in this Update also clarify the applicability of Topic 270, the types of interim reporting, and the form and content of interim financial statements in accordance with GAAP. The amendments in this Update are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, for public business entities. Early adoption is permitted. The amendments in this Update can be applied either (1) prospectively or (2) retrospectively to any or all prior periods presented in the financial statements. The Company has not yet determined the additional information that it will be required to provide upon adoption of this ASU.

Other recent accounting standards issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the SEC did not or are not believed by management to have a material impact on the Company’s present or future consolidated financial statements.

Note 4 NET LOSS PER SHARE

The following table sets forth the calculation of basic and diluted loss per share for the periods presented based on the weighted average number of shares of the Company's Class A Common Stock outstanding during the years ended December 31, 2025 and 2024:

	2025	2024
Net loss attributable to FOXO	\$ (12,430,390)	\$ (12,406,389)
Deemed dividends from preferred stock, including anti-dilution provisions, and triggers of down-round provisions and the extension of Assumed Warrants	(21,673,282)	(1,073,993)
Net loss to common stockholders	(34,103,672)	(13,480,382)
Preferred stock dividends – undeclared	(937,809)	(81,326)
Net loss to common stockholders, net of preferred stock dividends - undeclared	\$ (35,041,481)	\$ (13,561,708)
Basic and diluted weighted average number of shares of Class A Common Stock	264,778,540	734,274
Basic and diluted net loss available to Class A Common Stock per share	\$ (0.13)	\$ (18.47)

The following Class A common stock equivalents of the Company have been excluded from the computation of diluted net loss per common share as the effect would be antidilutive and reduce the net loss per common stock.

	December 31, 2025	December 31, 2024
Preferred stock	281,399,438,392	5,255,736
Public and private warrants	52,155	52,155
Assumed Warrants	-	237,513
Convertible notes payable	15,382,610,000	144,268
Stock options	300	5,264
Vector Warrants	386,847,195	-
Total anti-dilutive shares	297,168,948,042	5,694,936

At December 31, 2025, in addition to the common stock equivalents listed in the table above, the Company has agreed to issue; (i) an aggregate of 21,985 shares of its Class A Common Stock under the terms of outstanding notes payable, which are discussed in Notes 10 and 13, and (ii) 233,743 shares of its common stock for finder's fees, which are discussed in Note 13.

Note 5 ACQUISITIONS*Acquisition of Myrtle Under Stock Exchange Agreement*

On June 10, 2024, the Company entered into a stock exchange agreement, as supplemented (the "Myrtle Agreement"), provided for RHI to exchange all of its equity interest in Myrtle for \$0.5 million, payable in a combination of shares of the Company's Class A Common Stock and a note payable. The closing occurred effective on June 14, 2024. The Company recorded a non-interest-bearing note payable due on demand to RHI in the amount of \$0.3 million and it paid the remaining purchase price of \$0.2 million by issuing 51,439 shares of its Class A Common Stock to RHI on July 17, 2024. The number of shares of the Company's Class A Common Stock issuable to RHI was determined by dividing \$0.2 million by the volume weighted average price of the Company's Class A Common Stock on the day prior to closing, which was \$2.30 per share. In addition to the \$0.3 million promissory note issued to RHI for a portion of the purchase price of Myrtle, Myrtle issued a promissory note payable to RHI dated June 13, 2024, in the original principal amount of \$1.6 million, which represented the amount owed to RHI by Myrtle at the time of the sale of Myrtle to the Company. The \$0.3 million note and the \$1.6 million note are more fully discussed in Note 10.

Myrtle was formed in the second quarter of 2022 to pursue opportunities in the behavioral health sector, including substance use disorder treatment, initially in rural markets. Services are provided on either an inpatient, residential basis or an outpatient basis.

On August 10, 2023, Myrtle was granted a license by the Department of Mental Health and Substance Abuse Services of Tennessee to operate an alcohol and drug treatment facility in Oneida, Tennessee. The facility, which is located at BSF's campus, commenced operations and began accepting patients on August 14, 2023. The facility offers alcohol and drug residential detoxification and residential rehabilitation treatment services for up to 30 patients. On November 1, 2023, Myrtle began accepting patients at its Nonresidential Office-Based Opiate Treatment Facility ("OBOT"). The OBOT is located adjacent to Myrtle's alcohol and drug treatment facility in Oneida, Tennessee and complements the existing residential rehabilitation and detoxification services offered at Myrtle.

On April 11, 2023, Myrtle sold shares of its common stock equivalent to a 1.961% ownership stake in Myrtle for a de minimis value to an unaffiliated individual licensed as a physician in Tennessee. The shares have certain transfer restrictions, including the right of the subsidiary to transfer the shares to another physician licensed in Tennessee for de minimis value. The shares were sold to the individual for Tennessee healthcare regulatory reasons.

Acquisition of RCHI and Its Subsidiary SCCH

On June 10, 2024, the Company and RHI entered into a stock exchange agreement, (the "RCHI Agreement") provided for the RHI to exchange all of the outstanding shares of its subsidiary RCHI, including SCCH, for 20,000 shares of the Company's then to be authorized Series A Cumulative Convertible Redeemable Preferred Stock ("the Series A Preferred Stock"). Closing of the RCHI Agreement was subject to a number of conditions. On September 10, 2024, the parties to the RCHI Agreement entered into an Amended and Restated Securities Exchange Agreement (the "RCHI SEA"), which revised the consideration payable to RHI from shares of FOXO Series A Preferred Stock to \$100. In addition, RCHI issued to RHI a senior secured note in the principal amount of \$22.0 million (subject to adjustment as described below) (the "RCHI Note"). The RCHI Note had a maturity date of September 10, 2026 and accrued interest on any outstanding principal amount at the rate of 8% per annum for the first six months, increasing to 12% per annum thereafter and accrued at 20% per annum in the event of certain defaults as described in the agreement. After maturity, interest accrued at a rate of 20% per annum. The RCHI Note required principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI and SCCH.

The RCHI Note was guaranteed by the Company and SCCH, pursuant to the terms of a Guaranty Agreement (the "Guaranty"). The RCHI Note was also secured by the assets of RCHI and Scott County pursuant to a Security and Pledge Agreement (the "RCHI Pledge Agreement") and by the "Collateral" owned by the Company as provided in the Security and Pledge Agreement with FOXO (the "FOXO Pledge Agreement"). The Amendment also provided that RHI may at any time request that the Company seek approval of its shareholders of the issuance of its Class A Common Stock upon conversion in full of the shares of the Company's Series A Preferred Stock issuable upon exchange of the RCHI Note. At any time after receipt of such approval, RHI had the option to exchange, in whole or in part, the RCHI Note for shares of the Company's Series A Preferred Stock. Upon any such exchange, RHI would receive the equivalent of \$1.00 stated value of the Company's Series A Preferred Stock for each \$1.00 of the aggregate of principal and accrued and unpaid interest, liquidated damages and/or redemption proceeds (or any other amounts owing under the RCHI Note) being exchanged.

On December 5, 2024, the Company and RCHI entered into an Exchange Agreement (the "Exchange Agreement") with RHI. Pursuant to the Exchange Agreement, \$21.0 million of the principal balance of the RCHI Note was exchanged for 21,000 shares of the Company's Series A Preferred Stock with a stated value of \$21.0 million. The Company's Series A Preferred Stock is more fully discussed in Note 13. Upon the closing of the Exchange Agreement, RCHI executed a new senior secured promissory note payable to RHI (the "New RCHI Note") in the principal amount of \$1.0 million.

Pursuant to the RCHI SEA, in the event that the Company, at any time after June 10, 2024, the date specified in the RCHI SEA, and during the twelve months thereafter, entered into any agreement or settlement agreement with any pre-existing holder of debt or other liability owed by the Company above \$5.0 million (cumulative) then the consideration payable shall increase on a dollar for dollar basis for the aggregate settlement amount above \$5.0 million. As of the September 10, 2024 acquisition date, the full scope of the Company's obligations to pre-existing debt holders or other creditors was not determinable, as negotiations with creditors and debt holders remained open and unresolved. As of September 10, 2025, which was one year from the date of the RCHI acquisition, the Company had fully settled approximately \$6.0 million of cumulative debts and other liabilities above \$5.0 million. Accordingly, on the December 31, 2025 consolidated balance sheet, related parties' note payable includes a \$1.0 million note payable to RHI (the "Additional RCHI Note") and on August 18, 2025, the Company issued to RHI 5,000 shares of its Series A Preferred Stock with a stated value of \$5.0 million. The additional consideration owed of \$6.0 million has been recorded as additional goodwill as reflected in the table below. Promissory notes are presented in Note 10 and Series A Preferred Stock is more fully discussed in Note 13. In addition, the Company has agreed to extend the period for settlement of qualifying debt and other liabilities that are not yet settled or quantified through June 30, 2026. In the fourth quarter of 2025, the Company settled an additional \$0.1 million of qualifying debt and other liabilities. Since this settlement was made after the end of the one-year measurement period of September 10, 2025, but prior to the end of the extension period of June 30, 2026, the Company recorded the additional amount as an expense in the consolidated statement of operations and a related party loan to RHI in the consolidated balance sheet at December 31, 2025. The Company cannot estimate the settlement amount of additional liabilities that existed at June 10, 2024 and that may be settled through the extension period of June 30, 2026 because of ongoing negotiations that remain unresolved. Any additional amount will be recorded as an additional expense in the consolidated statement of operations and as an additional liability to RHI.

As previously discussed in Note 1, RCHI's wholly owned subsidiary, SCCH, does business as BSF. BSF is a critical access hospital located in Oneida, Tennessee consisting of a 52,000-square foot hospital building and 6,300-square foot professional building on approximately 4.3 acres. BSF has 25 inpatient beds and a 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. The hospital became operational on August 8, 2017 and it became designated as a critical access hospital (rural) in December 2021, retroactive to June 30, 2021.

Vector Acquisition

On September 9, 2025, the Company entered into the Stock Purchase Agreement with Vector, a Wyoming corporation, (the "Vector SPA"), between the stockholders (each, a "Seller," or, together, the "Sellers") owning all of the issued and outstanding shares of Vector (the "Purchased Shares") and FOXO Acquisition Corporation, a Florida corporation and wholly-owned subsidiary of the Company ("FAC"), (the "Vector Acquisition"). Pursuant to the SPA, upon closing on September 19, 2025, the Sellers exchanged the Purchased Shares for (i) \$500,000 in cash, (ii) 60,000 shares of the Company's Series E Cumulative Redeemable Secured Preferred Stock (the "Series E Preferred Stock") with a stated value of \$25.00 per share or a total stated value of \$1,500,000 (iii) 386,847,195 three year warrants of the Company's Class A Common Stock with an exercise price of \$0.00517 per share (subject to adjustment) (the "Vector Warrants"), which was equal to the closing price of the Company's Class A Common Stock on the trading day immediately prior to closing, plus 10%, valued at \$769,826 and (iv) up to 80,000 shares of Series E Preferred Stock to be issued to the Sellers on or before 120 days after the two-year anniversary of the closing; provided that, such shares will only be issued in the event that the Qualifying Revenues (as defined in the SPA) of the Business (as defined in the SPA) during the 12-month period between the first and second anniversary of the closing are at least \$4,000,000; provided, further, that in the event that less than \$4,000,000 of Qualifying Revenues are actually collected by Vector on or before 90 days after the second anniversary of the closing, the number of shares of Series E Preferred Stock to be issued to the Sellers will be reduced by an amount equal to one share for each \$25.00 of Qualifying Revenues less than \$4,000,000 collected by such date; and, provided, further, if a Change of Control (as defined in the SPA) of the Company occurs prior to the two-year anniversary of the closing, all of the 80,000 shares of Series E Preferred Stock will be issued to the Sellers as of the date of such Change of Control. Pursuant to the SPA, the Sellers have the right, but not obligation, to repurchase the Purchased Shares under certain limited circumstances at fair market value as determined by a third party and subject to a floor. Such circumstances include, but are not limited to: (i) failure of the Company to have received approval for listing or quotation of shares of the Series E Preferred Stock within nine months of the closing, (ii) any material breach of the SPA within the second anniversary of the closing, including the requirement for FOXO or FAC to provide working capital, and (iii) the failure of FOXO to consummate a specified acquisition within 60 days of execution of definitive agreements. The Vector Warrants, which were valued using the Black Scholes valuation model, and the Series E Preferred Stock, which was valued based on stated value, are more fully discussed in Note 13. As of December 31, 2025, the Company has recorded \$500,000 of contingent purchase price consideration as goodwill and a long-term liability. The amount was based on the estimated value of additional shares of Series E Preferred Stock that will be owed pursuant to current projections of Qualifying Revenue.

As previously described in Note 1, Vector is an information and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.

The purchase consideration payable to RHI under the terms of the Myrtle Agreement and the RCHI SEA Amendment and to the Sellers under the Vector SPA were allocated to the net tangible and intangible assets acquired and liabilities assumed. The Company accounted for the acquisitions as business combinations under U.S. GAAP. In accordance with the acquisition method of accounting under ASC Topic 805, "*Business Combinations*," ("ASC 805"), the assets acquired and liabilities assumed were recorded as of the acquisition dates, at their respective fair values and consolidated with those of the Company.

The Company undertook valuation studies to determine the fair values of the assets acquired in the Myrtle, RCHI and Vector acquisitions. Based on the studies that were prepared by an independent valuation firm, the assets acquired, net of liabilities assumed, were (\$1.4) million for Myrtle, (\$2.2) million for RCHI and \$0.6 million for Vector. The RCHI assets acquired, net of liabilities assumed increased by (\$0.6) million in the year ended December 31, 2025, as a result of an adjustment to Medicare cost report settlement liabilities resulting from the completion of an audit for the 2022 Medicare year in 2025. For the valuation studies, the valuation firms used several methods to calculate the fair values of the intangible assets acquired in the Myrtle, RCHI and Vector acquisitions (principally trade names, licenses/permits and customer relationships) including the cost and income approaches and with-and-without, relief from royalty and multiple period excess earnings methods. Furthermore, the valuation firms reviewed and utilized ten-year projections as developed by management and calculated the cost of equity capital using the build-up model and a weighted average cost of capital using comparable, guideline companies. Management believes the book value of acquired fixed assets, other tangible assets and liabilities assumed approximated their fair values. The excess of the purchase prices over the aggregate fair values of the tangible and intangible assets acquired and liabilities assumed was treated as goodwill as reflected in the table below.

During the measurement period the amounts used for the purchase price allocation are subject to adjustments for a period not to exceed one year from the date of acquisition. As a result, the amount of goodwill presented below for the Vector acquisition may be increased or decreased. Included in the purchase price allocation presented below for Vector is \$500,000 of the value of up to 80,000 shares of Series E Preferred Stock that may be issued if Qualifying Revenues are reached or if a change of control occurs. Qualifying Revenues are more fully discussed in the paragraph above under the heading, “*Vector Acquisition.*”

The following table shows the allocations of the purchase prices of Myrtle, RCHI and Vector to the identifiable assets acquired and liabilities assumed as of December 31, 2025:

	Myrtle	RCHI	Vector
Initial purchase price	\$ 500,000	\$ 22,000,100	\$ 2,769,826
Additional purchase consideration	-	5,970,693	500,000
Total purchase price	\$ 500,000	\$ 27,970,793	\$ 3,269,826
Tangible and intangible assets acquired, and liabilities assumed at fair value:			
Cash	\$ 5,757	\$ 7,572	\$ 6,415
Accounts receivable, net	284,445	2,540,440	78,338
Inventory	-	-	8,021
Supplies	-	201,734	-
Prepaid expenses	-	127,936	-
Property and equipment, net	221,045	176,109	18,187
Intangible assets	495,400	8,528,082	687,405
Right-of-use lease assets	-	2,693,046	8,912
Accounts payable	(708,381)	(3,081,467)	(102,678)
Accrued expenses	(98,731)	(9,509,449)	(1,202)
Right-of-use lease liabilities	-	(2,692,946)	(7,593)
Note payable	(1,610,671)	(623,832)	-
Other loans	-	(525,319)	(63,935)
Noncontrolling interest	37,366	-	-
Assets acquired, net of liabilities assumed	\$ (1,373,770)	\$ (2,158,094)	\$ 631,870
Goodwill	\$ 1,873,770	\$ 30,128,887	\$ 2,637,956

In addition to the goodwill acquired in the Vector acquisition, at December 31, 2025, the Company recorded additional goodwill of \$182,831, which resulted from federal and state deferred tax benefits associated with the Vector acquisition. Also, in December 2025, \$7,000,000 of the goodwill presented in the table above for RCHI was impaired. See Note 8 for an additional discussion of goodwill.

In addition to the purchase prices listed above, the Company incurred acquisition costs consisting of approximately \$5,000 in legal fees for Myrtle and RCHI and approximately \$16,000 in legal fees for Vector. These fees were expensed as incurred.

The following presents the unaudited pro-forma combined results of operations of the Company, Myrtle, RCHI and Vector as if the acquisitions of Myrtle, RCHI and Vector occurred on January 1, 2024.

	Year Ended December 31,	
	2025	2024
Net revenues	\$ 16,870,931	\$ 13,159,860
Net loss attributable to FOXO	\$ (12,553,137)	\$ (14,583,002)
Declared preferred stock dividends	(112,500)	(56,250)
Deemed dividends from preferred stock, including anti-dilution provisions, and triggers of down round provisions and extension of Assumed Warrants	(21,673,282)	(1,073,993)
Net loss to common stockholders	(34,338,919)	(15,713,254)
Preferred stock dividends - undeclared	(937,809)	(810,201)
Net loss to common stockholders after undeclared preferred stock dividends	<u>\$ (35,276,728)</u>	<u>\$ (16,523,446)</u>
Net loss per share of Class A Common Stock, basic and diluted	\$ (0.13)	\$ (20.93)
Weighted average shares of Class A Common Stock, basic and diluted	264,833,524	789,305

The pro formas do not include any adjustment as a result of the potential additional purchase price consideration of RCHI and Vector as discussed above.

The unaudited pro-forma results of operations are presented for information purposes only. The unaudited pro-forma results of operations are not intended to present actual results that would have been attained had the acquisitions of Myrtle, RCHI and Vector been completed as of January 1, 2024 or to project potential operating results as of any future date or for any future periods.

Note 6 ACCOUNTS RECEIVABLE, NET

Accounts receivable, net at December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Accounts receivable, gross	\$ 16,361,485	\$ 12,200,256
Less:		
Allowance for contractual obligations	(12,986,305)	(8,967,362)
Allowance for doubtful accounts	(964,964)	(961,937)
Accounts receivable, net	<u>\$ 2,468,346</u>	<u>\$ 2,270,957</u>

Note 7 PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Leasehold improvements	\$ 142,862	\$ 133,033
Furniture and fixtures	78,919	83,930
Computer equipment	37,115	37,115
Software	16,963	4,441
Medical equipment	238,198	193,517
Vehicle	18,188	-
Gross property and equipment	532,245	452,036
Less accumulated depreciation	(209,888)	(87,555)
Property and equipment, net	\$ 322,357	\$ 364,481

Property and equipment are depreciated on a straight-line basis over their respective lives. Leasehold improvements are depreciated over the life of the lease and the remaining equipment and software is being depreciated over lives ranging from one to ten years. Depreciation expense on property and equipment was \$0.1 million and \$0.1 million for the years ended December 31, 2025 and 2024, respectively.

Note 8 INTANGIBLE ASSETS, NET AND GOODWILL

The components of intangible assets, net at December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Tradenames	\$ 1,890,616	\$ 1,582,734
Licenses and permits	7,396,848	7,396,848
Customer relationships	423,423	43,900
Behavioral Health APP	100,000	-
Gross intangible assets	9,810,887	9,023,482
Less: accumulated amortization	(39,918)	(7,926)
Intangible assets, net	\$ 9,770,969	\$ 9,015,556

The tradenames, licenses and permits and customer relationships intangible assets resulted from the acquisitions of Myrtle, RCHI and Vector, which are more fully discussed in Note 5. The tradename associated with Vector of \$307,882 is being amortized over 14 years and the tradenames associated with Myrtle and RCHI of \$1,582,734 have indefinite lives, the licenses and permits assets have indefinite lives and the customer relationships are being amortized over three to eight years. The Behavioral Health APP, which is under development, is being developed for Myrtle by InnovaQor, Inc. ("InnovaQor"), a related party, as discussed in Note 11, and is currently expected to be used internally. The APP being developed is an ongoing communication link between Myrtle and former patients for patient care follow-up and alumni network development. Not included in the table above is the Epigenetic APP, which is more fully discussed below.

The Company recognized amortization expense on its intangible assets of \$31,992 and \$1.0 million in the years ended December 31, 2025 and 2024, respectively. Included in the amortization expense in the year ended December 31, 2024 was \$0.8 million of expense for an Epigenetic APP that was acquired from Kr8 ai Inc., a Nevada corporation controlled by one of the Company's directors and the previous interim CFO, as more fully discussed in Note 11. Included in amortization expense for the year ended December 31, 2024 was \$0.2 million of expense for a methylation pipeline asset.

During the year ended December 31, 2024, the Company recorded impairment losses of \$1.8 million for two intangible assets consisting of: (i) an impairment loss of \$1.6 million for its Epigenetic APP; and (ii) an impairment loss of \$0.2 million for its methylation pipeline asset as the timeline for projected cash flows could no longer support these assets. The Company continues to believe that its Epigenetic APP intangible asset will play a valuable part in its Epigenetic business, which makes up its Labs segment, but needs to make further investment for this asset to generate revenues. Without certainty on the timeframe, the Company believed that it was appropriate to impair the value of the asset in its records in the year ended December 31, 2024.

Goodwill

Goodwill was \$27.8 million and \$25.5 million as of December 31, 2025 and December 31, 2024, respectively. The goodwill resulted from the acquisitions of Myrtle, RCHI and Vector, which are more fully discussed in Note 5. In December 2025, management determined that the carrying value of SCCH exceeded its fair value by \$7.0 million, and accordingly, a goodwill impairment charge in that amount was recorded in 2025.

Note 9 ACCRUED EXPENSES

At December 31, 2025 and 2024, accrued expenses consisted of the following:

	December 31, 2025	December 31, 2024
Accrued payroll and related liabilities	\$ 7,679,131	\$ 6,024,516
Accrued severance	2,174,035	2,174,035
Accrued interest	296,371	651,664
Accrued legal expenses and settlements	-	1,356,957
Medicare cost report settlement payables	690,474	620,948
Patient and third-party liabilities	624,222	767,875
Other accrued expenses	438,150	398,788
Accrued expenses	\$ 11,902,383	\$ 11,994,783

Included in the accrued payroll and related liabilities presented in the table above was approximately \$6.6 million and \$5.2 million at December 31, 2025 and 2024, respectively, for past due payroll taxes and associated penalties and interest.

In addition to the current portion of the Medicare cost report settlement payables of \$690,474 and \$620,948 presented in the table above for the years ended December 31, 2025 and 2024, respectively, there were long-term Medicare cost report settlement payables of \$1,168,264 and \$1,526,633 included on the consolidated balance sheets in total liabilities for the years ended December 31, 2025 and 2024, respectively. The total Medicare cost report settlement payables at December 31, 2025 are due as follows:

	Medicare Cost Report Settlement Payables at December 31, 2025
Twelve months ending:	
December 31, 2026	\$ 690,474
December 31, 2027	421,645
December 31, 2028	365,221
December 31, 2029	264,738
December 31, 2030	116,660
Thereafter	-
Total	\$ 1,858,738

Related parties' payables and accrued expenses are presented in Note 11.

Note 10 DEBT

At December 31, 2025 and 2024, debt consisted of the following:

	December 31, 2025	December 31, 2024
Notes payable – third parties	\$ 2,151,838	\$ 7,279,724
Notes and loans payable – related parties	4,902,392	2,671,924
Other loans	237,810	268,257
Total debt	7,292,040	10,219,905
Less current portion of debt	(7,292,040)	(10,219,905)
Total debt, net of current portion	\$ -	\$ -

Notes Payable – Third Parties

At December 31, 2025 and 2024 notes payable with third parties consisted of the following:

	December 31, 2025	December 31, 2024
Senior PIK Notes in the aggregate principal amount of \$0 and \$3,457,500, including interest of \$0 and \$1,793,241 at December 31, 2025 and 2024, respectively	\$ -	\$ 5,250,741
Silverback/Western Note Payable	540,363	623,832
ClearThink Notes in the aggregate principal amount of \$424,462 and \$1,166,750 net of unamortized discounts of \$0 and \$257,290 at December 31, 2025 and 2024, respectively	424,462	909,460
LGH notes payable in the aggregate principal amount of \$70,168 and \$222,000, net of unamortized discounts of \$0 and \$126,511 at December 31, 2025 and 2024, respectively	70,168	95,489
IG notes payable in the aggregate principal amount of \$356,250 and \$120,000, net of unamortized discounts of \$0 and \$68,739 at December 31, 2025 and 2024, respectively	356,250	51,267
1800 Diagonal notes payable in the aggregate principal amount of \$238,841 and \$264,308, net of unamortized discounts of \$59,790 and \$57,672 at December 31, 2025 and 2024, respectively	179,051	206,636
Red Road note payable in the principal amount of \$0 and \$91,019, net of unamortized discounts of \$0 and \$35,556 at December 31, 2025 and 2024, respectively	-	55,463
Lucas Ventures notes payable in the aggregate principal amount of \$442,125 and \$220,000, net of unamortized discounts of \$0 and \$133,164 at December 31, 2025 and 2024, respectively	442,125	86,836
JSC note payable in the aggregate principal amount of \$125,669 and \$0 at December 31, 2025 and 2024, respectively	125,669	-
Vista Capital note payable in the principal amount of \$13,750 and \$0 at December 31, 2025 and 2024, respectively	13,750	-
Total third-party notes payable	2,151,838	7,279,724
Less current portion of third-party notes payable	(2,151,838)	(7,279,724)
Total third-party notes payable, net of current portion	\$ -	\$ -

15% Senior PIK Notes

On September 20, 2022, the Company entered into separate Securities Purchase Agreements with accredited investors pursuant to which the Company issued its Senior PIK Notes in the aggregate principal amount of \$3.5 million. The Company received net proceeds of \$2.9 million, after deducting fees and expenses of approximately \$0.6 million.

The Senior PIK Notes bore interest at 15% per annum, paid in arrears quarterly by payment in kind through the issuance of additional Senior PIK Notes (“PIK Interest”). The Senior PIK Notes matured on April 1, 2024 (the “Maturity Date”). Commencing November 1, 2023, the Company was required to pay the holders of the Senior PIK Notes and on each one-month anniversary thereof an equal amount until the outstanding principal balance has been paid in full on the Maturity Date. If the Senior PIK Notes were repaid in the first year, the Company was required to pay the holders the outstanding principal balance, excluding any increases as a result of PIK Interest, multiplied by 1.15. Payment of the Senior PIK Notes was past due on December 31, 2024, as more fully discussed below. The Company failed to make the payments due on November 1, 2023 and on each one-month anniversary thereof, which constituted an event of default under the Senior PIK Notes. As a result of the event of default, the interest rate of the Senior PIK Notes increased from 15% per annum (compounded quarterly on each December 20, March 20, June 20 and September 20) to 22% per annum (compounded annually and computed on the basis of a 360-day year). In addition, the holders of the Senior PIK Notes had the right, among other remedies, to accelerate the Maturity Date and declare all indebtedness under the Senior PIK Notes due and payable at 130% of the outstanding principal balance.

As noted, as of December 31, 2024, the Senior PIK Notes were in default and the Company did not have the financial ability to correct this default. To resolve the default of the Senior PIK Notes and transition the Senior PIK Note from debt to equity, the Company asked the Senior PIK Note holders to consider certain amendments to their Notes. On October 18, 2024, the Company received the approval of over 50.01% of the holders of the Senior PIK Notes based on the Aggregate Original Principal Amount (as defined in the Senior PIK Notes) to enter into the 2024 PIK Notes Amendment, under which the Senior PIK Notes would be exchanged for the Company’s Series B Cumulative Convertible Redeemable Series B Preferred Stock (the “Series B Preferred Stock”). Under the 2024 PIK Notes Amendment, the Senior PIK Notes (not including accrued and unpaid Interest (as defined in the Senior PIK Notes) which was waived as part of the automatic exchange) were automatically exchanged into a number of shares of Series B Preferred Stock equal to the Original Principal Amount (as defined in the Senior PIK Notes) divided by the Stated Value (\$1,000) of Series B Preferred Stock, or 3,457.5 shares of Series B Preferred Stock in January 2025. Upon the automatic exchange, all Senior PIK Notes (including all accrued and unpaid interest) (which total value was \$5.4 million on the date of the exchange) were exchanged into Series B Preferred Stock, cancelled and satisfied in full. The Series B Preferred Stock is more fully discussed in Note 13.

As a result of the automatic exchange, during the year ended December 31, 2025, the Company recorded a gain from extinguishment of Senior PIK Notes of \$1.9 million, which represented the accrued and unpaid interest, which was waived per the terms of the automatic exchange. During the year ended December 31, 2025, the Company recognized \$0.1 million of contractual interest expense on the Senior PIK Notes and during the year ended December 31, 2024, the Company recognized \$1.0 million of contractual interest expense on the Senior PIK Notes.

Silverback/Western Note Payable

The Company assumed a promissory note payable to Western Healthcare, LLC (the “Western Note Payable”) that was owed by SCCH at the time of the acquisition of RCHI. The acquisition is discussed in Note 5. As of December 31, 2024, the principal balance owed was \$0.6 million. The note bore interest at a default rate of 18% per annum and payments consisting of principal and interest were due no later than August 30, 2022. SCCH did not make all of the monthly installments due under the note and it was past due.

In February 2025, the Western Note Payable was sold to a new holder, Silverback Capital Corporation (“Silverback”), and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which included previously accrued interest expense, was \$1.1 million, and the maturity date was February 26, 2026. The per the amendment and restatement, the note was non-interest bearing and it was convertible into shares of the Company’s Class A Common Stock at a conversion price equal to 90% of the average VWAP for the five trading days prior to conversion. During the period February 2025 to September 30, 2025, \$0.5 million of principal balance of the note was converted into 318,171 shares of the Company’s Class A Common Stock. As of December 31, 2025, Silverback failed to make further payments to Western Healthcare, LLC and the Western Note Payable is in default. It is probable that no further conversions of the principal balance into shares of our Class A common stock will take place.

Notes Payable to ClearThink Capital Partners, LLC

During the year ended December 31, 2024, the Company issued six promissory notes to ClearThink Capital Partners, LLC (“ClearThink”). On January 3, 2024, the Company issued ClearThink a promissory note in the principal amount of \$75,000. The note was issued with a \$25,000 original issue discount and matured on January 3, 2025. On January 3, 2025, the \$75,000 note and \$9,247 of accrued interest were exchanged for 16,319 shares of the Company’s Class A Common Stock.

On January 30, 2024, the Company issued ClearThink a promissory note in the principal amount of up to \$0.8 million, of which \$0.6 million was issued. The note was issued with a \$0.2 million original issue discount and matured on January 30, 2025. In January 2025, \$450,000 of principal balance of the note was exchanged for 88,931 shares of the Company's Class A Common Stock and in April 2025, the remaining principal balance of \$162,000 and accrued interest of \$79,380 were exchanged for 80,864 shares of the Company's Class A Common Stock.

On May 15, 2024, the Company issued ClearThink a promissory note in the principal amount of \$0.3 million. The note was issued with a \$0.1 million original issue discount and 10,050 shares of the Company's Class A Common Stock as an inducement valued at \$58,000 and the note matured on August 14, 2024. On August 16, 2024, the May 15, 2024 note was extended until September 30, 2024. Under the August 16, 2024 extension, the Company issued ClearThink 5,025 shares of its Class A Common Stock valued at \$16,300, increased the principal amount of the note by \$50,000 and applied an annual interest rate of 22% back to the original date of the investment. On October 11, 2024, the May 15, 2024 note was extended for a second time to November 30, 2024. Under the terms of the second extension, the Company issued to ClearThink an additional 10,050 shares of its Class A Common stock valued at \$34,800. On several dates during the fourth quarter of 2024, the entire principal balance of the May 15, 2024 note and associated accrued interest totaling \$0.4 million was converted into 65,619 shares of the Company's Class A Common Stock.

On August 16, 2024, the Company issued ClearThink a promissory note in the principal amount of \$39,750, which matured on November 16, 2024. The note was issued with a \$13,250 original issue discount. Default interest is accruing interest on the note at the default interest rate of 24% per annum.

On November 20, 2024 and December 31, 2024, the Company issued ClearThink promissory notes each in the principal amount of \$220,000 and each with a \$20,000 original issue discount. The November 20, 2024 note, which matured on August 20, 2025, was issued with 6,281 inducement shares of the Company's Class A Common Stock valued at \$82,500 and per the terms of the December 31, 2024 note, which matured on September 30, 2025, 6,281 inducement shares valued at \$36,375 are issuable as of December 31, 2025. During the year ended December 31, 2025, the total principal balance of the November 20, 2024 note, including \$55,000 of default penalty and \$22,000 of accrued interest were converted into 789,707 shares of the Company's Class A Common Stock. During the year ended December 31, 2025, \$166,950 of the principal balance of the December 31, 2024 note was converted into 9,238,692 shares of the Company's Class A Common Stock and \$64,763 of default payments were accrued leaving a total principal balance of \$117,813 at December 31, 2025.

During the year ended December 31, 2025, the Company issued two additional promissory notes to ClearThink. On January 28, 2025 and March 7, 2025, the Company issued ClearThink promissory notes each in the principal amount of \$110,000 and each with a \$10,000 original issue discount. Per the terms of the January 28, 2025 note, which matured on October 28, 2025, 3,141 inducement shares of the Company's Class A Common Stock valued at \$15,375 are issuable as of December 31, 2025 and per the terms of the March 7, 2025 note, which matured on December 7, 2025, 5,025 inducement shares valued at \$16,000 are issuable as of December 31, 2025. As a result of non-payment of the January 28, 2025 note at maturity, during the three months ended December 31, 2025, the Company recorded default penalties of \$62,250 leaving a total principal balance of \$172,250 at December 31, 2025. As a result of non-payment of the March 7, 2025 note at maturity, during the three months ended December 31, 2025, the Company recorded default penalties of \$42,250 on the March 7, 2025 note. During the three months ended December 31, 2025, \$57,600 of the principal balance of the March 7, 2025 note was converted into 320,000,000 shares of the Company's Class A Common Stock leaving a total principal balance of \$94,650 on the March 7, 2025 note at December 31, 2025.

The January 30, 2024 note had an interest rate of 12% per annum and the August 16, 2024 note had an interest rate of 12% per annum, but interest is presently accruing at a 22% per annum rate as a result of the payment default. The January 3, 2024 note had an interest rate of 22% per annum as a result of the payment default and the May 15, 2024 note originally did not bear interest but as amended had an interest rate of 22% per annum as discussed above. The November 20, 2024, December 31, 2024, January 28, 2025 and March 7, 2025 notes each bore a one-time 10% interest charge upon issuance, which was recorded as additional debt discount, and upon an event of default, as that term is defined in the notes, the outstanding balances were increased to 125% of the principal amount outstanding and a penalty of \$500 per day shall accrue. Ten percent of all future purchase notices from the Strata Purchase Agreement with ClearThink, which is more fully discussed in Note 13, must be directed toward repayment of the ClearThink notes until they are paid in full. As a result of anti-dilution provisions in the notes, on December 31, 2025, the ClearThink notes were convertible into shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share.

During the years ended December 31, 2025 and 2024, the Company received net cash proceeds from the ClearThink notes of \$0.2 million and \$1.1 million, respectively. The Company recorded interest expense, which included amortization of debt discounts, of \$0.6 million and \$0.7 million, respectively, during the years ended December 31, 2025 and 2024. As a result of the issuances of ClearThink notes, the Company incurred finder's fees due in cash, common stock warrants and common stock pursuant to finder's fee agreements, which are more fully discussed below. During the years ended December 31, 2025 and 2024, finder's fees recorded as debt discounts on the Clear Think notes were \$28,000 and \$0.1 million, respectively.

Securities Purchase Agreements Dated April 28, 2024 and November 15, 2024 with LGH Investments

On April 28, 2024, the Company entered into a Securities Purchase Agreement with LGH Investments, LLC, a Wyoming limited liability company ("LGH"), pursuant to which the Company issued to LGH a convertible promissory note in the principal amount of \$110,000 and received cash proceeds of \$100,000 and it issued 10,050 shares of its Class A Common Stock as inducement shares to LGH. The note was convertible into shares of the Company's Class A Common Stock at a conversion price of \$5.97 per share. The note, which matured on January 27, 2025 was issued with a 10% original issue discount and a one-time 10% interest charge of \$11,000. The value of the 10,050 inducement shares that the Company issued to LGH in April 2024 per the terms of the note of \$56,600, was recorded as additional debt discount. In addition, the Company recorded finder's fees consisting of cash and the fair value of warrants issuable to the finder under the Finder's Fee Agreement in effect at the time of \$14,000 as additional debt discounts. In November 2024, \$108,000 of principal balance of the note was converted into 18,090 shares of the Company's Class A Common Stock leaving a principal balance of \$2,000 and \$11,000 of accrued interest at December 31, 2024. On January 15, 2025, the remaining principal balance of the note and accrued interest was converted into 2,177 shares of the Company's Class A Common Stock.

On November 15, 2024, the Company entered into a second Securities Purchase Agreement with LGH pursuant to which the Company issued to LGH a second convertible promissory note in the principal amount of \$220,000 and received cash proceeds of \$200,000 and the Company issued 6,281 shares of its Class A Common Stock as inducement shares to LGH. The value of the 6,281 inducement shares of \$83,500 was recorded as additional debt discount. The note was issued with a 10% original issue discount and a one-time 10% interest charge of \$22,000 and was due on August 14, 2025. Since not paid at maturity, the Company recorded a default penalty of \$79,388 during the year ended December 31, 2025, which includes a daily penalty of \$500 that is accruing. In addition, the Company recorded finder's fees of \$28,000 in connection with the note payable in cash and common stock as additional debt discount. During the year ended December 31, 2025, \$229,220 of principal balance of the note was converted into 149,975,377 shares of the Company's Class A Common Stock.

Interest expense on the LGH notes, which included amortization of debt discount, was \$0.2 million and \$0.1 million during the years ended December 31, 2025 and 2024, respectively. On December 31, 2025, as a result of the anti-dilution provisions, the November 15, 2024 note was convertible into shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share.

Securities Purchase Agreements Dated April 30, 2024, December 24, 2024 and March 4, 2025 with IG Holdings, Inc.

On April 30, 2024, the Company entered into a Securities Purchase Agreement with IG Holdings, Inc., an Arizona corporation ("IG"), pursuant to which the Company issued IG a promissory note in the principal amount of \$150,000 and received cash proceeds of \$100,000 and the Company issued 5,025 shares of its Class A Common Stock valued at \$27,900 as inducement shares to IG. The IG note payable was issued with a \$50,000 original issue discount. Interest accrued at the rate of 22% per annum, among other penalties, upon an event of default and the note was convertible upon an event of default. The IG note payable, which initially matured three months from the closing date was extended on August 16, 2024 to a maturity date of September 30, 2024. Under the terms of the amendment, the Company issued IG 2,513 shares of its Class A Common Stock valued at \$8,150, it increased the principal amount of the note by \$25,000 and it applied an annual interest rate of 22% back to the original date of the investment. The value of the 5,025 inducement shares that were issued to IG per the original terms of the note and the 2,513 shares of the Company's Class A Common Stock that were issuable per the terms of the amendment to extend the maturity date to September 30, 2024 were recorded as additional debt discount. In addition, the Company recorded the cash and the fair value of the warrants issuable to the finder under the finder's fee agreement discussed below, of \$14,000, as additional debt discount. During November 2024, the full \$175,000 principal balance of the note and the \$20,000 of accrued interest were converted into 20,854 shares of the Company's Class A Common Stock.

On December 24, 2024, the Company entered into a second Securities Purchase Agreement with IG pursuant to which the Company issued to IG a second convertible promissory note in the principal amount of \$120,000 and received cash proceeds of \$100,000 and the Company issued 5,025 shares of its Class A Common Stock as inducement shares to IG. The value of the 5,025 inducement shares of \$24,800 was recorded as additional debt discount. The note was issued with a 10% original issue discount and a one-time 10% interest charge of \$12,000 and matured on September 23, 2025. Since not paid at maturity, the Company recorded a default penalty of \$82,500 during the year ended December 31, 2025, which includes a daily penalty of \$500 that is accruing. In addition, the Company recorded finder's fees of \$14,000 payable in shares of the Company's Class A Common Stock as additional debt discount.

On March 4, 2025, the Company entered into a third Securities Purchase Agreement with IG pursuant to which the Company issued to IG a third convertible promissory note in the principal amount of \$110,000 and received cash proceeds of \$100,000. The note, which matured on December 4, 2025, was issued with a \$20,000 original issue discount and a one-time 10% interest charge of \$11,000. Per the terms of the note, 5,025 shares of the Company's Class A Common Stock are issuable as inducement shares. The value of the 5,025 inducement shares that are issuable of \$15,700 was recorded as additional debt discount. Since not paid at maturity, the Company recorded a default penalty of \$43,750 during the year ended December 31, 2025, which includes a daily penalty of \$500 that is accruing. In addition, the Company recorded finder's fees of \$14,000 payable in shares of the Company's Class A Common Stock as additional debt discount.

Interest expense on the IG notes, which included amortization of debt discount, was \$245,683 and \$147,117 during the years ended December 31, 2025 and 2024, respectively. On December 31, 2025, as a result of anti-dilution provisions, the IG notes were convertible into shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share.

Securities Purchase Agreements Dated July 22, 2024, November 18, 2024, January 21, 2025, February 24, 2025, May 21, 2025 and August 6, 2025 with 1800 Diagonal Lending LLC

On July 22, 2024, the Company entered into a Securities Purchase Agreement with 1800 Diagonal Lending LLC ("1800 Diagonal") pursuant to which the Company issued to 1800 Diagonal a promissory note dated July 22, 2024 in the principal amount of \$168,728, which included a one-time interest amount of \$18,078 (12% of the original principal amount of \$150,650) that was recorded as a debt discount, and it received cash of \$131,000 and it paid legal fees of \$6,000. The note was issued with a \$19,650 original issue discount and matured on May 22, 2025. Repayment of the 1800 Diagonal Note was due in five monthly payments. The first monthly payment was due on January 22, 2025 in the amount of \$84,364 and the four subsequent monthly payments of \$21,091 each were due. In January 2025, the Company issued 59,623 shares of its Class A Common Stock upon conversion in full of the outstanding principal balance and accrued interest totaling \$173,228.

On November 18, 2024, the Company entered into a Securities Purchase Agreement with 1800 Diagonal pursuant to which 1800 Diagonal agreed to purchase a second promissory note dated November 18, 2024, which is discussed below, as well as additional tranches of financings of up to \$750,000 in the aggregate during the next twelve (12) months subject to further agreement by and between the Company and 1800 Diagonal.

On November 18, 2024, the Company issued to 1800 Diagonal a promissory note in the principal amount of \$95,580, with an original issue discount of \$14,580 plus a one-time interest amount of \$11,470 (12% of the original principal amount of \$95,580) that was recorded as additional debt discount. The Company received cash proceeds of \$81,000 and it paid legal fees of \$6,000. In addition, the Company recorded finder's fees of \$8,100 payable in shares of the Company's Class A Common Stock as additional debt discount. The note matured on September 15, 2025. Repayment of the 1800 Diagonal note was due in five monthly payments. The first monthly payment was due on May 15, 2025 in the amount of \$53,525 and the four subsequent monthly payments due were \$13,381 each. The note could be prepaid anytime within the first 180 days of issuance at a discounted rate of 97% of the outstanding balance. On several dates in May 2025, the Company issued a total of 129,130 of its Class A Common Stock upon conversion in full of the outstanding principal balance of \$95,580 and accrued interest of \$15,969.

On January 21, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of \$150,650, with an original issue discount of \$19,650, plus a one-time interest amount of \$18,078 (12% of the original principal amount of \$150,650) that was recorded as additional debt discount. The Company received cash proceeds of \$131,000 and it paid legal fees of \$6,000. In addition, the Company recorded finder's fees of \$18,340 payable in shares of the Company's Class A Common Stock as additional debt discount. The note matured on November 30, 2025. Repayment of the 1800 Diagonal note was due in five monthly payments. The first monthly payment was due on July 30, 2025 in the amount of \$84,364 and the four subsequent monthly payments due were \$21,091 each. As of December 31, 2025, the Company has repaid the note and accrued interest in full.

On February 24, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of \$98,900, with an original issue discount of \$12,900, plus a one-time interest amount of \$13,846 (14% of the original principal amount of \$98,900) that was recorded as additional debt discount. The Company received cash proceeds of \$86,000 and it paid legal fees of \$6,000. In addition, the Company recorded finder's fees of \$12,040 payable in shares of the Company's Class A Common Stock as additional debt discount. The note matured on November 30, 2025. Repayment of the 1800 Diagonal note was payable in nine monthly payments of \$12,527 beginning on March 30, 2025. Upon an Event of Default, 150% of all amounts owed will be immediately due and payable and the note bears interest at a rate of 22% per annum upon an Event of Default. If an event of default occurs under a note, the note will be convertible into that number of shares equal to a 25% discount to the lowest closing bid price of the Company's Class A Common Stock for the 15 days prior to the date of conversion. As of December 31, 2025, the Company has repaid the note and accrued interest in full.

On May 21, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of \$151,800, with an original issue discount of \$19,800, plus a one-time interest amount of \$18,216 (12% of the original principal amount of \$151,800) that was recorded as additional debt discount. The Company received cash proceeds of \$125,000 and it paid legal fees of \$7,000. In addition, the Company recorded finder's fees of \$18,480 payable in shares of the Company's Class A Common Stock as additional debt discount. The note matures on March 30, 2026. Repayment of the 1800 Diagonal note is due in five monthly payments. The first monthly payment is due on November 30, 2025 in the amount of \$85,008 and the four subsequent monthly payments due are \$21,252 each. The note is convertible into shares of the Company's Class A Common Stock, but only in the Event of a Default. Upon an Event of Default, 150% of all amounts owed will be immediately due and payable and the note bears interest at a rate of 22% per annum upon an Event of Default. If an event of default occurs under a note, the note will be convertible into that number of shares equal to a 25% discount to the lowest closing bid price of the Company's Class A Common Stock for the 15 days prior to the date of conversion. As of December 31, 2025, the Company has repaid \$106,260 leaving a principal balance and accrued interest totaling \$63,756.

On August 6, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of \$180,550, with an original issue discount of \$23,550, plus a one-time interest amount of \$21,665 (12% of the original principal amount of \$180,550) that was recorded as additional debt discount. The Company received cash proceeds of \$157,000 and it paid legal fees of \$7,000. In addition, the Company recorded finder's fees of \$21,980 payable in shares of the Company's Class A Common Stock as additional debt discount. The note matures on June 15, 2026. Repayment of the 1800 Diagonal note is due in five monthly payments. The first monthly payment is due on February 15, 2026 in the amount of \$101,107 and the four subsequent monthly payments due are \$25,277 each. The note is convertible into shares of the Company's Class A Common Stock, but only in the Event of a Default. Upon an Event of Default, 150% of all amounts owed will be immediately due and payable and the note bears interest at a rate of 22% per annum upon an Event of Default. If an event of default occurs under a note, the note will be convertible into that number of shares equal to a 25% discount to the lowest closing bid price of the Company's Class A Common Stock for the 15 days prior to the date of conversion.

The Company recorded interest expense on the 1800 Diagonal promissory notes, including the amortization of debt discounts, of \$251,428 and \$26,205 during the years ended December 31, 2025 and 2024, respectively.

Securities Purchase Agreement with Red Road Holdings Corporation Dated October 7, 2024

On October 7, 2024, pursuant to a Securities Purchase Agreement, the Company issued a promissory note to Red Road Holdings Corporation (“Red Road”) in the principal amount of \$121,900, and a one-time interest amount of \$17,066 (14% of the original principal amount of \$121,900), which was recorded as additional debt discount, and the Company received cash of \$106,000 and paid legal fees of \$6,000. The note was issued with a \$15,900 original issue discount and it matured on July 15, 2025. In addition, the Company recorded finder’s fees of \$12,190 payable in shares of the Company’s common stock as additional debt discount. The note was convertible into shares of the Company’s Class A Common Stock, but only in the Event of a Default. Upon an Event of Default, 150% of the amount owed was to be immediately due and payable and the note bore interest at a rate of 22% per annum upon an Event of Default. Repayment of the Red Road note was due in nine monthly payments of \$15,441 each beginning on November 14, 2024. During the years ended December 31, 2025 and 2024, \$61,673 and \$30,881 of principal was paid in cash, respectively, and during the years ended December 31, 2025 and 2024, \$37,055 and \$15,601, respectively, of interest expense, consisting primarily of amortization of debt discount, was recorded on the Red Road note. On May 6, 2025, the Company issued 51,514 shares of its Class A Common Stock upon conversion in full of the outstanding principal balance and accrued interest totaling \$47,822.

Securities Purchases Agreements with Lucas Ventures Dated November 18, 2024 and February 14, 2025

On November 18, 2024, the Company entered into a Securities Purchase Agreement with Lucas Ventures LLC, (“Lucas Ventures”) pursuant to which the Company issued to Lucas Ventures a convertible promissory note in the principal amount of \$220,000 and received cash proceeds of \$200,000 and it agreed to issue 6,281 shares of its Class A Common Stock as inducement shares to Lucas Ventures. The value of the 6,281 inducement shares of \$88,750 was recorded as an additional debt discount. The note was issued with a 10% original issue discount and a one-time 10% interest charge of \$22,000 and matured on August 18, 2025. In addition, the Company recorded finder’s fees of \$28,000 in connection with the note consisting of cash and common stock as additional debt discount. Since not paid at maturity, the Company recorded a default penalty of \$128,500 during the year ended December 31, 2025, which includes a daily penalty of \$500 that is accruing, resulting in a principal balance due on December 31, 2025 of \$348,500 and accrued interest of \$22,000.

On February 14, 2025, the Company entered into a second Securities Purchase Agreement with Lucas Ventures pursuant to which the Company issued to Lucas Ventures a convertible promissory note in the principal amount of \$55,000 and received cash proceeds of \$50,000 and it issued 2,513 shares of its Class A Common Stock as inducement shares to Lucas Ventures. The note, which matured on November 14, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of \$5,500. The value of the 2,513 inducement shares of \$11,750 was recorded as an additional debt discount. In addition, the Company recorded finder’s fees of \$7,000 payable in shares of the Company’s Class A Common Stock, as additional debt discount. Since not paid at maturity, the Company recorded a default penalty of \$38,625 during the year ended December 31, 2025, which includes a daily penalty of \$500 that is accruing, resulting in a principal balance due on December 31, 2025 of \$93,625 and accrued interest of \$5,500.

During the years ended December 31, 2025, the Company recorded interest expense on the Lucas Ventures notes of \$329,539 and \$25,586, respectively, which included amortization of debt discount. As a result of the anti-dilution provisions, on December 31, 2025, the notes were convertible into shares of the Company’s Class A Common Stock at an assumed conversion price of \$0.0001 per share.

Convertible Promissory Notes with Jefferson Street Capital LLC Under January 7, 2025 Securities Purchase Agreements

On January 7, 2025, the Company entered into a Securities Purchase Agreement with Jefferson Street Capital LLC (“JSC”) pursuant to which the Company agreed to issue to JSC convertible promissory notes in the principal amount of up to \$1,650,000 and up to a total number of shares of the Company’s Class A Common Stock as a commitment fee equal to 10% of the purchase price of each of the notes divided by the average VWAP of the Class A Common Stock during the five Trading Days (as defined in the notes) prior to the issuance date of the respective notes. As a result of the anti-dilution provisions, on December 31, 2025, the conversion price into which principal and interest under each note is convertible into shares of the Company’s Class A Common Stock was an assumed price of \$0.0001 per share. Upon an event of default, as defined in the agreement, the Company shall immediately repay the default amount, which is 150% of the sum of the principal and interest outstanding at the time of the default and default interest at the rate of 16% per annum shall accrue.

Pursuant to the Securities Purchase Agreement discussed above, on January 7, 2025, the Company issued JSC a convertible promissory note in the principal amount of \$291,500 and 4,370 commitment shares of the Company's Class A Common Stock valued at \$26,500. The Company received \$265,000 in cash from the issuance and paid issuance fees of \$20,000. The note was issued with a \$26,500 original issue discount and a one-time interest amount of \$29,150 (10% of the original principal amount of \$291,500), which was recorded as additional debt discount. The note originally matured on January 7, 2026. The Company recorded finder's fees of \$37,100 payable in shares of the Company's Class A Common Stock as additional debt discount. The Company failed to file a Registration Statement on Form S-1 to register the shares pursuant to the conversion terms of the note within 45 days of the note's issuance, which constituted an Event of Default, with such default being waived until April 1, 2025. Accordingly, during the year ended December 31, 2025, the Company increased the principal amount of the note by \$169,953, which represented 150% of the outstanding principal and interest on the date of the default (the "default penalty"), and it recorded default interest at the rate of 16% per annum. The total interest expense on the note for the year ended December 31, 2025, which included the default penalty, default interest and amortization of debt discount, was \$331,071. During July 2025, the full \$461,453 principal balance of the note and \$51,018 of accrued interest were converted into 1,855,600 shares of the Company's Class A Common Stock.

Pursuant to the Securities Purchase Agreement discussed above, on March 6, 2025, the Company issued JSC a second convertible promissory note in the principal amount of \$133,650 and received cash proceeds of \$121,500 and it issued 3,598 commitment shares of the Company's Class A Common Stock valued at \$12,150. The note was issued with a \$12,650 original issue discount and a one-time interest amount of \$13,365 (10% of the original principal amount of \$133,650), which was recorded as additional debt discount. The note originally matured on March 6, 2026. The Company recorded finder's fees of \$17,010 payable in shares of the Company's common stock as additional debt discount. The Company failed to file a Registration Statement on Form S-1 to register the shares pursuant to the conversion terms of the note within 45 days of the note's issuance, which constituted an Event of Default. Accordingly, during the year ended December 31, 2025, the Company increased the principal amount of the note by \$78,019, which represented 150% of the outstanding principal and interest on the date of the default (the "default penalty"), and it recorded default interest at the rate of 16% per annum for the period June 20, 2025 to December 31, 2025. The total interest expense on the note for the year ended December 31, 2025, which included the default penalty, default interest and amortization of debt discount, was \$157,000. During the year ended December 31, 2025, \$86,000 of principal balance and \$4,000 of interest were converted into 53,327,174 shares of the Company's Class A Common Stock leaving a principal balance of \$125,669 and accrued interest of \$27,711 at December 31, 2025.

Securities Purchase Agreement with Vista Capital Investment, LLC

On February 27, 2025, the Company entered into a Securities Purchase Agreement with Vista Capital Investment, LLC, ("Vista Capital") pursuant to which the Company issued to Vista Capital a convertible promissory note in the principal amount of \$55,000 and received cash proceeds of \$50,000 and it agreed to issue 2,512 shares of its Class A Common Stock as inducement shares to Vista Capital. The note, which matured on November 27, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of \$5,500. The value of the 2,512 inducement shares of \$8,400 was recorded as an additional debt discount. In addition, the Company recorded finder's fees of \$7,700 payable in shares of the Company's Class A Common Stock as additional debt discount. During the year ended December 31, 2025, the Company made principal payments totaling \$41,250 and interest payment of \$4,125 leaving a principal balance of \$13,750 and accrued interest of \$1,375 at December 31, 2025.

Senior Notes Payable with Institutional Investors

On June 12, 2024, the Company entered into a Securities Purchase Agreement (the "SPA") with an institutional investor (the "Purchaser") pursuant to which it agreed to issue to the Purchaser and subsequent purchasers who will also be parties to the SPA (the Purchaser, together with the purchasers, the "Purchasers") Senior Notes in the aggregate principal amount of up to \$2.8 million (each a "Senior Note Payable" or, together, the "Senior Notes Payable"). On various dates during 2024, the purchasers purchased an aggregate of \$2,240,000 principal amount of the notes and the Company received net cash proceeds of \$2,000,000, resulting in original issue discounts of \$240,000. In addition, as required per the terms, the Company issued an aggregate of 55,716 shares of its Class A Common Stock during the year ended December 31, 2024 in connection with the Senior Notes Payable and recorded the value of the stock of \$255,014 and the original issue discounts of \$240,000 as interest expense during the year ended December 31, 2024. The Senior Notes Payable did not accrue any interest except in the event of default. During the year ended December 31, 2024, the Senior Notes Payable were converted into 2,464 shares of the Company's Series A Preferred Stock and the Company recorded deemed dividends of \$224,000, which represented the difference between the \$2,464,000 stated value of the 2,464 shares of the Company's Series A Preferred Stock and the \$2,240,000 principal balance of the Senior Notes Payable exchanged. The Series A Preferred Stock is more fully discussed in Note 13.

Promissory Notes Payable with Institutional Investors

On September 30, 2025, the Company issued two promissory notes to institutional investors. Each promissory note had a principal amount of \$300,000 for a total of \$600,000. The Company received aggregate net cash proceeds of \$500,000 after deducting original issue discounts totaling \$50,000 and \$50,000 for legal fees. The notes, which matured on November 30, 2025, were paid in full during the three months ended December 31, 2025.

Finder's Fee Agreement

Under the terms of a Finder's Fee Agreement dated October 9, 2023, the Company was obligated to pay the finder a cash fee equal to 3 to 7% of the gross proceeds received by the Company from the ClearThink notes payable issued prior to August 22, 2024, the April 28, 2024 LGH note payable and the April 30, 2024 IG note payable and to issue to the finder 5-year warrants to purchase shares of the Company's Class A Common Stock equal to 7% warrant coverage based on the gross proceeds received by the Company from third-party investors introduced to the Company by the finder with an exercise price per share equal to 110% of the gross proceeds (as defined in the Finder's Fee Agreement) or the public market closing price of the Company's Class A Common Stock on the date of the funding, whichever is lower, subject to anti-dilutive price protection and participating registration rights. As a result of the issuances of the ClearThink notes issued prior to August 22, 2024, the April 28, 2024 LGH note payable and the April 30, 2024 IG note payable, the Company was obligated to issue warrants as finder's fees. The warrants are more fully discussed in Note 13. The Finder's Fee Agreement was amended on August 22, 2024 as more fully discussed in Note 13.

See Note 20 for third-party promissory notes issued after December 31, 2025.

Notes and Loans Payable – Related Parties

At December 31, 2025 and 2024 notes and loans payable with related parties consisted of the following:

	December 31, 2025	December 31, 2024
Poole Note, dated September 19, 2023	\$ 247,233	\$ 247,233
Additional Poole Note	42,500	42,500
Sponsor loan with Mr. Poole	500,000	500,000
Note payable to RHI for the acquisition of Myrtle	264,565	264,565
Note payable to RHI in connection with the acquisition of Myrtle in the original principal amount of \$1,610,671	1,433,787	617,626
New RCHI Note for the acquisition of RCHI	1,000,000	1,000,000
Additional RCHI Note for the acquisition of RCHI	970,693	-
Loan payable to RHI for additional purchase price of RCHI	97,731	-
Loans payable to subsidiary of RHI	345,883	-
Total related parties' notes payable	4,902,392	2,671,924
Less current portion of related parties' notes and loans payable	(4,902,392)	(2,671,924)
Total related parties' notes and loans payable, net of current portion	\$ -	\$ -

Poole Note

On September 19, 2023, the Company obtained a \$0.2 million loan from Andrew J. Poole, a former director of the Company (the "Loan"), to be used to pay for directors' and officers' insurance through November 2023. The Company issued to Mr. Poole a demand promissory note for \$0.2 million evidencing the Loan (the "Poole Note"). The Poole Note does not bear interest. The Poole Note was due on demand, and in the absence of any demand, the Poole Note was to be due one year from the issuance date and is in default at December 31, 2025.

Additional Poole Note

On October 2, 2023, the Company obtained a \$42,500 loan from Mr. Poole, (the “Additional Poole Note”), that was used to pay for the legal fees of Mitchell Silberberg & Knupp LLP, a service provider (“MSK”, through October 2023. The Additional Poole Note accrues interest in arrears at a rate of 13.25% per annum. The Additional Poole Note was on demand, and in the absence of any demand, one year from the issuance date. During the years ended December 31, 2025 and 2024, the Company recorded interest expense of \$5,616 and \$5,646, respectively on the Additional Poole Note.

Sponsor Loan with Mr. Poole

To finance transaction costs in connection with a business combination effective on September 15, 2022, Mr. Poole loaned Delwinds (a predecessor of the Company) funds for working capital.

Note Payable to RHI for the Acquisition of Myrtle

Pursuant to the acquisition of Myrtle as more fully discussed in Note 5, the Company issued a non-interest bearing note payable to RHI in the amount of \$0.3 million. The note is due on demand.

Note Payable to RHI In Connection with Myrtle Acquisition

The note payable to RHI dated June 13, 2024, in the original principal amount of \$1.6 million represented amounts owed by Myrtle to RHI at the time of the acquisition of Myrtle. The acquisition is more fully discussed in Note 5. The note is non-interest bearing, except if not paid by the maturity date of December 31, 2024, in which case the note bears interest at 18% per annum. The note may be increased for any subsequent borrowings made by Myrtle from RHI. During the year ended December 31, 2025, the Company borrowed a net of \$1.0 million under the note and during the year ended December 31, 2024, the Company repaid a net of \$1.0 million of the note. In addition, in December 2025, the Company issued RHI 8,000 shares of its Series E Preferred Stock with a stated value of \$200,000, or \$25 per share, as more fully discussed in Note 13, leaving a principal balance of \$1.4 million and \$0.6 million on December 31, 2025 and 2024, respectively. At December 31, 2025, the note is in default. No default interest has been accrued on the note as of December 31, 2025.

RCHI Note, New RCHI Note, Additional RCHI Note and Loan Payable for Additional Purchase Price Issued In Connection with the RCHI Acquisition

In connection with the acquisition of RCHI, which is more fully discussed in Note 5, RCHI issued the RCHI Note to RHI, the terms of which are more fully discussed in Notes 5 and 10. As discussed in Notes 5 and 13, on December 5, 2024, \$21.0 million of the principal balance of the RCHI Note was exchanged for \$21.0 million of stated value of the Company’s Series A Preferred Stock and RCHI issued to RHI the New RCHI Note in the principal balance of \$1.0 million. The New RCHI Note matured on June 5, 2025 and accrued interest on any outstanding principal amount at an interest rate of 8% per annum. After maturity, the default interest rate is 20% per annum until the New RCHI Note is paid in full. The New RCHI Note requires principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI. Payments will be one month in arrears. The New RCHI Note is required to be reduced by payment of 25% of any net proceeds from equity capital raised by the Company. The New RCHI Note is secured by the assets of RCHI and SCCH and guaranteed by the Company and SCCH under the Guaranty Agreement and Security Agreement, respectively.

During the years ended December 31, 2025 and 2024, the Company recorded a total of \$0.2 million and \$0.9 million, respectively, of interest expense on the notes. As of December 31, 2025, the Company owes RHI a total of \$1.1 million of accrued interest on the RCHI Note and the New RCHI Note. As of December 31, 2025, the New RCHI Note remains in default.

On June 30, 2025, the Company issued the Additional RCHI Note in the principal amount of \$5.8 million as additional consideration payable for the acquisition of RCHI and in the last half of 2025, an additional considerable payable for the acquisition of RCHI of \$133,209 was added to the principal amount of the Additional Note, as more fully discussed in Note 5. On August 18, 2025, RHI exchanged \$5.0 million of the principal balance of the Additional RCHI Note for 5,000 shares of the Company’s Series A Preferred Stock, leaving a principal balance of the Additional Note of \$1.0 million at December 31, 2025. The terms of the Series A Preferred Stock are more fully discussed in Note 13. The Additional RCHI Note does not bear interest and has a maturity date of June 30, 2026. As more fully discussed in Note 5, in the fourth quarter of 2025, the Company settled an additional \$0.1 million of qualifying debt and other liabilities in connection with the acquisition of RCHI, which resulted in a loan payable to RHI for additional purchase price of RCHI. The loan is non-interest bearing and is due on demand.

Loans from Subsidiary of RHI

During the year ended December 31, 2025, the Company had three loans outstanding from a subsidiary of RHI with original principal balances aggregating to \$1.0 million and the Company received net cash proceeds of \$0.7 million, resulting in original issue discounts totaling \$0.3 million. During 2025, the Company repaid \$0.6 million of the loans and it recorded amortization of the original issue discounts during the year ended December 31, 2025 of \$0.2 million as interest expense. At December 31, 2025, two of the loans remained outstanding with a principal balance of \$0.3 million, which was net of unamortized discount of \$0.1 million.

Other Loans

At December 31, 2025, the Company had outstanding \$237,810 of other loans. During the year ended December 31, 2025, the Company entered into a loan under an accounts receivable sales agreement in the amount of \$0.4 million. The Company received cash of \$0.3 million as the loan was issued with a \$0.1 million discount. The Company repaid approximately \$0.2 million of the loan during year ended December 31, 2025, leaving a balance of \$201,757 at December 31, 2025. Loan payments of \$35,000 per week were due under the loan and all of the weekly payments have not been made as required and the loan is in payment default.

Also outstanding was a loan assumed in the acquisition of Vector consisting of a credit line with a balance of \$36,053 at December 31, 2025. The credit line is being repaid monthly. In addition, a second loan with a principal balance of \$18,476 was assumed in the acquisition of Vector and fully paid as of October 22, 2025.

Also, when the Company acquired RCHI on September 10, 2024 as more fully discussed in Note 5, it assumed four loans under accounts receivable sales agreements totaling \$0.5 million, one of which with a balance of approximately \$0.2 million was repaid in full in the fourth quarter of 2024. During the year ended December 31, 2025, the Company paid in full the remaining three loans totaling approximately \$0.3 million.

Note 11 RELATED PARTY TRANSACTIONS

At December 31, 2025 and December 31, 2024, related parties' payable and accrued expenses consisted of the following:

	December 31, 2025	December 31, 2024
Accounts payable to Andrew Poole	\$ 217,425	\$ 204,774
Accounts payable to InnovaQor	143,890	138,188
Accounts payable to RHI	33,670	-
Rent payable to a subsidiary of RHI	281,568	648,333
Accrued interest on related parties' notes payable (Note 10)	1,097,222	900,090
Director fees payable	225,000	50,000
Related parties' payables and accrued expenses	\$ 1,998,775	\$ 1,941,385

In addition to the transactions discussed in Notes 5, 10, 12, 13, 14 and 18, the Company had the following related party activity during the years ended December 31, 2025 and 2024:

Management, License and Maintenance Fees Under the KR8 Agreement

On October 29, 2023, the Company entered into a Letter Agreement with KR8 to develop a Direct-to-Consumer APP (iOS and Android) combining its AI Machine Learning technology to provide a commercial application of FOXO's epigenetic biomarker technology as a subscription consumer engagement platform. Effective January 12, 2024, the Letter Agreement was replaced with the Master Software and Services Agreement between the Licensor and the Company (the "KR8 Agreement"). The Company's Director, Mark White, and its former Interim CFO, Martin Ward, who has recently passed away, are/were each equity owners of the Licensor. Under the KR8 Agreement, the Licensor granted to the Company a limited, non-sublicensable, non-transferable perpetual license to use the "Licensor Products," which are listed in Exhibit A to the KR8 Agreement, to develop, launch and maintain license applications based upon the Company's epigenetic biomarker technology and software to develop an AI machine learning Epigenetic APP to enhance health, wellness and longevity. The territory of the KR8 Agreement is solely within the U.S., Canada and Mexico.

Under the KR8 Agreement, the Company agreed to pay to the Licensor an initial license and development fee of \$2.5 million, a monthly maintenance fee of \$50,000 and an ongoing royalty equal to 15% of “Subscriber Revenues,” as defined in the KR8 Agreement, in accordance with the terms and subject to the minimums set forth in the schedules of the KR8 Agreement. The Company agreed to reimburse the Licensor for all reasonable travel and out-of-pocket expenses incurred in connection with the performance of the services under the KR8 Agreement, in addition to payment of any applicable hourly rates. If the Company failed to timely pay the “Minimum Royalty,” as defined in the KR8 Agreement, due with respect to any calendar year, the License would become non-exclusive. (Payments of certain of these amounts in cash were restricted by the terms of a legal settlement agreement, which is more fully discussed in Note 18 under the heading, “*Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes.*”)

The Company could terminate the KR8 Agreement at any time upon 90 days’ notice to the Licensor provided that, as a condition to such termination, the Company immediately ceases using any Licensor Products. The Licensor could terminate the KR8 Agreement at any time upon 30 days’ notice to the Company if the Company failed to pay any portion of the “Initial License Fee,” as defined in the KR8 Agreement.

During the year ended December 31, 2024, under the terms of the KR8 Agreement, the Company issued 65,327 shares of its Class A Common Stock to the Licensor valued at \$0.4 million and it accrued \$2.1 million for the initial license and development fee. During the year ended December 31, 2024, the Company recorded \$0.5 million for maintenance fees under the KR8 Agreement and \$0.3 million of minimum royalties. As of December 5, 2024, the Company had a total of \$3.0 million accrued for the initial license and development fees, minimum royalties, maintenance fees, management fees and reimbursable expenses under the KR8 Agreement.

On December 6, 2024, the Company entered into a termination agreement (the “KR8 Termination Agreement”) with KR8 pursuant to which 3,000 shares of the Company’s Series D Cumulative Convertible Redeemable Preferred Stock (the “Series D Preferred Stock”) with a stated value of \$1,000 per share were issued to KR8 as full and final satisfaction of the \$3.0 million owed to KR8 and the KR8 Agreement was terminated. The 3,000 shares of Series D Preferred Stock issued also satisfied \$0.1 million owed to Mr. White under the Services Agreement discussed below. Effective December 6, 2025, the Company and KR8 entered into Amendment No. 1 to the KR8 Termination Agreement, which clarified that the KR8 Termination Agreement did not terminate the use of the Licensor Products. Certain rights of the License agreement were retained and assigned to the Company’s wholly owned subsidiary, FOXO Labs, Inc., that will develop and operate the business associated with epigenetics. The Series D Preferred Stock is more fully discussed in Note 13.

Services Agreement with Former Interim CEO

On July 25, 2024, the Company entered into a new Services Agreement with Mr. White that superseded the interim employment agreement (the “Services Agreement”). The initial term of the Services Agreement was until July 31, 2026. Pursuant to the Services Agreement, Mr. White was entitled to monthly fees of \$30,000, which could be converted into equity at the option of both Mr. White and the Company. Mr. White was entitled to full and prompt reimbursement of all expenses incurred in connection with his service as an officer of the Company and a monthly reimbursement for the cost of leasing and insuring a vehicle with a fair market value not to exceed \$80,000. No later than 30 days after the date of the Services Agreement, Mr. White was to be issued 2,000 shares of the Company’s Series A Preferred Stock. Issuance of the 2,000 shares of the Company’s Series A Preferred to Mr. White was delayed as the issuance required shareholder approval.

On December 5, 2024, the Company entered into a Termination of Employment, Settlement and Mutual Release Agreement (the “White Termination Agreement”) pursuant to which the Services Agreement was terminated. The agreement provided for the following:

- Payment of \$100,000 to Mr. White at signing;
- Appointment of Mr. White as sole director and Chief Executive Officer of FOXO Labs; a wholly owned subsidiary of the Company and execution of an employment agreement between Mr. White and FOXO Labs providing a base salary of \$120,000 per year and payment of a car lease for a minimum of three years up to \$1,750 monthly.
- The issuance to Mr. White of a promissory note by the Company in the principal amount of \$500,000 maturing on January 2, 2025, which was satisfied in full upon the payment of \$250,000 in December 2024.

Pursuant to the White Termination Agreement, during the year ended December 31, 2025, the Company paid \$20,748 for a car lease and it incurred \$120,000 of compensation expense.

Appointment of Officer and Members of the Board of Directors in Connection with the Acquisition of RCHI

In connection with the acquisition of RCHI, on September 10, 2024, Mr. Seamus Lagan, a member of the board of directors and the Chief Executive Officer and Interim Chief Financial Officer of RHI, and Mr. Trevor Langley, a member of the board of directors of RHI, were appointed to the Company's board of directors. On December 5, 2024, Mr. Lagan was appointed the Company's Chief Executive Officer. On March 12, 2025, Mr. Langley became Chairman of the Company's Board of Directors, replacing Brett Barnes who remains an independent member of the Board.

Health Information Technology Provided By InnovaQor

RCHI and SCCH contracted with InnovaQor to provide ongoing information technology-related services totaling approximately \$0.3 million and \$0.1 million, respectively, during the years ended December 31, 2025 and 2024, and they owed InnovaQor \$0.1 million and \$0.1 million at December 31, 2025 and 2024, respectively. RHI holds preferred stock in InnovaQor and Mr. Lagan is the controlling shareholder of InnovaQor.

Software Development Agreement with InnovaQor

In July 2025, Myrtle entered into an agreement with InnovaQor to develop a behavioral health patient engagement mobile application with a cost of \$0.1 million, which is currently under construction as reflected in Note 8.

Rent and Utilities Owed to RHI and A Subsidiary of RHI Under Facility Leases

As of December 31, 2025 and 2024, SCCH and Myrtle owed \$0.3 million and \$0.6 million, respectively, to a subsidiary of RHI for rent under facility leases that are more fully discussed in Note 12.

During the year ended December 31, 2025, the Company incurred \$0.2 million for rent and utilities associated with its corporate offices and RHI was owed \$33,670 for the rent and utilities at December 31, 2025. The Company shares office facilities with RHI and the rent stems from a lease between RHI and a third party.

Note 12 RIGHT-OF-USE LEASE ASSETS AND OBLIGATIONS

Lease Agreements Between Myrtle and RHI and SCCH and RHI

Myrtle entered into a lease agreement with a subsidiary of RHI under which Myrtle agreed to lease facilities at BSF's campus beginning June 14, 2024. The lease is for a term of one year with five annual options to renew for an additional year with an initial monthly base rental amount of \$35,000 and annual rent increases equal to the greater of 3% and the consumer price index. As of June 14, 2025, the Company renewed the lease for an additional year and, accordingly, the monthly base rental amount has been increased to \$36,050.

On June 1, 2024, SCCH entered into a "triple net" lease agreement with a subsidiary of RHI under which SCCH agreed to lease the BSF hospital facilities. The lease is for a term of one year with five annual options to renew for an additional year with an initial monthly base rental amount of \$65,000 and annual rent increases equal to the greater of 3% and the consumer price index. As of June 1, 2025, the Company renewed the lease for an additional year and, accordingly, the monthly base rental amount has been increased to \$66,950.

The Company has waived payment defaults on these facility leases through June 30, 2026.

Also, included in the table below is a motor vehicle leased by Vector.

For operating leases with terms greater than 12 months, including annual options that are expected to be renewed, the Company records the related right-of-use assets and right-of-use obligations at the present value of lease payments over the terms.

The Company uses an estimated borrowing interest rate at lease commencement as its interest rate, as its operating leases do not provide a readily determinable implicit interest rate.

The following table presents the Company's lease-related assets and obligations at December 31, 2025 and December 31, 2024:

	<u>Balance Sheet Classification</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Assets:			
Operating leases	Right-of-use lease assets	\$ 3,548,623	\$ 3,982,820
Liabilities:			
Current:			
Operating leases	Right-of-use lease obligations	\$ 499,351	\$ 367,474
Noncurrent:			
Operating leases	Right-of-use lease obligations, noncurrent	3,174,549	3,667,553
Total right-of-use lease obligations		\$ 3,673,900	\$ 4,035,027
Weighted average remaining term of operating leases, including option periods expected to renew		4.50 years	5.50 years
Discount rate		22.0%	22.0%

The following table presents certain information related to lease expense for the right-of-use operating leases for the years ended December 31, 2025 and 2024:

	<u>Year Ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
Right-of-use operating leases amortization ⁽¹⁾	\$ 443,109	\$ 157,796
Right-of-use operating leases interest expense ⁽¹⁾	\$ 853,247	-
Right-of-use operating leases interest expense ⁽²⁾	\$ -	\$ 352,562

(1) Expense is included in selling, general and administrative expenses in the consolidated statement of operations.

(2) Expense is included in interest expense in the consolidated statements of operations.

The following table presents supplemental cash flow information for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Operating cash flows for right-of-use operating leases	\$ 1,587,780	\$ -

Aggregate future minimum lease payments under right-of-use operating leases are as follows:

	Right-of-Use Operating Leases
Twelve months ending:	
December 31, 2026	\$ 1,257,165
December 31, 2027	1,294,877
December 31, 2028	1,333,721
December 31, 2029	1,373,735
December 31, 2030	579,637
Thereafter	-
Total	5,839,135
Less interest	(2,165,235)
Present value of minimum lease payments	3,673,900
Less current portion of right-of-use lease obligations	(499,351)
Right-of-use lease obligations, net of current portion	\$ 3,174,549

Note 13 STOCKHOLDERS' EQUITY

Authorized Capital

At December 31, 2025, the Company's authorized shares of all capital stock, par value \$0.0001 per share, of 2,510,000,000 shares, consisting of (i) 10,000,000 shares of preferred stock and (ii) 2,500,000,000 shares of Class A Common Stock. On September 10, 2025, the Company's shareholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation, to increase the authorized shares of Class A Common Stock to 2,500,000,000. Effective October 22, 2025, the Company filed an amendment to its Amended and Restated Certificate of Incorporation to increase the authorized shares of Class A Common Stock to 2,500,000,000. As a result of voting rights in the Series A Preferred Stock, ownership of Series A Preferred Stock by RHI and irrevocable proxies entered into on February 3, 2025 and May 8, 2025, between RHI and holders of the Company's Series A Preferred Stock, RHI has the ability to increase the number of authorized shares of the Company's Class A Common Stock in its sole and absolute discretion. Therefore, the Company is confident that, through RHI (Mr. Lagan, is the CEO of both the Company and RHI), it has the ability to ensure that it has and/or can obtain sufficient authorized shares of its Class A Common Stock to cover all potentially dilutive common shares outstanding.

Subsequent to December 31, 2025, the Company increased its authorized shares of Class A Common Stock to 10 billion as more fully discussed in Note 20.

Preferred Stock

The Amended and Restated Certificate of Incorporation authorizes the Company to issue 10,000,000 shares of preferred stock with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. As of December 31, 2025, the Company had outstanding shares of preferred stock consisting of 19,341 shares of its Series A Preferred Stock, 3,245 shares of its Series B Preferred Stock, 304 shares of its Series C Cumulative Convertible Redeemable Preferred Stock (the "Series C Preferred Stock"), 4,312 shares of its Series D Preferred Stock and 68,000 shares of its Series E Preferred Stock. The Company's outstanding shares of preferred stock do not contain mandatory redemption or other features that would require them to be presented on the balance sheet outside of equity and, therefore, they qualify for equity accounting treatment.

Series A Preferred Stock

On December 31, 2024, the Company had outstanding 22,540 shares of its Series A Preferred Stock, which consisted 21,000 shares with a stated value of \$21.0 million that were exchanged for \$21.0 million of the principal balance of the RCHI Note, which is more fully discussed in Notes 5 and 10, 2,464 shares with a stated value of \$2,464,000 that were exchanged for an aggregated of \$2,240,000 of Senior Notes Payable held by the Purchasers as more fully discussed in Note 10, reduced by conversions of 924 shares of the Series A Preferred Stock by the Purchasers into 179,563 shares of the Company's Class A Common Stock. During the year ended December 31, 2024, the Company recorded a \$0.2 million loss from extinguishment of debt from the issuances of the Series A Preferred Stock, which represented the difference between the \$2,464,000 stated value of the Series A Preferred Stock issued to the Purchasers and the \$2,240,000 principal balance of the Senior Notes Payable exchanged.

On December 31, 2025, the Company had outstanding 19,341 shares of its Series A Preferred Stock. During the year ended December 31, 2025, the Company issued 3,400 shares of its Series A Preferred Stock to an investor for gross proceeds of \$3.35 million and it incurred issuance costs of \$350,000, resulting in a deemed dividend of \$50,000 as a result of the difference between the stated value of the 3,400 shares issued and the gross proceeds received. Also, during the year ended December 31, 2025, the Company issued 5,000 shares of its Series A Preferred Stock to RHI in connection with the acquisition of RCHI as more fully discussed in Note 5. During the year ended December 31, 2025, the Company issued 1.9 billion shares of its Class A Common Stock to investors upon conversions of 11,599 shares of its Series A Preferred Stock with stated values totaling \$11.6 million.

During the years ended December 31, 2025 and 2024, the Company recorded \$0.7 million and \$0.1 million, respectively, of undeclared dividends on its Series A Preferred Stock and the total accumulated undeclared dividends were \$0.8 million as of December 31, 2025. The total stated value and accumulated undeclared dividends of the Series A Preferred Stock at December 31, 2025, of \$20.1 million, were convertible into approximately 201.1 billion shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share. In addition, during the year ended December 31, 2025, the Company recorded a deemed dividend of \$12.3 million resulting from an amendment to the floor price of the Series A Preferred Stock from \$0.01 per share to \$0.0001 per share. The amended terms of the Series A Preferred Stock are more fully discussed in the paragraph below.

Series A Preferred Stock Designation

On October 16, 2024, the Company's board of directors approved the designation of 35,000 shares of Series A Preferred Stock and, on September 22, 2025, the Company filed an Amended and Restated Certificate of Designation to increase the authorized shares of Series A Preferred Stock from 35,000 shares to 50,000 shares and revised other terms, including a revision to the floor price during 2025, as reflected below. Each share of Series A Preferred Stock shall have a par value of \$0.0001 per share and a stated value equal to \$1,000 per share. Terms of the Series A Preferred Stock, as amended, include: (i) dividends at 5% per annum, (ii) voting rights, which include voting as one class with the common stockholders and the holder shall be entitled to cast that number of votes determined by dividing the stated value per share by \$0.0001 and (iii) conversion into shares of the Company's Class A Common Stock at the higher of \$0.0001 per share (such dollar amount not adjusted for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions) or 90% of the average VWAP for the five trading days prior to the date of the conversion notice and to allow cash dividends to be paid to holders to the Company's Series E Preferred Stock, among other terms.

Series B Preferred Stock

On December 31, 2024, no shares of Series B Preferred Stock were outstanding. On January 22, 2025, the Company issued 3,457.5 shares of its Series B Preferred Stock under the automatic exchange of its Senior PIK Notes, as more fully discussed in Note 10. The Company recorded a finder's fee of \$175,000 in connection with the automatic exchange. Finder's fee agreements are more fully discussed below. During the year December 31, 2025, four holders of Series B Preferred Stock exchanged at total of 212.5 shares of their Series B Preferred Stock for 318.75 shares of Series C Preferred Stock, as more fully discussed below, leaving a balance of 3,245.0 shares of Series B Preferred Stock outstanding on December 31, 2025. During the year ended December 31, 2025, the Company recorded \$0.2 million of undeclared dividends on its Series B Preferred Stock. The total stated value and the accumulated undeclared dividends of the Series B Preferred Stock at December 31, 2025, of \$3.4 million, were convertible into approximately 34 billion shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share. In addition, during the year ended December 31, 2025, the Company recorded a deemed dividend of \$3.8 million resulting from an amendment to the floor price of the Series A Preferred Stock from \$0.995 per share to \$0.0001 per share. The amended terms of the Series B Preferred Stock are more fully discussed in the paragraph below.

Series B Preferred Stock Designation

On November 27, 2024, the Company authorized up to 7,500 shares of its Series B Preferred Stock. Each share of Series B Preferred Stock shall have a par value of \$0.0001 per share and a stated value equal to \$1,000 per share. Terms of the Series B Preferred Stock include: (i) dividends at 5% per annum, (ii) voting rights, which include voting as one class with the common stockholders, (iii) conversion into shares of the Company's Class A Common Stock at the higher of \$0.0001 per share or 90% of the average VWAP for the five trading days prior to the date of the conversion notice and (iv) no conversions prior to the first anniversary of the original issue date, among other terms.

Series C Preferred Stock

During the year ended December 31, 2024, the Company issued 120 shares of its Series C Preferred Stock with a stated value of \$1,000 per share to an investor for a cash payment of \$100,000 and it paid issuance costs of \$10,075. The Company recorded a \$20,000 deemed dividend for the issuance, which represented the difference between the \$120,000 stated value of the Series C Preferred Stock and the cash received.

During the year ended December 31, 2025, the Company issued 135 shares of its Series C Preferred Stock with a stated value of \$1,000 per share to three investors for gross proceeds of \$112,500, issuances costs of \$11,625 and it recorded deemed dividends of \$22,500 from the issuances. Per the terms of these issuances and the issuance of 120 shares to an investor discussed above, these investors, who were also holders of Series B Preferred Stock, could exchange their Series B Preferred Stock for shares of Series C Preferred Stock at a premium. The four investors elected to make the exchange. As a result, during the year ended December 31, 2025, the Company exchanged 212.5 shares of its Series B Preferred Stock for 318.75 shares of its Series C Preferred Stock. During the year ended December 31, 2025, the Company recorded deemed dividends of \$106,250 for the issuances, which represented the difference between the \$318,750 stated value of the Series C Preferred Stock issued and the \$212,500 stated value of the Series B Preferred Stock exchanged. During the year ended December 31, 2025, the Company issued 2,535,879 shares of its Class A Common Stock to investors upon conversions of 270 shares of its Series C Preferred Stock with stated values totaling \$0.3 million and it issued 67,114 shares of its Class A Common Stock as payment for \$6,750 of Series C Preferred Stock Dividends.

During the years ended December 31, 2025 and 2024, the Company recorded \$10,547 and \$317, respectively, of undeclared dividends on its Series C Preferred Stock and the total accumulated undeclared dividends were \$10,547 as of December 31, 2025. As a result of the anti-dilution provisions of the Series C Preferred Stock, during the year ended December 31, 2025, the Company recorded additional deemed dividends of \$39,381, and the total stated value and the accumulated undeclared dividends of the Series C Preferred Stock at December 31, 2025, of \$0.3 million, were convertible into approximately 3.1 billion shares of the Company's Class A Common Stock at an assumed conversion price ranging of \$0.0001 per share. During the year ended December 31, 2025, the Company amended the floor price of the Series C Preferred Stock, which had previously been reduced due to anti-dilution adjustments, to \$0.0001 per share, which did not result in a deemed dividend. The amended terms of the Series C Preferred Stock are more fully discussed in the paragraph below.

Series C Preferred Stock Designation

On November 27, 2024, the Company authorized up to 5,000 shares of its Series C Preferred Stock. Each share of Series C Preferred Stock shall have a par value of \$0.0001 per share and a stated value equal to \$1,000 per share. Terms of the Series C Preferred Stock, as amended during 2025, include: (i) dividends at 5% per annum, (ii) voting rights, which include voting as one class with the common stockholders and each share of Series C Preferred Stock shall have one vote, (iii) conversion into shares of the Company's Class A Common Stock at the higher of \$0.0001 per share or 90% of the average VWAP for the five trading days prior to the date of the conversion notice, (iv) no conversions prior to the first six months of the original issue date or until a registration statement registering the underlying shares of common stock is declared effective, among other terms.

Series D Preferred Stock

During December 2024, the Company issued 4,312 shares of its Series D Preferred Stock with a stated value of \$1,000 per share of which 3,000 shares were issued to KR8 pursuant to the terms of the KR8 Termination Agreement, as more fully discussed in Note 11 and 1,312 shares were issued to MSK under the terms of a Shares for Services Agreement wherein MSK exchanged \$1.1 million of accrued legal expenses for \$1.3 million of stated value of Series D Preferred Stock. The Company recorded a \$0.2 million loss from extinguishment of debt on the issuance of the shares to MSK during the year ended December 31, 2024. The total stated value of the Series D Preferred Stock at December 31, 2025, of \$4.3 million, were convertible into approximately 43.1 billion shares of the Company's Class A Common Stock at an assumed conversion price of \$0.0001 per share.

During the year ended December 31, 2025, the Company recorded a deemed dividend of \$5.2 million resulting from an amendment to the floor price of the Series D Preferred Stock from \$0.597 per share to \$0.0001 per share. The amended terms of the Series D Preferred Stock are more fully discussed in the paragraph below.

Series D Preferred Stock Designation

On December 6, 2024, the Company authorized up to 10,000 shares of its Series D Preferred Stock. Each share of Series D Preferred Stock shall have a par value of \$0.0001 per share and a stated value equal to \$1,000 per share. Terms of the Series C Preferred Stock, as amended during 2025, include: (i) no dividends, (ii) no voting rights, except as in regards to any changes related to the Series D Preferred Stock, and (iii) conversion into shares of the Company's Class A Common Stock at the higher of \$0.0001 per share or 90% of the average VWAP for the five trading days prior to the date of the conversion notice, among other terms.

Series E Preferred Stock

On September 19, 2025, the Company issued 60,000 shares of its Series E Preferred Stock with a stated value of \$25 per share, or \$1.5 million in total, to the Sellers for the acquisition of Vector, which is more fully discussed in Note 5. In addition, on February 6, 2026, the Company entered into a Series E Preferred Stock Exchange Agreement effective December 31, 2025 with RHI pursuant to which and in full satisfaction and extinguishment of \$200,000 in aggregate previously advanced amounts made by RHI during the period from December 4, 2025 to December 10, 2025 under the terms of the note payable to RHI in connection with the acquisition of Myrtle, as more fully discussed in Note 10, the Company issued to RHI 8,000 shares of its Series E Preferred Stock with a stated value of \$200,000. Accordingly, at December 31, 2025, the Company had outstanding 68,000 shares of its Series E Preferred Stock with a total stated value of \$1.7 million.

Series E Preferred Stock Designation

On June 25, 2025, the Company, filed an amendment to the Company's Certificate of Incorporation in the form of a Certificate of Designation that authorized for issuance of up to 4,000,000 shares of a new series of Preferred Stock, par value \$0.0001 per share, stated value of \$25 per share, which are designated as the Series E Preferred Stock and it established the rights, preferences and limitations thereof. Terms of the Series E Preferred Stock include (i) cash dividends at 2.5% per annum and stock dividends at 5% per annum payable if and when declared, (ii) no voting rights, and (iii) no conversion provisions, among other terms.

The following table summarizes the activity in the Company's classes of preferred stock included in Stockholders' Equity for the years ended December 31, 2025 and 2024:

	Series A		Series B		Series C		Series D		Series E		Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance December 31, 2024	22,540	\$ 2.25	-	\$ -	120	\$ 0.01	4,312	\$ 0.43	-	\$ -	26,972	\$ 2.70
Conversions of Series A Preferred Stock into Class A Common Stock	(11,599)	(1.16)	-	-	-	-	-	-	-	-	(11,599)	(1.16)
Issuances of Series A Preferred Stock, for cash investments	3,400	0.34	-	-	-	-	-	-	-	-	3,400	0.34
Issuances of Series B Preferred Stock in exchange for Senior PIK Notes	-	-	3,458	0.35	-	-	-	-	-	-	3,458	0.35
Issuances of Series E Preferred Stock for Vector Acquisition	-	-	-	-	-	-	-	-	60,000	6	60,000	6.00
Exchange of Series B Preferred Stock for Series C Preferred Stock	-	-	(213)	(0)	285	-	-	-	-	-	72	0.01
Conversions of Series C Preferred Stock into Class A Common Stock	-	-	-	-	(270)	(0.03)	-	-	-	-	(270)	(0.03)
Issuances of Series C Preferred Stock, for cash investments	-	-	-	-	169	0.02	-	-	-	-	169	0.02
Issuance of Series A Preferred Stock in exchange for RHI promissory note	5,000	0.50	-	-	-	-	-	-	-	-	5,000	0.50
Issuance of Series E Preferred Stock in exchange for RHI promissory note	-	-	-	-	-	-	-	-	8,000	1	8,000	0.80
Balance December 31, 2025	19,341	(0.32)	3,245	\$ 0.32	304	\$ 0.00	4,312	0.43	68,000	\$ 7	95,202	\$ 9.52

	Series A		Series B		Series C		Series D		Series E		Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance December 31, 2023	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Issuance of Series A Preferred Stock in exchange for RCHI Note	21,000	2.10	-	-	-	-	-	-	-	-	21,000	2.10
Issuance of Series A Preferred Stock in exchange for Senior Notes Payable	2,464	0.25	-	-	-	-	-	-	-	-	2,464	0.25
Conversions of Series A Preferred Stock into Class A Common Stock	(924)	(0.09)	-	-	-	-	-	-	-	-	(924)	(0.09)
Issuance of Series C Preferred Stock for cash investment	-	-	-	-	120	0.01	-	-	-	-	120	0.01
Issuance of Series D Preferred Stock under KR8 Termination Agreement	-	-	-	-	-	-	3,000	0.30	-	-	3,000	0.30
Issuance of Series D Preferred Stock to MSK under Shares for Services Agreement	-	-	-	-	-	-	1,312	0.13	-	-	1,312	0.13
Balance December 31, 2024	22,540	2.25	-	\$ -	120	\$ 0.01	4,312	0.43	-	\$ -	26,972	\$ 2.70

Class A Common Stock

As of December 31, 2025 and 2024, there were 2,495,660,151 and 1,183,942 shares of the Company's Class A Common Stock issued and outstanding, respectively.

Common Stock Issued to KR8 under KR8 Agreement

During the year ended December 31, 2024, the Company issued 65,327 shares of its Class A Common Stock pursuant to the KR8 Agreement, which is more fully discussed in Note 11.

October 13, 2023 Strata Purchase Agreement

On October 13, 2023, the Company entered into a Strata Purchase Agreement (the “Strata Purchase Agreement”) with ClearThink, as supplemented by that certain Supplement to Strata Purchase Agreement, dated as of October 13, 2023, by and between the Company and ClearThink. Pursuant to the Strata Purchase Agreement, after the satisfaction of certain commencement conditions, including, without limitation, the effectiveness of the Registration Statement, ClearThink has agreed to purchase from the Company, from time to time upon delivery by the Company to ClearThink of request notices, and subject to the other terms and conditions set forth in the Strata Purchase Agreement, up to an aggregate of \$2.0 million of the Company’s Class A Common Stock. On August 13, 2024, the Company entered into Amendment No. 1 to the Strata Purchase Agreement pursuant to which the commitment amount was increased from \$2.0 million to \$5.0 million.

On May 15, 2025, the Company amended and restated the Strata Purchase Agreement to extend the maturity date to June 30, 2026 and amend the Purchase Price to define the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period.

No shares of the Company’s Class A Common Stock were issued under the terms of the Strata Purchase Agreement, as amended and restated, during the years ended December 31, 2025 and 2024.

Common Stock Issued to MSK Under Shares for Services Agreement

On September 19, 2023, the Company entered into a Shares for Services Agreement with Mitchell Silberberg & Knupp LLP, a service provider (“MSK”). Pursuant to the Shares for Services Agreement, during year ended December 31, 2024, the Company issued MSK 25,680 shares of its Class A Common Stock in full satisfaction of its obligation to MSK under the Shares for Services Agreement.

Common Stock Issued Under Corporate Development Advisory Agreements

On March 5, 2024, the Company issued 22,613 shares of its Class A Common Stock to Tysadco Partners valued at \$153,000 under the Corporate Development Advisory Agreement dated effective February 26, 2024. Under the agreement, Tysadco Partners provided strategic, financing, capital structure and other guidance and expertise to the Company’s management.

The Company entered into the Corporate Development Advisory Agreement with C L Talent Inc. (“C. L. Talent”), (the “Talent Agreement”) commencing July 17, 2024 and for a term of 12 months. Per the Talent Agreement, C. L. Talent provided counsel and informed designated officers and employees of FOXO about the health, wellness and social media businesses in which the Company is engaged, competitors, business opportunities, talent engagement and other aspects of or concerning FOXO’s business. Pursuant to the Talent Agreement, the Company issued C. L. Talent 75,377 shares of its Class A Common Stock valued at \$0.4 million as compensation for its services.

Common Stock Issued/Issuable in Connection with Notes Payable

During the year ended December 31, 2025, the Company issued 535,967,631 shares of its Class A Common Stock for conversions, exchanges and inducements of \$3.1 million of promissory notes payable and related accrued interest and as of December 31, 2025, it has agreed to issue an additional 21,985 shares of its common stock as inducements and commitment shares under the terms of promissory notes. During the year ended December 31, 2024, the Company issued 202,994 shares of its common stock in connection with conversions, exchanges, amendments and inducements of \$1.5 million of promissory notes payable and accrued interest. The value of the shares issued and issuable under the terms of and conversions and exchanges of promissory notes are more fully discussed in Note 10.

Common Stock Issued to Smithline

During the year ended December 31, 2025 and 2024, the Company issued 2,426,031 shares and 162,762 shares of its Class A Common Stock, respectively, in connection with a legal settlement, which is more fully discussed in Note 18 under the heading, “*Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes.*”

Common Stock Issued to RHI

On July 17, 2024, the Company issued 51,439 shares of its Class A Common Stock to RHI for the acquisition of Myrtle, which is more fully discussed in Note 5.

Common Stock Issued to J.H. Darbie & Co., Inc.

During the year ended December 31, 2025, the Company issued 38,389 shares of its Class A Common Stock to J.H. Darbie & Co., Inc. (“J.H. Darbie”) for advisory services and private placement engagement as follows:

Advisory Services

On July 25, 2024, FOXO entered into the advisory agreement with J.H. Darbie pursuant to which J.H. Darbie was engaged as nonexclusive financial adviser. The term of the agreement was six months. As compensation for the services performed under the agreement, the Company issued J.H. Darbie 31,407 shares of its Class A Common Stock effective January 13, 2025.

Private Placement Engagement

On July 25, 2024, FOXO engaged J.H. Darbie, on an exclusive basis, to provide services in connection with private placements (the “Engagement”). The term of the Engagement was 120 days, subject to early termination provisions in the Engagement. Under the Engagement, J.H. Darbie has a right of first refusal for all financing, cash, common stock or convertible securities, debt or equity, for six months after the termination of the Engagement. As compensation for the services performed under the Engagement, the Company issued to J. H. Darbie 6,982 shares of its Class A Common Stock effective in January 2025. As additional compensation for the services to be rendered by J.H. Darbie under the Engagement, FOXO agreed to (i) pay a cash fee to J.H. Darbie equal to 3% of the principal amount of the securities to be exchanged and 5% of gross proceeds raised from the sale of the securities to customers of J.H. Darbie; and (ii) issue to J.H. Darbie warrants to purchase a number of shares of the Company’s Class A Common Stock equal to the cash fee.

On November 7, 2024, FOXO and J.H. Darbie entered into an amendment to the Engagement pursuant to which the compensation for the services to be rendered by J.H. Darbie was revised to a cash fee equal to \$175,000 for advising, 10% of gross proceeds raised from the sale of the securities to customers of J.H. Darbie, and common stock equal to 5% of the cash fee. The common stock issued will have piggyback rights and be priced at the closing price the date the offering closes. Again, on November 22, 2024, FOXO and J.H. Darbie entered into an amendment to the Engagement pursuant to which the scope of the engagement was revised to an exchange of debt from existing lenders of FOXO to equity. Therefore, during the year ended December 31, 2025, the Company accrued a cash fee of \$175,000 in connection with the issuance of its Series B Preferred Stock in exchange for the Senior PIK Notes as more fully discussed above and in Note 10. During the year ended December 31, 2025, 798 shares were issued to J.H. Darbie under this Engagement.

Finder’s Fee Agreement

On October 9, 2023, the Company entered into the Finder’s Agreement, by and between the Company and the finder. Pursuant to the Finder’s Agreement the Company agreed to pay the Finder a cash fee equal to 4% of the gross proceeds received by the Company from the equity transactions contemplated by the Second Strata Purchase Agreement. The Company also agreed to issue to the finder a 5-year warrant to purchase shares of the Company’s Class A Common Stock equal to 1% warrant coverage based on the amount raised from the equity transactions with an exercise price per share equal to 110% of the transaction (as defined in the Finder Agreement) or the public market closing price of the Company’s Common Stock on the date of the transaction, whichever is lower, subject to anti-dilutive price protection and participating registration rights. In addition, under the Finder Agreement, the Company was obligated to pay the finder a 3% to 7% cash fees and 7% warrant coverage based on the gross cash proceeds from the issuances of the certain promissory notes payable as more fully discussed in Note 10.

Finder’s Warrants Amendment to Finder’s Agreement

Pursuant to the terms of the Finder’s Agreement, discussed above, and in connection with a private placement of the Company’s Class A Common Stock under the Strata Purchase Agreement during the three months ended December 31, 2023, the Company issued or was obligated to issue to the Finder 1,291 warrants to acquire shares of the Company’s common stock under the terms of the Finder’s Agreement. The warrants had a five-year term and were exercisable into shares of the Company’s Class A Common Stock at a weighted average exercise price of \$26.35 per share. In addition, in connection with the issuances of the ClearThink Notes, the LGH Note Payable and IG Note Payable through August 22, 2024, which are more fully discussed in Note 10, the Company was obligated to issue 9,607 additional warrants to purchase shares of the Company’s common stock under the terms of the Finder’s Agreement. The additional warrants had a five-year term and were exercisable into shares of the Company’s Class A Common Stock at a weighted average exercise price of \$6.45 per share.

On August 22, 2024, the Company entered into an amendment to the Finder Agreement (the “Amended Finder’s Agreement”) in which the Company agreed to issue to the Finder 22,448 shares of its Class A Common Stock for the termination of all the Finder’s common stock warrants and outstanding cash fees owed as of that date. Also, pursuant to the Amended Finder’s Agreement, the Finder will no longer receive a cash fee for any equity/convertible debt financing except for an equity line of credit in which case the cash fee will be 4%. Compensation for an equity/convertible debt financing will be made in the form of common stock equal to 14% of the gross proceeds of an equity/convertible debt financing and 10% of a non-dilutive debt financing. In addition to the 22,448 shares of the Company’s Class A Common Stock noted above, the Company owed the finder 14,897 shares of its Class A Common Stock as finder’s fee in connection with certain notes payable entered into subsequent to August 22, 2024, or a total of 37,345 shares of its Class A Common Stock as of December 31, 2024. As a result of the notes payable entered into during the year ended December 31, 2025, the Company became obligated to issue an additional 207,094 shares of its Class A Common Stock to the finder. During the year ended December 31, 2025, the Company issued 10,696 shares of its Class A Common Stock to the finder for finder’s fees in connection with notes payable leaving a balance of 233,743 finder’s fee shares owed and issuable to the finder as of December 31, 2025. The finder’s fees owed in connection with notes payable are more fully discussed in Note 10.

Warrants

Public Warrants and Private Placement Warrants

As of December 31, 2025 and December 31, 2024, the Company had outstanding 50,566 Public Warrants and 1,589 Private Placement Warrants each with an exercise price of \$2,289 per share and each expiring on September 15, 2027 or earlier upon redemption or liquidation. The Public Warrants may only be exercised for a whole number of shares. Each Public Warrant entitles the holder to purchase one share of Class A Common Stock, subject to adjustment. The Public Warrants became exercisable 30 days after the completion of the Business Combination.

The Company may redeem the Public Warrants:

- in whole and not in part;
- at a price of \$0.10 per warrant;
- upon not less than 30 days’ prior written notice of redemption given after the warrants become exercisable; and
- if, and only if, the reported last sale price of the Company’s Class A Common Stock equals or exceeds \$180.00 per share for any 20 trading days within a 30-trading day period commencing once the warrants become exercisable and ending three business days before the Company sends the notice of redemption to the warrant holders.

If and when the warrants become redeemable by the Company, the Company may not exercise its redemption right if the issuance of shares of common stock upon exercise of the warrants is not exempt from registration or qualification under applicable state blue sky laws or the Company is unable to effect such registration or qualification.

If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a “cashless basis.” The exercise price and number of shares of the Company’s Class A Common Stock issuable upon exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or recapitalization, reorganization, merger or consolidation. However, the warrants will not be adjusted for issuance of the Company’s Class A Common Stock at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the warrants.

The Private Placement Warrants are identical to the Public Warrants, except that the Private Placement Warrants and the Company's Class A Common Stock issuable upon the exercise of the Private Placement Warrants were not transferable, assignable or salable until 30 days after the Business Combination was completed, subject to certain limited exceptions. Additionally, the Private Placement Warrants are exercisable on a cashless basis and are non-redeemable so long as they are held by the initial purchasers or their permitted transferees. If the Private Placement Warrants are held by someone other than the initial purchasers or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

The fair values of the Public Warrants and the Private Warrants at December 31, 2025 and 2024 are more fully discussed in Note 15.

Assumed Warrants

Effective September 15, 2022, the Company consummated the Business Combination. At the closing of the Business Combination, the Company assumed warrants, referred to as the Assumed Warrants. The Assumed Warrants included down round provisions that should the Company issue common stock or common stock equivalents, excluding certain exempt issuances, for consideration of less than the then current exercise price per share, then the exercise price of the Assumed Warrants shall be lowered to the new consideration amount on a per share basis with a simultaneous and corresponding increase in the number of warrants. As a result of a triggering event in 2023, as of December 31, 2023, 100,897 Assumed Warrants were outstanding with an exercise price of \$15.92 per share.

On February 23, 2024, 30,095 Assumed Warrants expired by their terms and on February 24, 2024, and Assumed Warrants exercisable into 70,802 shares of the Company's Common Stock were extended until February 23, 2025, in connection a legal settlement as more fully discussed in Note 18 under the heading, "*Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes*." On February 26, 2024, the Company agreed to issue its Class A Common Stock to Tysadco Partners, as more fully discussed above, which triggered the down-round provisions of the Assumed Warrants. As a result, as of March 31, 2024, the Assumed Warrants were exercisable into 166,594 shares of the Company's Common Stock with an exercise price of \$6.77 per share. The incremental value of the modifications to the Assumed Warrants because of the trigger of the down round provisions and the extension of the expiration date was \$0.7 million and was recorded as a deemed dividend in the year ended December 31, 2024. The incremental value was measured using the Black Scholes valuation model with following assumptions: risk free rate of 4.74%, volatility of 158.57%, term of 1 year and expected dividend yield of \$0.

As a result of two additional triggers of the down round provisions during the remainder of 2024, as of December 31, 2024, the Assumed Warrants were exercisable into 237,513 shares of the Company's Class A Common Stock with an exercise price of \$4.36 per share. Partially offsetting the increase in the number of outstanding Assumed Warrants on December 31, 2024, was the exchange of 15,704 Assumed Warrants under the terms of an exchange agreement dated May 28, 2024, between the Company and Smithline Family Trust II ("Smithline") as more fully discussed in Note 18.

During February 2025, three additional triggers of the down-round provisions of the Assumed Warrants occurred as a result of two conversions of Series A Preferred Stock into the Company's Class A Common Stock and the conversion prices of the Company's preferred stock on February 23, 2025. The incremental value of the modifications to the Assumed Warrants because of the triggers of the down-round provisions during February 2025 resulted in deemed dividends of \$0.1 million in the year ended December 31, 2025 and an increase in the number of Assumed Warrants outstanding. The incremental values were measured using the Black Scholes valuation model with the following assumptions: risk free rates ranging from 4.24% to 4.25%, volatility ranging from 3.47% to 67.32%, terms of 1 to 18 days and expected dividend yield of \$0. On February 23, 2025, the remaining 264,898 Assumed Warrants with an exercise price of \$3.855 per share expired per their terms.

Vector Warrants

In connection with the Vector Acquisition, which is more fully discussed in Note 5, on September 19, 2025, the Company issued 386,847,195 Vector Warrants exercisable into shares of the Company's Class A Common Stock at an exercise price of \$0.00517 per share (subject to adjustment) valued at \$769,826. The Vector Warrants are immediately exercisable, subject to a beneficial ownership limitation of 9.99%, and expire on September 19, 2028. The value of the Vector Warrants of was determined using the Black Scholes valuation model with the following assumptions: risk free rate of 3.56%, volatility of 56.48%, term of 3 years and expected dividend yield of \$0.

Note 14 EQUITY-BASED COMPENSATION

Management Contingent Share Plan

On September 14, 2022, the stockholders of the Company approved the FOXO Technologies Inc. Management Contingent Share Plan (the “Management Contingent Share Plan”). The purposes of the Management Contingent Share Plan were to (a) secure and retain the services of certain key employees and service providers and (b) incentivize such key employees and service providers to exert maximum efforts for the success of the Company and its affiliates.

The number of shares of Class A Common Stock that were authorized to be issued under the Management Contingent Share Plan was 46,231 shares, subject to equitable adjustment for shares splits, share dividends, combinations, recapitalizations and the like, including to account for any equity securities into which such shares are exchanged or converted. All 46,231 shares of Class A Common Stock were issued to members of our management.

The Management Contingent Share Plan provided for the grant of restricted share awards of the Company’s Class A Common Stock. All of the shares of the Company’s Class A Common Stock issued to a FOXO employee at the Closing were issued pursuant to a “Restricted Share Award,” the terms of which shall apply to all shares issued to such recipient. For the purposes of the Management Contingent Share Plan, shares of the Company’s restricted Class A Common Stock issued in accordance with such plan will be considered “vested” when they are no longer subject to forfeiture in accordance with the terms of such plan. Each restricted share award issued under the Management Contingent Share Plan was initially subject to both a time-based vesting component and a performance-based vesting component but was subsequently modified to only require a time-based vesting component. The time-based vesting requirement follows:

Time-Based Vesting

Each restricted share award shall be subject to three service-based vesting conditions:

- a) Sixty percent (60%) of a participant’s restricted share award will become vested on the third anniversary of the Closing if the participant is still employed by the company on such date (and has been continuously employed by the company from the date of grant through such vesting date).
- b) An additional twenty percent (20%) of a participant’s restricted share award will become vested on the fourth anniversary of the Closing if the participant is still employed by the company on such date (and has been continuously employed by the company from the date of grant through such vesting date).
- c) The final twenty percent (20%) of a participant’s restricted share award will become vested on the fifth anniversary of the Closing if the participant is still employed by the company on such date (and has been continuously employed by the company from the date of grant through such vesting date).

For the years ended December 31, 2025 and 2024, 168 and 620 MCSP shares, respectively, were forfeited by their terms and as a result, the Company reversed a net of \$0.2 million and \$0.1 million of compensation expense, respectively, for the years ended December 31, 2025 and 2024.

Service Based-Conditions

The Management Contingent Share Plan provides that in the event of the death, disability, or termination without cause of the CEO at the time of the Closing, service-based conditions will not apply.

In the event of a change in control (as that term is defined in the plan), all time-based vesting conditions whose time frame for achievement had not expired shall be waived.

Duration, Amendment and Termination

Unless sooner terminated, the Management Contingent Share Plan will terminate on the first to occur of (a) the date that 100% of the restricted share awards have become vested or forfeited or (b) the first business day following the fifth (5th) anniversary of the Closing. The Board may suspend or terminate the plan with the written consent of all remaining participants in the Management Contingent Share Plan (at the time of the proposed suspension or termination of the Management Contingent Share Plan). The Board at any time, and from time to time, may amend, supplement, modify or restate the plan or any award provided that any such amendment applicable to a previously outstanding award shall not have an adverse effect on a participant or diminish the value of any previously outstanding award under the plan without participant's prior written consent.

Restrictions on Transfer

Except for transfers without consideration to persons or entities related to a participant (family members, family trusts, etc.), restricted share awards may not be transferred to another person except in the sole discretion of the Committee.

Any restricted stock awards that failed to vest due to a time-based vesting condition not being satisfied were forfeited by the participant and the shares associated with that award were permanently forfeited and cancelled. The Company accounted for forfeitures as they occurred.

The following table summarizes the Management Contingent Share Plan activity for the years ended December 31, 2025 and 2024:

	Shares	Grant Date Fair Value Per Share
Outstanding December 31, 2024	6,042	\$ 1,554.19
Granted	-	\$ -
Forfeited	(168)	\$ 1,554.19
Outstanding December 31, 2025	5,874	\$ 1,554.19
Vested December 31, 2025	5,874	\$ 1,554.19

	Shares	Grant Date Fair Value Per Share
Outstanding December 31, 2023	6,662	\$ 1,554.19
Granted	-	\$ -
Forfeited	(620)	\$ 1,554.19
Outstanding December 31, 2024	6,042	\$ 1,554.19
Vested December 31, 2024	5,874	\$ 1,554.19

Service Based-Conditions

The vested shares within the tables above reflect the potential forfeiture of a former CEO's Management Contingent Share Plan shares. In 2022, the Company recorded \$9.1 million of compensation expense for these shares. See Note 18 for additional information on this former CEO and the status of these shares.

Stock Incentive Plans

2020 Stock Incentive Plan

FOXO Technologies Operating Company adopted the 2020 Stock Incentive Plan (the "2020 Plan") to attract, retain, incentivize and reward qualified employees, nonemployee directors and consultants. At Closing, the Combined Company assumed the stock options granted pursuant to the 2020 Plan to purchase FOXO Class A Common Stock to purchase 14,902 shares of the Company's Class A Common Stock at a weighted-average exercise price of approximately \$1,419 per share. All remaining terms of the Assumed Options were unchanged. All share or option figures that follow are shown on a post-Business Combination basis. Following the approval of the 2022 Plan, which is discussed below, the 2020 Plan was terminated and no further awards will be granted under the 2020 Plan.

As of December 31, 2025, the Company had 300 stock options outstanding, and 88 shares of restricted stock issued under the 2020 Plan. The stock options under the 2020 Plan issued during the year ended December 31, 2021 were issued (i) as a replacement for outstanding phantom share rights and previously cancelled profits interests, (ii) as a bonus for periods prior to the issuance of stock options, (iii) as part of the Company's regular review cycle that occurs twice annually, and (iv) as other incentives. Stock options issued in the year ended December 31, 2021 were primarily granted in April and August of 2021 and expired during 2025. In the first quarter of 2022, 1,026 additional stock options were issued primarily as part of the Company's regular review cycle as well as formation of a scientific advisory board, of which 726 were forfeited leaving a balance of 300 at December 31, 2025.

The stock options granted in 2022 under the 2020 Plan vest monthly over a three-year period, have a 5-year term, and a grant date exercise price of \$3,144 on a post Business Combination basis. For the issuance of options related to prior periods, the vesting period is considered to have started when the Company and option holder had a mutual understanding that an award was to be issued; however, the grant date and fair value are based on (i) when there is a mutual understanding of key terms, (ii) the Company is contingently obligated to issue the options, and (iii) the option holder begins to benefit or be adversely impacted by changes in the Company's stock price. Accordingly, the Company has determined the date the stock option agreements were executed to be the grant date for these options and the date on which to measure the awards at fair value. The attribution of expense for the stock options is recognized from the grant date over the remaining service period while considering the portion of stock compensation expense that is legally vested. The Company accounts for forfeitures as they occur. At the first vesting period, the Company recognized stock compensation expense so that stock compensation expense equaled the vested portion of stock options. The remaining expense is recognized over the service period.

2022 Plan

On September 14, 2022, the stockholders of the Company approved the 2022 Plan. The 2022 Plan permits the grant of equity-based awards to employees, directors and consultants. As of December 31, 2025, the total number of shares of the Company's Class A Common Stock that may be issued under the 2022 Plan is 32,757. No stock options were granted under the 2022 Plan to date. As of December 31, 2025, a net of 30,084 shares of restricted stock were granted under the 2022 Plan during the year ended December 31, 2023 and the stock granted in 2023 was fully vested on the date of grant. Compensation expense for restricted stock granted under the 2022 Plan is determined based on the closing price of the Company's Class A Common Stock on the day before the grant date multiplied by the number of shares granted. No compensation expense was recorded under the 2022 Plan during the years ended December 31, 2025 and 2024.

A summary of the 2022 Plan is as follows:

Eligibility

Employees (including officers), non-employee directors and consultants who render services to the Company or an affiliate thereof (whether now existing or subsequently established) are eligible to receive awards under the 2022 Plan. Incentive stock options may only be granted to employees of the Company or a parent or subsidiary thereof.

Types of Awards

The 2022 Plan provides for the grant of stock options, which may be incentive stock options ("ISOs") or non-qualified stock options ("NQSOs"), stock appreciation rights ("SARs"), restricted shares, restricted stock units ("RSUs") and other equity-based awards, or collectively, awards.

Annual Limitation on Awards to Non-Employee Directors

The grant date fair value of the 2022 Plan awards granted to each non-employee director during any calendar year may not exceed \$500,000 (on a per-director basis).

Stock Options

The 2022 Plan authorizes the grant of ISOs and NQSOs (each, an “Option”). Options granted under the 2022 Plan entitle the grantee, upon exercise, to purchase a specified number of shares of Class A Common Stock from us at a specified exercise price per share. The administrator of the 2022 Plan determines the period during which an Option may be exercised, as well as any Option vesting schedule, except that no Option may be exercised more than 10 years after the date of grant and will generally expire sooner if the option holder’s service terminates. The exercise price for shares of Class A Common Stock covered by an Option cannot be less than the fair market value of the common stock on the date of grant unless pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 409A of the Code.

Stock Appreciation Rights

Stock appreciation rights may be granted under the 2022 Plan. Stock appreciation rights allow the recipient to receive the appreciation in the fair market value of the Company Class A Common Stock between the exercise date and the date of grant. Stock appreciation rights may not have a term exceeding ten years. The grant price for a stock appreciation right may not be less than 100% of the fair market value per share on the date of grant. Subject to the provisions of the 2022 Plan, the administrator determines the other terms of stock appreciation rights, including when such rights become exercisable.

Restricted Stock Awards

Restricted stock may be granted under the 2022 Plan. Restricted stock awards are grants of shares of Company Class A Common Stock that vest in accordance with terms and conditions established by the compensation committee. The administrator determines the number of shares of restricted stock granted to any employee, director or consultant and, subject to the provisions of the 2022 Plan, determines the terms and conditions of such awards. The compensation committee may impose whatever conditions to vesting it determines to be appropriate. The compensation committee, in its sole discretion, may accelerate the time at which any restrictions will lapse or be removed. Recipients of restricted stock awards generally have voting rights with respect to such shares upon grant unless the administrator provides otherwise.

Restricted Stock Units

RSUs may be granted under the 2022 Plan. RSUs are bookkeeping entries representing an amount equal to the fair market value of one share of the Company’s common stock. Subject to the provisions of the 2022 Plan, the administrator determines the terms and conditions of RSUs, including the vesting criteria and the form and timing of payment. The administrator may also grant RSUs with a deferral feature, whereby settlement is deferred beyond the vesting date or lapse of the restricted period until the occurrence of a future payment date or event set forth in an award agreement. A holder of RSUs will have only the rights of a general unsecured creditor of the Company, until the delivery of shares, cash or other securities or property. On the delivery date, the holder of each RSU not previously forfeited or terminated will receive one share, cash or other securities or property equal in value to one share or a combination thereof, as specified by the administrator.

Other Equity-Based Awards

The 2022 Plan also authorizes the grant of other types of equity-based awards based in whole or in part by reference to the Company’s Class A Common Stock. The administrator will determine the terms and conditions of any such awards.

Change in Control

Unless otherwise provided in an award agreement, under the 2022 Plan, if a participant is terminated without cause or for good reason during the 12-month period following a change in control (as defined in the 2022 Plan), all of such participant’s outstanding awards shall vest and be immediately exercisable as of the date of termination.

Changes to Capital Structure

In the event of certain changes in capitalization, including a stock split, reverse stock split or stock dividend, proportionate adjustments will be made in the number and kind of shares available for issuance under the 2022 Plan, the limit on the number of shares that may be issued under the 2022 Plan as ISOs, the number and kind of shares subject to each outstanding award and/or the exercise price of each outstanding award.

Duration, Amendment and Termination

Unless sooner terminated, the 2022 Plan will terminate on the tenth anniversary of its effective date.

Stock Option Activity

The following table summarizes stock option activity under the 2020 Plan for the years ended December 31, 2025 and 2024 (there was no stock option activity under the 2022 Plan for the years ended December 31, 2025 and 2024):

	Stock Option Awards	Weighted-Average Exercise Price	Average Remaining Life (Years)	Aggregate Intrinsic Value
Outstanding December 31, 2024	5,264	\$ 1,452		
Granted	-	-		
Exercised	-	-		
Expired	(4,964)	\$ (1,296)		
Outstanding December 31, 2025	300	\$ 3,144	.08	\$ *
Exercisable December 31, 2025	300	\$ 3,144	.08	\$ *

	Stock Option Awards	Weighted-Average Exercise Price	Average Remaining Life (Years)	Aggregate Intrinsic Value
Outstanding December 31, 2023	5,998	\$ 1,453		
Granted	-	-		
Exercised	-	-		
Forfeited	(734)	\$ (1,458)		
Outstanding December 31, 2024	5,264	\$ 1,452	1.22	\$ *
Exercisable at December 31, 2024	5,255	\$ 1,452	1.19	\$ *

* The intrinsic value of a stock option is the amount by which the market value of the underlying stock exceeds the exercise price of the option. The market value of the Company's common stock was \$0.0001 on December 31, 2025.

Equity-based compensation expense, excluding the Management Contingent Share Plan, was recorded in the following expense categories within the consolidated statements of operations consistent with the manner in which the respective employee or service provider's related cash compensation was recorded:

	2025	2024
Research and development ¹	\$ -	\$ 24,128
Selling, general and administrative	8,838	(69,629)
Total equity-based compensation expense	\$ 8,838	\$ (45,501)

1) Had the Company recorded the Management Contingent Share Plan within research and development and selling, general and administrative expense, then research and development would have been reduced by \$0 and \$(146,322) for the years ended December 31, 2025 and 2024, respectively, with the remaining reduction recognized within selling, general and administrative expense for the years ended December 2025 and 2024.

As of December 31, 2025, there was no unrecognized compensation cost related to unvested stock options and related to the Management Contingent Share Plan.

Note 15 FAIR VALUE MEASUREMENTS

The estimated fair value of financial instruments was determined by the Company using available market information and valuation methodologies considered to be appropriate. The fair value measurements accounting guidance is more fully discussed in Note 3. At December 31, 2025 and 2024, the carrying value of the Company's accounts receivable, notes payable, accounts payable and accrued expenses approximated their fair values due to their short-term nature.

The following table presents information about the Company's assets and liabilities that are measured on a recurring basis as of December 31, 2025 and 2024 and indicates the fair value hierarchy of the valuation techniques that the Company utilized to determine such fair value.

December 31, 2025	Fair Value Measurements Using Inputs Considered as:			
	Fair Value	Level 1	Level 2	Level 3
Liabilities:				
Warrant liability	\$ -	\$ -	\$ -	\$ -
Total liabilities	\$ -	\$ -	\$ -	\$ -

December 31, 2024	Fair Value Measurements Using Inputs Considered as:			
	Fair Value	Level 1	Level 2	Level 3
Liabilities:				
Warrant liability	\$ 41,246	\$ 40,250	\$ 996	\$ -
Total liabilities	\$ 41,246	\$ 40,250	\$ 996	\$ -

Warrant Liability

The Public Warrants and Private Placement Warrants are accounted for as liabilities in accordance with ASC 815-40 and are presented within warrant liabilities on the consolidated balance sheets. The warrant liabilities were measured at fair value on the date of the Closing and on a recurring basis, with changes in the fair value presented as change in fair value of warrant liabilities in the consolidated statements of operations. The measurement of the Public Warrants was classified as Level 1 due to the use of an observable market quote in an active market under ticker FOXOW. As reflected in the table above, at December 31, 2025, the value of the Public Warrants was nil and they have no intrinsic value. As reflected in the tables above, the fair value of the Public Warrants was \$40,250 at December 31, 2024.

As the transfer of the Private Placement Warrants to anyone outside of a small group of individuals who are permitted transferees would result in the Private Placement Warrants having substantially the same terms as the Public Warrants, the Company determined the fair value of each Private Placement Warrant is equivalent to that of each Public Warrant, with an insignificant adjustment for short-term marketability restrictions. As such, the Private Placement Warrants were classified as Level 2 at December 31, 2025 and 2024. As reflected in the tables above, the fair value of the Private Placement Warrants was 0 and \$996 for the years ended December 31, 2025 and 2024, respectively.

The Company recorded income (loss) of \$41,246 and (\$32,425), respectively, during the years ended December 31, 2025 and 2024 for the changes in fair values of the warrant liabilities.

Note 16 INCOME TAXES

As discussed in Note 3, effective January 1, 2025, the Company adopted ASU 2023-09, Improvements to Income Tax Disclosures, which expanded income tax disclosure requirements, including disaggregation of pretax income (loss) and income tax expense (benefit) by jurisdiction and disclosure of income taxes paid (net of refunds received). The Company adopted the standard on January 1, 2025 on a retrospective basis. Accordingly, the tax rate reconciliation and income taxes paid disclosures for the year ended December 31, 2024 has been recast to conform to the current year's presentation. The adoption affected disclosures only and did not impact the Company's financial position, results of operations, or cash flows.

For the year ended December 31, 2025, the Company recorded an income tax (benefit) of approximately \$(0.2) million, which represented a \$0.2 million release of the Company's valuation allowance related to an acquisition. Apart from the \$(0.2) million deferred tax benefit, no provision or benefit for U.S. federal, state or local income tax has been recorded, as the Company provided for a full valuation allowance against its U.S. federal, state and local deferred tax assets. For the year ended December 31, 2024, the Company zero income tax expense / (benefit).

ASU 2023-09 requires disaggregation of pretax income (loss), income tax expense (benefit), and income taxes paid by jurisdiction. The Company has no foreign operations; accordingly, all pretax income (loss) is domestic (United States).

The following table shows the components of loss before income taxes and the related current tax expense / (benefit) for the years ended December 31, 2025 and 2024:

	2025	2024
Loss before income taxes, adjusted for deemed dividends and noncontrolling interest		
U.S. operations	\$ (34,286,503)	\$ (13,480,382)
Current income tax expense / (benefit)		
U.S. federal	-	-
State and local	-	-
Deferred income tax expense / (benefit)		
U.S. federal	(140,536)	-
State and local (a)	(42,295)	-
Total deferred income tax expense / (benefit)	(182,831)	-
Total income tax expense / (benefit)	\$ (182,831)	\$ -

(a) Taxes in Massachusetts make up the majority of the deferred state and local income tax category.

For the years ended December 31, 2025 and 2024 there were no income taxes paid. As no income taxes were paid, disaggregation by U.S. federal, state, or foreign jurisdictions was not applicable for the period presented.

The expected tax expense (benefit) based on the statutory rate is reconciled with actual tax expense (benefit) as follows:

	For the Year Ended December 31, 2025		For the Year Ended December 31, 2024			
U.S. federal statutory income tax	\$	(7,203,681)	21.0%	\$	(2,830,880)	21.0%
State and local income taxes, net of federal benefit (b)		(42,295)	0.1%		-	0.0%
Change in U.S. federal valuation allowance		984,812	(2.9)%		1,691,360	(12.5)%
Nontaxable or nondeductible items:						
Deemed dividends on equity exchanges		4,551,389	(13.3)%		225,539	(1.7)%
Goodwill impairment		1,470,000	(4.3)%		-	(0.0)%
Non-cash interest expense		289,198	(0.8)%		289,065	(2.1)%
Penalties and fines		174,694	(0.5)%		64,890	(0.5)%
Loss / (gain) on debt extinguishment		(391,112)	1.1%		89,942	(0.7)%
Debt modifications		14,825	0.0%		220,026	(1.6)%
Other		(3,468)	0.0%		(3,974)	0.0%
Other adjustments:						
Deferred tax adjustments		(27,193)	0.1%		254,032	(1.9)%
Income tax expense / (benefit)	\$	(182,831)	0.5%	\$	-	0.0%

(b) Taxes in Massachusetts make up the majority of the effect of the state and local tax category.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

The components of the net deferred tax assets at December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Deferred tax assets:		
Accrued compensation	\$ 672,992	\$ 635,417
Net operating loss carryforwards	29,267,577	27,291,924
Capitalized software	448,758	670,064
Share-based compensation	2,736,304	2,720,443
Right of use liability	958,515	-
Capital loss carryforwards	125,307	125,307
Gross deferred tax assets	34,209,453	31,443,155
Valuation allowance	(31,278,382)	(29,855,250)
Total deferred tax assets	2,931,071	1,587,905
Deferred tax liabilities:		
Intangible assets	(1,993,604)	(1,492,782)
Right of use asset	(925,758)	-
Fixed assets	(5,792)	(23,846)
Prepaid expenses	(5,917)	(71,277)
Deferred tax liabilities	(2,931,071)	(1,587,905)
Net deferred tax assets	\$ -	\$ -

As of December 31, 2025 and 2024, the Company recorded a full valuation allowance to offset its deferred tax assets as the Company believes it is not more likely than not that the deferred tax assets will be fully realizable. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Due to the uncertainty of the Company's ability to realize the benefit of the deferred tax assets, the deferred tax assets are fully offset by a valuation allowance as of December 31, 2025 and 2024. For the year ended December 31, 2025, the valuation allowance increased by \$1,423,132, related to the U.S. federal and state jurisdictions in the amounts of \$984,812 and \$438,320, respectively. For the year ended December 31, 2024, the valuation allowance increased by \$1,493,328, related to the U.S. federal and state jurisdictions in the amounts of \$1,468,882 and \$24,446, respectively.

As of December 31, 2025, the Company had accumulated federal losses for tax purposes of approximately \$94.4 million, which can be offset against future taxable income. Of this federal net loss carryforward, \$1.6 million will begin to expire in 2036 and \$92.8 million may be carried forward indefinitely. As of December 31, 2025, the Company had net accumulated state losses for tax purposes of \$91.8 million, some of which will begin to expire in 2033. Sections 382 and 383 of the Internal Revenue Code, and similar state regulations, contain provisions that may limit the loss carryforwards available to be used to offset income in any given year upon the occurrence of certain events, including changes in the ownership interests of significant stockholders. In the event of a cumulative change in ownership in excess of 50% over a three-year period, the amount of the loss carryforwards that the Company may utilize in any one year may be limited.

The Company has not completed a formal analysis under Section 382 of the Internal Revenue Code with respect to equity transactions and changes in stock ownership occurring during 2025. Accordingly, the Company has not determined whether an ownership change, as defined in Section 382, occurred during 2025 or quantified any resulting annual limitation on the use of pre-change net operating loss carryforwards, tax credits, and other tax attributes. If an ownership change occurred, utilization of such tax attributes could be subject to annual limitations and a portion could expire unused. The Company is continuing to evaluate this matter and may update the amount of available tax attributes, deferred tax assets, valuation allowance, and related disclosures in a future period when additional information becomes available.

In July 2025, the One Big Beautiful Bill Act (Public Law 119-21) was enacted. The Company recognized the income tax effects of the legislation in the period of enactment in accordance with ASC 740. The legislation did not have a material impact on the Company's consolidated financial statements for the year ended December 31, 2025. The Company will continue to evaluate the impact of the legislation on future periods.

The Company evaluated the provisions of ASC 740-10 related to the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. ASC 740-10 prescribes a comprehensive model for how a company should recognize, present, and disclose uncertain positions that the Company has taken or expects to take in its tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. Differences between tax positions taken or expected to be taken in a tax return and the net benefit recognized and measured pursuant to the interpretation are referred to as "unrecognized benefits." A liability is recognized (or amount of net operating loss carry forward or amount of tax refundable is reduced) for unrecognized tax benefit because it represents an enterprise's potential future obligation to the taxing authority for a tax position that was not recognized as a result of applying the provisions of ASC 740-10.

There were no unrecognized tax benefits as of December 31, 2025 and 2024. The Company may be subject to potential examination by federal, state, and local taxing authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with federal, state, and local tax laws. Management does not expect that the total amount of unrecognized tax benefits will materially change over the next year. The Company is no longer subject to tax examinations by tax authorities for the years prior to 2022 and 2021 for U.S. federal and state income tax purposes, respectively.

Note 17 BUSINESS SEGMENTS

The Company manages and classifies its business into three reportable business segments: (i) Healthcare, (ii) Life Science Services and (iii) Labs.

- **Healthcare** - The Company's healthcare segment began with the acquisition of Myrtle on June 14, 2024 and includes RCHI, which was acquired on September 10, 2024. Each of these acquisitions is more fully discussed in Note 5. Myrtle offers behavioral health services, primarily substance use disorder treatments and services that are provided on either an inpatient, residential basis or an outpatient basis. RCHI's hospital, BSF, has 25 inpatient beds, and a 24/7 emergency department and provides ancillary services, including laboratory, radiology, respiratory and pharmacy services. BSF is designated as a Critical Access Hospital (rural) hospital.
- **Life Science Services** – The Company's Life Science Services segment began with the acquisition of Vector on September 19, 2025, as more fully discussed in Note 5. Vector is an information, data and biospecimen sourcing provider serving the biotechnology, clinical research and pharmaceutical research industries.
- **Labs** - The Company's Labs segment is commercializing proprietary epigenetic biomarker technology. The Company's innovative biomarker technology enables the adoption of new saliva-based health and wellness biomarker solutions. The Company's research demonstrates that epigenetic biomarkers, collected from saliva, provide measures of individual health and wellness for the factors used in life insurance underwriting traditionally obtained through blood and urine specimens.

The primary income measure used for assessing segment performance and making operating decisions is income (losses) before interest, income taxes, and depreciation and amortization associated with a specific segment. The segment measure of profitability also excludes corporate and other costs, including management, IT, overhead costs and certain other non-cash charges or benefits, such as impairment and any non-cash changes in fair value of intangible assets.

With the acquisition of Myrtle on June 14, 2024, our Chief Operating Decision Maker ("CODM") begun to consider segment assets when making decisions and allocating resources. Assets by segment as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Healthcare	\$ 40,869,803	\$ 41,399,346
Life Science Services	3,648,500	-
Labs	15,854	26,646
Corporate and other	43,716	282,079
Total assets	\$ 44,577,873	\$ 41,708,071

Summarized below is information about the Company's operations for the years ended December 31, 2025 and 2024 by business segment:

	Revenues		Earnings (Losses)	
	2025	2024	2025	2024
Healthcare	\$ 16,086,099	\$ 4,018,961	\$ (8,907,179)	\$ (1,699,092)
Life Science Services	252,502	-	(118,492)	-
Labs	13,923	32,640	(173,383)	(1,141,305)
	16,352,524	4,051,601	(9,199,054)	(2,840,397)
Corporate and other (a)	15,093	-	202,669	(5,655,652)
Interest expense	-	-	(3,434,005)	(3,910,340)
Total	\$ 16,367,617	\$ 4,051,601	\$ (12,430,390)	\$ (12,406,389)

- (a) For 2025, Corporate and other includes a \$1.9 million gain from extinguishment of Senior PIK Notes, amortization of consulting fees paid in stock of \$0.2 million, \$0.1 million of additional purchase price expense for the acquisition of RCHI and a reduction of compensation expense under the Management Contingent Share Plan, net of \$0.2 million. For 2024, Corporate and other includes amortization of consulting fees paid in common stock of \$0.5 million, impairment charge of \$1.8 million, loss from extinguishments of debt of \$0.4 million and other expense of \$0.3 million.

Note 18 COMMITMENTS AND CONTINGENCIES

The Company accrues costs associated with certain contingencies, including, but not limited to, settlement of legal proceedings, regulatory compliance matters and self-insurance exposures when such costs are probable and reasonably estimable. In addition, the Company records legal fees in defense of asserted litigation and regulatory matters as such legal fees are incurred. To the extent it is probable that the Company is able to recover losses and legal fees related to contingencies, it records such recoveries concurrently with the accrual of the related loss or legal fees. Significant management judgment is required to estimate the amounts of such contingent liabilities. In the Company's determination of the probability and ability to estimate contingent liabilities, it considers the following: litigation exposure based on currently available information, consultations with external legal counsel and other pertinent facts and circumstances regarding the contingency. Liabilities established to provide for contingencies are adjusted as further information develops, circumstances change, or contingencies are resolved; and such changes are recorded in the consolidated statements of operations during the period of the change and appropriately reflected in the consolidated balance sheets.

Legal Proceedings

Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes

On November 18, 2022, Smithline filed a complaint against the Company and Jon Sabes, the Company's former Chief Executive Officer and a former member of the Company's board of directors, in the Supreme Court of the State of New York, County of New York.

On November 7, 2023, Smithline and the Company and its subsidiaries entered into the Settlement Agreement, pursuant to which the parties agreed to resolve and settle all disputes and potential claims which exist or may exist among them, including without limitation those claims asserted in the Action, as more specifically set forth in, and subject to the terms and conditions of, the Settlement Agreement. Upon the execution of the Settlement Agreement, the parties agreed to jointly dismiss the legal action without prejudice.

On May 28, 2024, the Company entered into an Exchange Agreement, as amended, with Smithline, terminating on February 23, 2025. On June 10, 2025, the Exchange Agreement, as amended, was amended for a second time to increase the number of shares of the Company's Class A Common Stock issuable to Smithline under the agreement. Pursuant to the amended Exchange Agreement, Smithline exchanged Assumed Warrants to purchase up to 15,704 shares, as adjusted, of the Company's Common Stock, for the right to receive up to 2,588,805 shares of the Company's Class A Common Stock (the "Rights Shares"), subject to a 4.99% beneficial ownership limitation and issued without any restrictive legends. The Assumed Warrants, which are more fully discussed in Note 13, expired on February 23, 2025. As of August 26, 2025, the Company issued a total of 2,588,793 Rights Shares to Smithline, including 2,426,031 shares that were issued during the period from January 1, 2025 to August 26, 2025. On August 27, 2025, the Exchange Agreement was again amended to provide that the balance owed to Smithline on that date of \$97,937 be paid in cash over a period of four months ending on November 27, 2025. The Company has made all payments under the amendment. Accordingly, as of December 31, 2025, the \$2.3 million liability owed to Smithline has been satisfied in full.

Former CEO Severance

The Company has disclosed in previous financial filings that the Board of Directors had yet to complete its review into whether Mr. Jon Sabes, a former CEO of the Company was terminated with or without cause on November 14, 2022 and that accordingly, the Company had to make a determination on its obligations under the former CEO's employment agreement.

The Board of Directors has now completed a review of this matter in the last quarter of 2024 and upon examination of the history and various documents and records has determined that Mr. Sabes was unequivocally terminated for cause on November 14, 2022, meaning the Company has no further obligation to Mr. Sabes.

On November 20, 2024, the Company received a letter from counsel for Mr. Jon Sabes, the former Chief Executive Officer and director, demanding payment of certain compensation and benefits. Regardless that the Company has now determined that termination of Mr. Sabes' employment on November 14, 2022 was for cause and that no obligation to Mr. Sabes remains, the Company has, because of this demand, continued to accrue certain liabilities of severance pay and stock-based compensation in its financial records until the matter has been resolved in full. The Company does not believe the demand received on November 20, 2024 has any merit and will vigorously dispute any claim for payment.

Illumina Judgment

On June 21, 2024, Hennepin County District Court granted Illumina, Inc.'s Motion for Summary Judgment in the amount of \$0.8 million against the Company. The Company entered into a settlement agreement with Illumina on July 23, 2025 to settle this judgment over time. \$100,000 was paid at the time of settlement and \$723,065 is payable in five additional quarterly payments of \$144,613 per payment. The Company is currently in default of its requirements for payment under the settlement agreement but believes this default will be rectified without repercussion when the Company secures additional capital.

Other Matters

In July 2025, Gateway Group, Inc. filed a legal action in Orange County, California seeking payment of \$120,000. This amount is included as a liability in the Company's financial statements. To date, there is no resolution to this matter.

In the second quarter of 2025, Data Shepherd Services, Inc. received a judgment against the Company for an unpaid balance of approximately \$58,000. This amount is included as a liability in the Company's financial statements. To date, there is no resolution to this matter.

In June 2025, func.media inc. filed a legal action in Minnesota seeking a total sum of \$123,250. This amount is included as a liability in the Company's financial statements. On October 16, 2025 the Company entered into a settlement agreement to pay \$90,000 on an agreed payment schedule of \$15,000 each month for six months as full resolution of this matter. If all payments are made when due all remaining amounts over \$90,000 will be waived. The Company is currently in default of the payment schedule in the settlement agreement

The Company is also party to various other legal proceedings for liabilities, for legacy debts of the Company, claims, and regulatory, tax or government inquiries and investigations that arise in the ordinary course of business, and the Company may in the future be subject to additional legal proceedings and disputes.

Note 19 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

The supplemental cash flow information for the year ended December 31, 2025 and 2024 is as follows:

	Year Ended December 31,	
	2025	2024
Non-cash investing and financing activities:		
Issuance of Series B Preferred Stock in exchange of note payable, net of finder's fees	\$ 3,282,500	\$ -
Increase in note payable to RHI for purchase of RCHI	\$ 970,693	\$ -
Series A Preferred Stock issued to RHI in exchange for notes payable	\$ 5,000,000	\$ 21,000,000
Series A Preferred Stock issued in exchange for Senior Notes Payable	\$ -	\$ 2,464,000
Series D Preferred Stock issued to KR8 for purchase of intangible asset and other amounts owed under KR8 Agreement and Services Agreement	\$ -	\$ 3,117,371
Series D Preferred Stock issued to MSK under Shares for Services Agreement	\$ -	\$ 1,311,700
Class A Common Stock issued to KR8 for purchase of intangible asset under KR8 Agreement	\$ -	\$ 419,629
Purchase of Myrtle, net of cash acquired	\$ -	\$ 494,243
Purchase of RCHI, net of cash acquired	\$ -	\$ 21,992,428
Deemed dividends from preferred stock, including anti-dilution provisions, and triggers of down round provisions and extension of Assumed Warrants	\$ 21,673,282	\$ 1,073,993
Preferred stock dividends – undeclared	\$ 937,809	\$ 81,326
Warrants issuable for finder's fees	\$ -	\$ 61,915
Class A Common Stock issued for legal settlement	\$ 1,259,122	\$ 902,790
Class A Common Stock issued/issuable in connection with debt financings	\$ 3,053,630	\$ 1,467,434
Common stock issued to finder for financial and strategic advisory services	\$ -	\$ 165,000
Common stock issuable to finder in lieu of warrants and cash finder's fees	\$ 348,454	\$ 150,884
Class A Common Stock issued for corporate development and advisory agreements	\$ -	\$ 546,000
Class A Common Stock issued for Myrtle acquisition	\$ -	\$ 235,435
Series E Preferred Stock issued for purchase of Vector	\$ 1,500,000	\$ -
Vector goodwill resulting from deferred tax benefit	\$ 182,831	\$ -
Common stock warrants issued for purchase of Vector	\$ 769,826	\$ -
Contingent purchase price consideration for Vector	\$ 500,000	\$ -
Loan payable to RHI for additional purchase price of RCHI	\$ 97,731	\$ -
Series E Preferred Stock issued to RHI for portion of note payable	\$ 200,000	\$ -
Promissory note issued to RHI for Myrtle acquisition	\$ -	\$ 264,565
RCHI Note issued to RHI for RCHI acquisition	\$ -	\$ 22,000,000
New RCHI Note issued to RHI	\$ -	\$ 1,000,000

Note 20 SUBSEQUENT EVENTS

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the consolidated financial statements were issued. Other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the accompanying consolidated financial statements.

Increases in Authorized Shares of Class A Common Stock

Pursuant to the authorization and approval previously provided by its stockholders, the Company filed a Certificate of Amendment to its Certificate of Incorporation, as amended, with the Secretary of State of Delaware to increase its authorized shares of Class A Common Stock from 2,500,000,000 shares to 10,000,000,000 shares, which filing became effective on January 18, 2026.

On March 20, 2026, the Company's Board of Directors approved an increase to the Company's authorized shares of Class A Common Stock from 10,000,000,000 to 25,000,000,000 and on March 26, 2026, shareholders holding greater than a majority of the votes eligible to vote in such matter approved such matter via written consent. The Company intends to file a Certificate of Amendment to its Certificate of Incorporation after required notice is provided to all shareholders.

Notes Payable with Institutional Lenders

On January 28, 2026, the Company issued two unsecured promissory notes payable to institutional lenders each with: (i) a principal balance of \$280,000; (ii) an original issue discount of \$15,000; (iii) maturing on March 26, 2026; and (iv) a default interest rate of 18% per annum. In addition, the Company reimbursed each lender \$15,000 for legal fees and expenses incurred in connection with the notes. On March 20, 2026, in consideration for an increase in the stated principal amount of each note by \$30,000 (a total of \$60,000 of which \$4,000 was applied to legal fees and expenses), the lenders agreed to extend the maturity dates to May 31, 2026.

On March 15, 2025, the Company issued two additional unsecured promissory notes payable to the institutional lenders with: (i) a principal balance of \$47,500; (ii) an original issue discount of \$5,000; (iii) maturing on May 15, 2026; and (iv) a default interest rate of 18% per annum. In addition, the Company reimbursed each lender \$2,500 for legal fees and expenses incurred in connection with the notes.

FINRA Deficiency Notice Regarding Proposed Reverse Stock Split

On September 2, 2025, RHI, a shareholder representing a majority of the voting control of the Company, approved a proposal to amend our Certificate of Incorporation to effect a reverse stock split of our issued and outstanding Common Stock any time before July 31, 2026, at a ratio ranging from one-for-ten (1:10) to one-for-five hundred (1:500) with the exact ratio within such range to be determined at the sole discretion of the Company's Board of Directors, without further approval or authorization of our stockholders before the filing of an amendment to the Certificate of Incorporation effecting the proposed reverse split. The Company has filed an Information Statement on Schedule 14C

with the SEC with respect to the matters approved by the Majority Stockholder and has mailed the definitive Information Statement on Schedule 14C to its stockholders of record as of the record date.

On September 25, 2025, the Company submitted a Company-Related Notification to FINRA's Department of Market Operations in connection with a proposed reverse stock split. On March 6, 2026, the Department issued a deficiency notice pursuant to FINRA Rule 6490(d)(3), determining that the Company's corporate action submission would not be processed.

The Department's determination was based, in part, on a pending SEC civil action against the managing partner of an institutional investor that holds shares of the Company's Series A Preferred Stock, as well as the Department's view that, upon conversion of such preferred stock, the investor could own approximately 95% of the Company's outstanding common stock, without giving effect to the beneficial ownership limitations contained in the terms of such securities.

The Company disagrees with the Department's determination and, on March 12, 2026, filed a Notice of Appeal. The appeal will be considered by a subcommittee of FINRA's Uniform Practice Code Committee, and the subcommittee's determination will constitute final action within FINRA. The appeal is currently pending, and FINRA has scheduled a review date of April 27, 2026. There can be no assurance that the appeal will be successful.

If the appeal is unsuccessful, the Company may need to pursue alternative approaches to address its capital structure. In addition, the inability to complete the reverse stock split may limit the Company's ability to access capital, including under its existing \$5.0 million equity line of credit under the Strata Purchase Agreement, which could materially adversely affect the Company's liquidity and its ability to execute its business plan.

March 2, 2026 Promissory Note Issued to ClearThink

On March 2, 2026, the Company issued an unsecured promissory note to ClearThink under the terms of a Securities Purchase Agreement. The principal amount of the note is \$115,000, the original issued discount is \$15,000 and the Company received cash proceeds of \$100,000. Per the terms of the Securities Purchase Agreement, the Company issued ClearThink 150,000,000 shares of its Class A Common Stock as inducement shares valued at \$15,000. The note matures 30 days from the issuance date and accrues default interest at a one-time rate of 15%.

Conversions of Series A Preferred Stock

During the period January 1, 2026 to April 10, 2026, the Company issued 1,087,000,000 shares of its Class A Common Stock upon conversions of 108.70 shares of its Series A Preferred Stock held by institutional investors with a total stated value of \$108,700.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-1 (SEC File #333-293288) of FOXO Technologies Inc. of our report dated April 15, 2026 related to the consolidated financial statements as of and for the years ended December 31, 2025 and 2024, which appears in the Form 10-K for the year ended December 31, 2025. Our report includes an explanatory paragraph about the existence of substantial doubt about the Company's ability to continue as a going concern.

We also consent to the reference to us under the captions "Experts" in such Registration Statement.

/s/ Kreit & Chiu CPA LLP

Los Angeles, California
April 15, 2026

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE EXCHANGE ACT

I, Seamus Lagan, certify that:

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

Dated: April 15, 2026

/s/ Seamus Lagan

Seamus Lagan
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE EXCHANGE ACT

I, Celene Grant, certify that:

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

Dated: April 15, 2026

/s/ Celene Grant

Celene Grant

Chief Financial Officer

(Principal Financial and Accounting Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report of FOXO Technologies Inc., a Delaware corporation (the “Company”), on Form 10-K for the period ended December 31, 2025, as filed with the Securities and Exchange Commission (the “Report”) Seamus Lagan, Chief Executive Officer, of the Company, does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss. 1350), that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: April 15, 2026

/s/ Seamus Lagan

Seamus Lagan

Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report of FOXO Technologies Inc., a Delaware corporation (the “Company”), on Form 10-K for the period ended December 31, 2025, as filed with the Securities and Exchange Commission (the “Report”) Celene Grant, Chief Financial Officer, of the Company, does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss. 1350), that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: April 15, 2026

/s/ Celene Grant

Celene Grant

Chief Financial Officer

(Principal Financial and Accounting Officer)
