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, 2024

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	**85-1050265**
(State or other jurisdiction of incorporation or organization)	(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
Class A Common Stock, par value $0.0001 per share	FOXO	NYSE American

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	☐	Accelerated filer	☐
Non-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 the NYSE American on June 30, 2024 was approximately $2,653,834. 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 8, 2025, was 35,843,767.

FOXO TECHNOLOGIES INC.
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 2024

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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, 2024. 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 three synergistic divisions, an epigenetics diagnostics and interpretation division, a rural hospital division, and a mental and behavioral health 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. FOXO is commercializing epigenetic biomarker technology to support groundbreaking scientific research and disruptive next-generation business initiatives. The Company applies automated machine learning and AI technologies to discover epigenetic biomarkers of human health, wellness and aging and, with the acquisitions of Myrtle Recovery Centers, Inc. ("Myrtle"), effective on June 14, 2024, and Rennova Community Health, Inc. ("RCHI"), and its wholly owned subsidiary, Scott County Community Health, Inc. ("SCCH"), on September 10, 2024, the Company offers behavioral health services, including substance use disorder treatment, and it operates a critical access designated hospital in Oneida, Tennessee.

Segments

The Company manages and classifies its business into two reportable business segments: (i) Healthcare; and (ii) Labs and Life. Previously, Labs and Life 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 operate Myrtle, RCHI and SCCH under the Company's recently formed Healthcare segment. SCCH is doing business as Big South Fork Medical Center ("BSF").

(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. Each of these businesses are more fully described herein. 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.

(ii) Labs and Life

Our Labs and Life 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. On February 3, 2023, we sold FOXO Life Insurance Company, as is more fully described herein.

Current Business Strategy

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 acquisition and investment in new operations in targeted areas.

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 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 model in other rural hospital properties or suitable premises.

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 (see "*Bioinformatics Services*" below for more information); 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.

We have reduced our headcount and expenses and identified non-core business assets including dormant software (certain applications, modules, APIs, user interfaces and backend services) which, if sold, could result in a reduction in our outstanding liabilities.

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.

Competitive Strengths

Data: Our datasets are designed to be highly versatile in order to provide flexibility as our products may change as we learn from customers in different markets. Our datasets also contribute to our research and development pipeline, whether it be rapid evaluation and prototyping, benchmarking against standard-of-care testing, longitudinal evaluation (short- and long-term), or examining responsiveness to potential interventions. In addition to the data we have generated through our research and development, we also have frozen biological samples (saliva, whole blood, serum, and urine), which we use to measure new biomarkers to benchmark against, build new products and improve the clinical determinations of our research participants. We believe that our unique datasets combined with our stored biological samples place us in a unique position to build, evaluate, and refine potential products rapidly.

Expertise: Our unique expertise sits at the intersection of multiple specialized fields of science ranging from genomic sciences, health sciences, biology, biotechnology, bioinformatics, and AI. We believe that this has afforded us the knowledge to assemble and coordinate the right partners for our unique initiatives (e.g., bioinformatic software or development of new microarrays), each requiring different sets of expertise that are commonly siloed.

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.

<u>Proprietary Intellectual Property</u>

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.

<u>Licensed Intellectual Property</u>

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 (Labs and Life Segment)

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. Clinical Laboratory Improvement Amendments, or CLIA, is the federal law (administered by the Centers for Medicare& Medicaid Services, or “**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 United States Food and Drug Administration (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.

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 program and private 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 also may attempt to include coverage for some people who presently are uninsured, 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 own 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 hospitals 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 RHI 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 prospective payment system, 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 hospitals to dispense narcotics. We are required to register our dispensing operations 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. A *qui tam* lawsuit has been filed against the Company alleging violations of the False Claims Act. See "*Legal Proceedings*".

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 hospitals, 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 hospitals implemented use of a standard unique healthcare identifier by utilizing their 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 hospitals, 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 flows, 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.

Employees

As of March 31, 2025, we had 168 employees, of which 102 were full-time. None of the Company's employees are represented by a union.

Reverse Stock Split

On October 31, 2023, we amended our Second Amended and Restated Certificate of Incorporation, as amended, to implement a 1-for-10 reverse stock split, such that every 10 shares of our Class A Common Stock will be combined into one issued and outstanding share of our Class A Common Stock, with no change in the $0.0001 par value per share (the "**Reverse Stock Split**").

We effected the Reverse Stock Split on November 6, 2023 at 4:01pm Eastern Time of our issued and outstanding shares of Class A Common Stock, which was previously approved by stockholders at our annual meeting of stockholders held on May 26, 2023 to regain compliance with Section 1003(f)(v) of the NYSE Company Guide (the "**Company Guide**").

Trading reopened on November 7, 2023, which is when our Class A Common Stock began trading on a post reverse stock split basis. All share information included in this Annual Report has been reflected as if the Reverse Stock Split occurred as of the earliest period presented.

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 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 2025 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. If we are unable to secure additional funds or enter into a strategic transaction in the short-term, we may be forced to delay, reduce or eliminate our commercialization efforts or cease all operations.
- 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, which could prevent us from accessing the capital we need to continue our operations, which could have an adverse effect on our business.
- We may not have sufficient funds to satisfy indemnification claims of our current and former directors and executive officers.
- Our business has substantial indebtedness; the majority of our debt instruments are in payment default and contain restrictive covenants which may affect our operational and financial flexibility.

- 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 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.

- Our future 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 may expand operations abroad where we have limited operating experience and where we may be subject to increased regulatory risks and local competition. If we are unsuccessful in efforts to expand internationally, our business may be harmed.

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.

- 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 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.

- As a company with limited capital and human resources, we anticipate that more of management's time and attention will be diverted from our business to ensure compliance with regulatory requirements than would be the case with a company that has well-established controls and procedures. This diversion of management's time and attention may have a material adverse effect on our business, financial condition and results of operations.

- An inability to attract and retain experienced and qualified personnel could adversely affect the Company's 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.

- 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.

Risks Related to Our Epigenetic Testing Services

- Our success and ability to establish and grow our epigenetic testing services, the outputting of algorithmic epigenetic biomarkers of health measures, will depend on developing epigenetic biomarkers for use in the industries we seek to service. If we fail to develop epigenetic biomarkers that attract customers or fail to provide compelling pricing or products, our operating results and financial condition will be adversely affected.

- We intend to provide consumer engagement through our health and wellness offerings; however, competition in the personal health and wellness testing market continues to increase and presents a threat to the success of our business.

- We rely on a limited number of critical third-party suppliers for our epigenetic testing services and in the event we are unable to procure their materials or services, we may not be able to find suitable replacements or immediately transition to alternative suppliers, which will have an adverse impact on our business.

- Our products and services face substantial competition, which may result in others discovering, developing or commercializing products and services that are similar to ours, before or more successfully than we can.

- We or our partners (or both) may now or in the future be subject to laws and regulations relating to laboratory testing, which could materially adversely impact our ability to offer its products or services.

Risks Related to Our Intellectual Property

- If we are unable to protect our patent pending methods of identifying epigenetic biomarkers or intellectual property in general, the value of our brand and other intangible assets may be diminished, and our business may be adversely impacted.

- We may be unable to obtain sufficiently broad intellectual property protection, or we may lose our intellectual property protection.

- We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

- If we become involved in trademark or patent litigation or other proceedings related to a determination of rights, we could incur substantial costs and expenses, substantial liability for damages or be required to stop our development and commercialization efforts of our products and services.

Risks Related to Owning Our Securities

- 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.

- If we issue additional shares of Class A Common Stock 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 are subject to the continued listing standards of the NYSE American and our failure to satisfy these criteria may result in delisting of the Class A Common Stock.

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. However, issuance of preferred stock with certain rights would be governed by NYSE American continued listing requirements and may require a stockholder vote which could be granted by current management.

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, 2024, we had a working capital deficit of $29.8 million. We incurred net losses to common stockholders of $13.5 million and $29.8 million in the years ended December 31, 2024 and 2023, 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 2025 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 2025 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, high 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, 2024 and 2023 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. to the accompanying financial statements do not include any adjustments that may be necessary should we unable to continue as a going concern.

We have not been able to access the capital available under the Strata Purchase Agreement which could have an adverse effect on our business.

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.

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. However, the sale of our Class A Common Stock is not available until we register the stock, which registration will be complete on the date that a registration statement, which we intend to file shortly after the filing of this Annual Report, is declared effective. We will need additional capital to fully implement our business, operating and development plans. Should the financing we require to sustain our working capital needs be unavailable or prohibitively expensive when we require it, the consequences could be a material adverse effect on our business, operating results, financial condition and prospects.

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 business, financial condition and results of operations.

We have a substantial amount of intangible assets. We test the carrying value of intangible assets 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 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 development 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, which may create significant continuity risks and challenges to our ability to operate our business, assess and manage risks and comply with applicable laws. We recently appointed Seamus Lagan as our Chief Executive Officer and there may be 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 other 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.

Seamus Lagan is our Chief Executive Officer. 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. Fluctuations and variability across the industry may affect our revenue and results of operations. 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 life insurance and our other 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, 2024. In addition, based on the evaluation of our disclosure controls and procedures as of December 31, 2024, 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.

Our business has substantial indebtedness; the majority of our debt instruments are in payment default and contain restrictive covenants 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.

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 upon its business.

Risks Related to Our Epigenetic Testing Services

We currently have research projects planned and underway designed to further discover, improve and/or validate the use of our epigenetic biomarkers for our commercial purposes, but we cannot guarantee the results of such research and any negative results may negatively impact our ability to pursue our business plans.

Our current and planned research projects are designed to further discover, improve and/or validate the use of epigenetic biomarkers for commercial use. The main research projects we have underway leverage existing data obtained through our Pilot Study, as well as new data obtained through collaborations such as the Physicians' Health Study. Our analyses of these data are intended to inform the utility and capabilities of epigenetics for health assessment.

While we believe these research projects will lead to the discovery, improvement, and commercialization of our proprietary epigenetic biomarker technology, we cannot guarantee positive and immediately commercially viable results from these studies, nor can we guarantee that potential customers will use our products and services based on the results of such studies. Our results may be misleading or inaccurate, which could adversely impact the acceptance of our products and services, and our overall ability to continue pursuing our business plans. If the results from our research studies differ from what we expect, or if such results are not accepted by our customers, it will adversely impact our ability to pursue our business plans and generate revenue, which could result in a complete loss of your investment.

We intend to provide consumer engagement through our health and wellness offerings; however, competition in the personal health and wellness testing market continues to increase and presents a threat to the success of our business.

The number of companies entering the personal health and wellness testing market with offerings similar to those that we provide through our health and wellness testing offerings continues to increase. We believe that our ability to offer consumer engagement services that add value to consumers depends upon many factors both within and beyond our control, including the following:

- the timing and market acceptance of health and wellness products and services, including the developments and enhancements to those products and services offered by us or our competitors;
- the customer service and support efforts required to provide personal health and wellness testing services;
- the marketing and administrative efforts required to support our consumer engagement services;
- the ease of use, performance, price and reliability of solutions developed either by us or our competitors; and
- our brand strength relative to our competitors.

We anticipate we will also face competition from other companies attempting to capitalize on the same, or similar, opportunities as we are, including from existing diagnostic, laboratory services and other companies entering the personal health and wellness testing market with new offerings such as direct access and/or consumer self-pay tests and interpretation services. Some of our current and potential competitors have longer operating histories and greater financial, technical, marketing and other resources than we do. These factors may allow our competitors to respond more quickly or efficiently than we can to new or emerging technologies. These competitors may engage in more extensive research and development efforts, undertake more far-reaching marketing campaigns and adopt more aggressive pricing policies, which may allow them to build larger customer bases than we have. Our competitors may develop products or services that are similar to our products and services or that achieve greater market acceptance than our products and services. This could attract customers away from our services and reduce our market share.

We rely on a limited number of critical third-party suppliers for our epigenetic testing services and in the event we are unable to procure our materials or services, we may not be able to find suitable replacements or immediately transition to alternative suppliers, which will have an adverse impact on our business.

We rely on a limited number of critical third-party suppliers for our epigenetic testing, including: (1) the maker of our kit for the collection of our customers' saliva; (2) a provider of microarrays; and (3) providers of array processing and wet-lab services to deliver the raw epigenetic data to us. Our suppliers could cease supplying these materials, equipment and/or services at any time, or fail to provide us with sufficient quantities of materials/services or materials/services that meet our specifications, or significantly increase the costs of providing the materials or services to us. Our operations could be interrupted if we encounter delays or difficulties in securing these materials or services, or if we cannot locate an acceptable substitute. Any such interruption could significantly impact our business, financial condition, results of operations and reputation.

Our products and services face substantial competition, which may result in others discovering, developing or commercializing products and services that are similar to ours, before or more successfully than we can.

We have not yet fully developed and commercialized, and may never successfully develop or commercialize, some of our product and service offerings, such as our saliva-based epigenetic underwriting technology for the insurance market. Moreover, our business faces substantial competition from larger, more established companies with products and services that have already been accepted by the industries in which we seek to operate and may impair our ability to compete and to commercialize our products and services.

We recognize that other companies, including larger insurance, insurance technology, health and wellness, and biotechnology companies, may be developing or have plans to develop products and services that may compete with ours. Many of our competitors have substantially greater financial, technical, and human resources than we have. In addition, many of our competitors have significantly greater experience than we have in researching and developing, marketing, and commercializing products and services similar to ours. Our competitors may discover, develop or commercialize products and services that are more effective, safer or less costly than any products or services that we are developing. Our competitors may also obtain regulatory approval for their products and services more rapidly than we may obtain approval for our testing services.

We anticipate that competition with our products and testing services will be based on a number of factors, including product efficacy, accuracy, availability and price. Our competitive position will also depend upon our ability to attract and retain qualified personnel, to obtain patent protection or otherwise develop and maintain proprietary products or processes, protect our intellectual property including our trade secrets, and to secure sufficient capital resources to support the development and commercialization of our products and services.

We or our partners (or both) may now or in the future be subject to laws and regulations relating to laboratory testing, which could materially adversely impact our ability to offer our products or services.

The clinical laboratory testing sector is highly regulated in the United States. Both us and our partners may now, or in the future, be subject to regulation under the Clinical Laboratory Improvement Amendments ("**CLIA**"), or similar state laboratory licensure laws. CLIA is a federal law (administered by the Centers for Medicare & Medicaid Services, or CMS) that, in partnership with the states, regulates clinical laboratories that perform testing on specimens derived from humans for the purpose of providing information for the diagnosis, prevention or treatment of disease or impairment of, or assessment of the health of, human beings. CLIA regulations require clinical laboratories to obtain a certificate commensurate with the type of testing being performed and mandate specific standards in areas including personnel qualifications, administration, participation in proficiency testing, patient test management and quality assurance. CLIA certificates must be renewed every two years, and renewal requires undergoing survey and inspection. CLIA and/or state inspectors may conduct random inspections or conduct inspections as a result of a complaint or reported incident.

DNA methylation profiling of consumer specimens will be performed by our wet-laboratory partners. The failure of our laboratory partners to hold CLIA certification or accreditation appropriate to the type of testing they perform, or to comply with CLIA regulations or applicable state licensure requirements could result in adverse regulatory action that, if not timely corrected, could result in us being unable to continue using their services, which could adversely affect our business. Similarly, if our laboratory partners do not hold state permits or licenses in those states that require them, it may limit our ability to offer our products and services on a national basis.

Because we do not directly analyze human specimens in our facilities but instead perform only data analysis or "dry lab" services, we believe that our bioinformatics and analytic activities are not subject to CLIA. It is possible that, in the future, CLIA may apply to our activities, which could result in us being unable to offer our services or could require additional expenditures to obtain certification, both of which could materially adversely impact our business. We could face similar adverse impacts if a state regulator were to conclude that our bioinformatics activities were subject to state laboratory licensure. Similar adverse consequences could result if CLIA or state regulators disagree with our laboratory partners' interpretation of CLIA or our applicability to their testing services.

Our product and service offerings may now or in the future be subject to laws and regulations relating to laboratory developed tests and software, which could materially adversely impact our business.

The Federal Food, Drug, and Cosmetic Act (the "**FDC Act**") gives the United States Food and Drug Administration, or FDA, the authority to regulate manufacturers of medical devices, which are defined to include, among other requirements, in vitro diagnostic ("**IVD**") products (e.g., laboratory instruments, reagents, and collection devices) and software that are intended for use in the diagnosis, treatment, cure, mitigation or prevention of diseases or conditions, including, without limitation, the presence of biomarkers. Medical devices are subject to a variety of regulatory requirements based on their level of risk, including in some cases premarket review and authorization. The FDA enforces its requirements by market surveillance and periodic inspections. The FDA may take a variety of actions in response to violations of the FDC Act and implementing regulations, including, but not limited to, cease and desist orders, injunctions, civil monetary penalties, operating restrictions, or shutdown of production facilities.

The FDA has historically taken the position that laboratory tests developed in-house by a clinical laboratory, sometimes referred to as laboratory developed tests ("**LDTs**"), are subject to regulation as in vitro diagnostic devices. However, the FDA has generally exercised enforcement discretion (*i.e*., has exercised discretion not to enforce its requirements) with respect to LDTs. Certain types of LDTs have historically not been subject to enforcement discretion, including LDTs for the COVID-19 pandemic and LDTs offered directly to consumers without a health care provider's order. Legislative proposals introduced in Congress in 2021 seek to codify or, alternatively, eliminate, FDA authority to regulate LDTs.

The FDA also takes the position that stand-alone software that meets the definition of a medical device, known as SaMD, is subject to FDA regulation. Certain categories of medical software, including certain health and wellness software, have been exempted from FDA regulation under the FDC Act. Similarly, the FDA has exercised enforcement discretion with respect to certain types of low risk software products, including those intended to help patients manage chronic conditions.

Our products and services include epigenetic analysis of laboratory-generated DNA methylation data using our proprietary bioinformatics and machine learning technology. We believe that our current products and services are not subject to FDA regulation. First, we believe our products and services (such as those intended to inform underwriting decisions) do not meet the definition of a "medical device." Second, to the extent our products and services incorporate software that is intended solely for health and wellness purposes, we believe such software meets the definition of exempt medical software under the FDC Act, as amended by the 21st Century Cures Act, enacted in 2016. Furthermore, even if elements of our products and services could be construed to be subject to FDA oversight, we believe that such elements would be subject to FDA enforcement discretion to the extent that we use such elements to provide general health and wellness and non-disease-specific information to customers that includes disclaimers and caveats that the information is not intended for medical purposes and poses low risk to consumers.

There can be no guarantee that the FDA will now, or in the future, agree with our position. Should the FDA determine that our products and services are subject to FDA regulation, our operations could be adversely affected. If FDA premarket review or approval were required, we could be forced to stop selling our products or services or be required to modify claims or make other changes while we work to obtain FDA clearance, approval or de novo classification. Our business, results of operations and financial condition would be negatively affected until such reviews were completed and clearance, approval or de novo classification to market were obtained or the costs of continuing to operate our business could increase materially.

Our use of saliva-based epigenetic biomarkers may in the future be subject to laws and regulations at the state and federal levels relating to the use of such testing or information in life insurance underwriting, which could materially adversely impact our business.

One of the ways in which we are seeking to commercialize our epigenetic biomarker technology is for use in life insurance underwriting. Underwriting life insurance is subject to state insurance regulation. We believe the use of epigenetic biomarkers in underwriting is permissible due to the fact that we are seeking to identify underwriting impairments already used by other insurance carriers in medical underwriting today. Moreover, the use of epigenetic testing or information in life insurance underwriting is not prohibited at either the federal or state level. Florida and Louisiana are the only states that have explicitly sought to prohibit the use of genetic information, which is distinguishable from epigenetic information, for use in life insurance underwriting.

Any adverse change in current 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 states, or cause us to not start or modify our operations in a manner that adversely affects our ultimate profitability. Any such action could have a corresponding 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.

As part of our business, we may collect, process, store, share, disclose and use customer information and other data, and our actual or perceived failure to protect such information and data, respect customer privacy or comply with data privacy and security laws and regulations could damage our reputation and brand and harm our business and operating results.

We may receive and store personally identifiable information, epigenetic information, and other data relating to our customers, as well as other personally identifiable information and other data relating to individuals such as our employees. Security breaches, employee malfeasance, or human or technological error could lead to potential unauthorized disclosure of our customers' personal information. Even the perception that the privacy of personal information is not satisfactorily protected or does not meet regulatory requirements could inhibit sales of our solutions and any failure to comply with such laws and regulations could lead to significant fines, penalties or other liabilities.

A security compromise of our information systems or of those of businesses with whom we interact that results in confidential information being accessed by unauthorized or improper persons could harm our reputation and expose us to regulatory actions, customer attrition, remediation expenses, disruption of our business, and claims brought by our customers or others for breaching contractual confidentiality and security provisions or data protection laws.

Monetary damages imposed on us could be significant and not covered by our liability insurance. Techniques used by bad actors to obtain unauthorized access, disable or degrade service, or sabotage systems evolve frequently and may not immediately produce signs of intrusion, and we may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, a security breach could require us to expend substantial additional resources related to the security of our information systems and provide required breach notifications and remediation, diverting resources from other projects and disrupting our businesses. If we experience a data security breach, our reputation could be damaged and we could be subject to additional litigation, regulatory risks and business losses.

Numerous local, municipal, state, federal, and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data, including the Personal Information Protection and Electronic Documents Act, the Telephone Consumer Protection Act of 1991, or the TCPA, Section 5 of the Federal Trade Commission Act, and effective as of January 1, 2020, the California Consumer Privacy Act (or the CCPA). These laws, rules, and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement, and may be inconsistent from one jurisdiction to another. For example, the CCPA, which went into effect on January 1, 2020, requires, among other things, new disclosures to California consumers and affords such consumers new abilities to opt out of certain sales of personal information. The CCPA provides for fines of up to $7,500 per violation. Aspects of the CCPA and its interpretation and enforcement remain uncertain. The effects of this legislation are potentially far-reaching and may require FOXO to modify its data processing practices and policies and incur substantial compliance-related costs and expenses. The CCPA has been amended on multiple occasions. For example, the California Privacy Rights Act (or CPRA) recently was approved by California voters and significantly modifies the CCPA, potentially resulting in further uncertainty and requiring FOXO to incur additional costs and expenses in an effort to comply. The CPRA became operative on January 1, 2023 (and applies only to consumer data collected on or after January 1, 2022, with enforcement beginning July 1, 2023). While the CCPA will remain operative and enforceable from now until July 1, 2023, we will continue to monitor developments related to the CPRA. The effects of this legislation are potentially far-reaching and may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses. Additionally, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts. The CCPA and other changes in laws or regulations relating to privacy, data protection, breach notifications, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, which require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could greatly increase the cost of providing our products and services, require significant changes to our operations, or even prevent us from providing our products and services in jurisdictions in which we currently operate and in which we may operate in the future.

We may also be required to comply with increasingly complex and changing data security and privacy regulations in the UK, the European Union (the "**EU**") and in other jurisdictions in which we plan to conduct business that regulate the collection, use and transfer of personal data, including the transfer of personal data between or among countries. For example, the EU's General Data Protection Regulation (the "**GDPR**"), now also enacted in the UK as the UK GDPR, has imposed stringent compliance obligations regarding the handling of personal data and has resulted in the issuance of significant financial penalties for noncompliance. Further, in July 2020, the Court of Justice of the European Union released a decision in the *Schrems II* case (*Data Protection Commission v. Facebook Ireland, Schrems*), declaring the EU-US Privacy Shield invalid and calling into question data transfers carried out under the European Commission's Standard Contractual Clauses. As a result of the decision, we may face additional scrutiny from EU regulators in relation to the transfer of personal data from the EU to the United States. Noncompliance with the GDPR can trigger fines of up to the greater of €20 million or 4% of global annual revenues. In the United States, there have been proposals for federal privacy legislation and many new state privacy laws have been enacted or proposed. Other countries have enacted or are considering enacting data localization laws that require certain data to stay within their borders. We may also face audits or investigations by one or more domestic or foreign government agencies or our customers pursuant to our contractual obligations relating to our compliance with these regulations. Complying with changing regulatory requirements requires us to incur substantial costs, exposes us to potential regulatory action or litigation, and may require changes to our business practices in certain jurisdictions, any of which could materially adversely impact our business, financial condition and results of operations.

Despite our efforts to comply with applicable laws, regulations, and other obligations relating to privacy, data protection, and information security, it is possible that our interpretations of the law or best practices could be inconsistent with, or fail, or be alleged to fail to meet all requirements of, such laws, regulations, or obligations. Our failure, or the failure by its third-party providers on its platform, to comply with applicable laws or regulations or any other obligations relating to privacy, data protection, or information security, or any compromise of security that results in unauthorized access to, or use or release of personally identifiable information or other data relating to our customers, or other individuals, or the perception that any of the foregoing types of failure or compromise have occurred, could damage our reputation, discourage new and existing customers from using our products or services, or result in fines, investigations, or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect our business, financial condition, and results of operations. Even if not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and materially adversely impact our business, financial condition, and results of operations.

We will be subject to the terms of our privacy policies and privacy-related obligations. Any failure or perceived failure by us to comply with our privacy policies, our privacy-related obligations to customers or others, or our privacy-related legal obligations, or any compromise of security that results in the unauthorized release or transfer of sensitive information, which could include personally identifiable information or other user data, may result in governmental or regulatory investigations, enforcement actions, regulatory fines, compliance orders, litigation or public statements against us by consumer advocacy groups or others, and could cause customers to lose trust in us, all of which could be costly and have an adverse impact on our business. In addition, new and changed rules and regulations regarding privacy, data protection (in particular those that impact the use of artificial intelligence) and cross-border transfers of customer information could cause us to delay planned uses and disclosures of data to comply with applicable privacy and data protection requirements. Moreover, if any third-party that we work with violates applicable laws or its policies, such violations also may put personal information at risk, which may result in increased regulatory scrutiny and have a material adverse effect on our reputation, business, financial condition and results of operations.

We may be unable to prevent or address the misappropriation of our data, which could damage our reputation and materially adversely impact our business.

Third parties may misappropriate our data through website scraping, bots or other means and aggregate this data on their websites with data from other companies. In addition, copycat websites or online apps may misappropriate data and attempt to imitate our brand or the functionality of our planned website. If we become aware of such websites or online apps, we intend to employ technological or legal measures in an attempt to halt their operations. However, we may be unable to detect all such websites or online apps in a timely manner and, even if we could, technological and legal measures may be insufficient to halt their operations immediately or completely. In some cases, particularly in the case of websites or online apps operating outside of the United States, our available remedies may not be adequate to protect us against the effect of the operation of such websites or online apps. Regardless of whether we can successfully enforce our rights against the operators of these websites or online apps, any measures that we may take could require us to expend significant financial or other resources, which could harm our business, results of operations or financial condition. In addition, to the extent that such activity creates confusion among consumers or advertisers, our brand and business could be harmed.

Changes in state laws and regulations governing our business, or changes in the interpretation of such laws and regulations, could negatively impact our business.

State statutes typically provide state regulatory agencies with significant powers to interpret, administer and enforce the laws relating to the purchase of life insurance. Under statutory authority, state regulators have broad discretionary power and may impose new licensing requirements, interpret or enforce existing regulatory requirements in different ways or issue new administrative rules, even if not contained in state statutes. State regulators may also impose rules that may restrict and negatively impact our industry. Because of the history of certain abuses in the industry, we believe it is likely that state insurance regulation will increase and grow more complex during the foreseeable future. We cannot, however, predict what any new regulation would specifically involve.

The emergence of new biotechnologies has led to frequent legislation governing the use of genetic information in insurance. The federal regulation, Genetic Information Nondiscrimination Act ("**GINA**"), prohibits the use of genetic information by health insurers, but it does not apply to life insurance or epigenetics at this time. To date, a small minority of states have adopted a GINA-like framework, essentially prohibiting the use of genetic information for life insurance underwriting and risk classification. Other states have laws regulating, though not prohibiting, the use of genetic information in life insurance. While epigenetics' distinguishable features exempt it from the text of, and rationale behind, current laws regulating the use of genetic information in life insurance, any adverse change in present laws or regulations, or their interpretation in one or more states in which we may operate (or an aggregation of states in which we may conduct a significant amount of business) could result in our curtailment or termination of operations in such jurisdictions, or cause us to modify our operations in a way that adversely affects our profitability. Any such action could have a corresponding material and negative impact on our results of operations and financial condition, primarily through a material decrease in revenues, and could also have a material adverse effect on our business, financial condition and results of operations.

New legislation or legal requirements may affect how we communicate with customers, which could have a material adverse impact on our business model, financial condition, and results of operations.

State and federal lawmakers and insurance regulators are focusing upon the use of customer communications, including concerns about transparency, deception, and fairness, in particular. Changes in laws or regulations, or changes in the interpretation of laws or regulations by a regulatory authority may decrease our revenues and earnings and may require us to change the manner in which we conduct some aspects of our business. In addition, our business and operations are subject to various U.S. federal, state, and local consumer protection laws, including laws which place restrictions on the use of automated tools and technologies to communicate with wireless telephone subscribers or consumers generally. For example, a California law, effective as of July 2019, makes it unlawful for any person to use a bot to communicate with a person in California online with the intent to mislead the other person about its artificial identity for the purpose of knowingly deceiving the person about the content of the communication in order to incentivize a purchase of goods or services in a commercial transaction. Although we take steps to comply with this and other laws restricting the use of electronic communication tools, no assurance can be given that we will not be exposed to civil litigation or regulatory enforcement. Further, to the extent that any changes in law or regulation further restrict the ways in which we communicate with prospective or current customers, these restrictions could result in a material reduction in our customer acquisition and retention, reducing the growth prospects of our business, and materially adversely impact our business, financial condition and results of operations.

Risks Related to Our Intellectual Property

If we are unable to protect our patent pending methods of identifying epigenetic biomarkers or intellectual property in general, the value of our brand and other intangible assets may be diminished, and our business may be adversely impacted.

We depend on our proprietary technology, intellectual property and services for our business plans, success and ability to compete. We rely and expect to continue to rely on a combination of confidentiality and other agreements with our employees, consultants and third parties with whom we have relationships or with whom we plan to have relationships, and who may have access to confidential or patentable aspects of our research and development output, as well as the trademark, copyright, patent and trade secret protection and common law rights and laws, to protect our proprietary rights. For example, we rely on trade secret protection for building and validating an extensive number of machine learning models that use epigenetic data derived from different types of tissues to predict a wide variety of targets, such as smoking use and/or extent, alcohol use and/or extent, etc. Although we enter into confidentiality and other agreements to protect these and other proprietary technologies, any of these parties may breach the agreements and disclose information before a patent application is filed, and jeopardize our ability to seek patent protection, if we were not able to use the courts to enjoin the disclosure in advance. In addition, our ability to obtain and maintain valid and enforceable patents or patent licenses depends on whether the differences between our inventions and the prior art allow our inventions to be patentable over the prior art. Since publications in the scientific literature often lag behind the actual discoveries, and patent applications do not publish until 18 months after filing, we are never certain we are the first to make the inventions claimed in any of our patents or that we are the first to file for patent protection of such patents. In other words, priority is never known until an application is prosecuted. Additionally, third parties may knowingly or unknowingly infringe our proprietary rights, and third parties may challenge our proprietary rights held, pending and future patent, copyright, trademark and other applications, which, if successful, may not be approved and which may affect our ability to prevent infringement without incurring substantial expense. In addition, the laws of some foreign countries do not protect proprietary rights to the same extent as do the laws of the United States.

If the protection of our proprietary rights are inadequate to prevent use or appropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our service and methods of operations. Despite our efforts to protect our proprietary rights, attempts may be made to copy or reverse engineer aspects of our products or services, or to obtain and use information that we regard as proprietary and which a judge may not enjoin. Accordingly, we may be unable to protect our proprietary rights against unauthorized third-party copying or use. Furthermore, as a practical matter, policing the unauthorized use of our intellectual property would be difficult for us, because of the private nature of our competitors and because our competitors may offer competing products as software-as-a-service, which may limit the ability to discover a competitor's use of our proprietary technology. Litigation may be necessary in the future to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. Litigation and/or any of the events above could result in substantial costs and diversion of resources, and could have a material adverse impact on our business, financial condition and results of operations.

We may be unable to obtain sufficiently broad intellectual property protection, or we may lose intellectual property protection.

As patent and trademark prosecution of biotechnology inventions is highly uncertain, involves complex legal and factual questions, and has been the subject of litigation in recent years, the issuance, scope, validity, enforceability and commercial value of our intellectual property rights are highly uncertain. Our pending and future trademark or patent applications may not result in issued trademarks and patents that protect our products and services, which would render us unable to prevent others from commercializing the same or similar products and services that we offer. The coverage of trademark and patent claims may be significantly reduced before such intellectual property approval is granted and the scope and validity of issued trademarks and patents can also be challenged after grant, which, if successful, may not provide us meaningful protection, may not allow us to exclude competitors or may not provide us with any competitive advantage.

Despite our efforts, we may not be able to maintain confidentiality for our trade secrets and proprietary know-how. In addition, our trade secrets and proprietary know-how may otherwise become known or be independently discovered by others. No guarantee can be given that others will not independently develop substantially equivalent proprietary information or techniques, or otherwise gain access to our proprietary technology. We rely on a combination of patent, trademark, and trade secret protection to establish and protect the ideas, concepts, and know-how for the products, services and technology we develop. Our failure to establish patent, trademark and trade secret protection for our technology and intellectual property rights could enable our competitors to more effectively compete and have an adverse impact on our business, financial condition and results of operations.

Changes in trademark or patent law in the United States and other jurisdictions could diminish the value of our potential future trademarks and patents in general, thereby adversely impacting our ability to protect our products and services.

Changes in either the trademark or patent laws or in interpretations of trademark or patent laws in the United States or other countries or regions may diminish the value of our intellectual property. We cannot predict the breadth of claims that may be allowed or enforced in our potential future trademarks and patents or in third-party intellectual property. In the United States, prior to March 16, 2013, assuming that other requirements for patentability were satisfied, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. On or after March 16, 2013, under the Leahy-Smith America Invents Act (or the America Invents Act), enacted on September 16, 2011, the United States transitioned to a first inventor to file system in which, assuming that other requirements for patentability are satisfied, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. As such, a third party that files a patent application in the United States Patent and Trademark Office (the "**USPTO**") before us could be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either file any patent application related to our products or services, or invent any of the inventions claimed in our or its licensor's patents or patent applications.

The America Invents Act also includes a number of significant changes that affect the way patent applications will be prosecuted and also may affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO-administered post-grant proceedings, including post-grant review, *inter partes* review, and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U.S. federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Therefore, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our owned or in-licensed patent applications and the enforcement or defense of our owned or in-licensed issued patents, all of which could have a material adverse impact on our business.

Recent U.S. Supreme Court rulings have also narrowed the scope of patent protection available in specific circumstances (e.g., regarding domestic processes) and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

We have employed and expect to employ or contract with individuals who were previously employed by or were independent contractors for universities or other companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and independent contractors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers or other third parties, or to claims that we have improperly used or obtained such trade secrets. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, or lose the ability to use certain technologies, all of which could adversely impact our business. A loss of use of certain technologies or key research personnel work product could hamper or prevent our ability to commercialize potential products and services, which could harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management and other employees.

We may not be successful in registering and enforcing our trademarks.

As we apply to register our unregistered trademarks in the United States and other countries, our applications may not be allowed for registration in a timely fashion or at all, and our registered trademarks may not be maintained or enforced. Trademark enforcement is always uncertain, since proving infringement requires a showing of consumer confusion in addition to use by the defendant of a similar or identical trademark. In addition, opposition or cancellation proceedings may be filed against our trademark applications and registrations, and our trademarks may not survive such proceedings. In certain countries outside of the United States, trademark registration is required to enforce trademark rights. If we do not secure registrations for our trademarks, we may encounter more difficulty in enforcing them against third parties than we otherwise would.

We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property.

We may be subject to claims that former employees, collaborators or other third parties have an interest in our future owned or in-licensed patents, trade secrets or other intellectual property as an inventor or co-inventor. Ownership disputes may arise, for example, from conflicting obligations of employees, consultants or others who are involved in developing our future products and services.

Litigation may be necessary to defend against these and other claims by a third party challenging inventorship of our or our licensors' ownership of our future owned or in-licensed patents, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or a right to use, intellectual property or technology that is important to our product or services. Alternatively, we may need to obtain one or more additional licenses from certain third parties, which could be time-consuming and expensive and could result in substantial costs and diversion of resources and could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse impact on our business, financial condition, and results of operations.

If we become involved in trademark or patent litigation or other proceedings related to a determination of rights, we could incur substantial costs and expenses, substantial liability for damages or be required to stop our development and commercialization efforts of our products and services.

There is a substantial amount of litigation, both within and outside the United States, involving trademark, patent and other intellectual property rights in the insurance technology industry, including patent and trademark infringement lawsuits, declaratory judgment litigation and adversarial proceedings before the USPTO, including trademark oppositions and cancellations, patent interferences, derivation proceedings, *ex parte* reexaminations, post-grant review and *inter partes* review, as well as corresponding proceedings in foreign courts and foreign patent offices.

We may, in the future, become involved with litigation or actions at the USPTO or foreign patent offices with various third parties. We expect that the number of such claims may increase as our industry expands, more trademarks and patents are issued, the number of products or services increases and the level of competition in our industry increases. Any infringement claim, regardless of its validity, could harm our business by, among other things, resulting in time-consuming and costly litigation, diverting management's time and attention from the development of our business, requiring the payment of monetary damages (including possible treble damages, attorney's fees, costs and expenses) or royalty payments.

It may be necessary for us to pursue litigation or adversarial proceedings before the trademark or patent office in order to enforce our patent and proprietary rights or to determine the scope, coverage and validity of the proprietary rights of others. The outcome of any such litigation might not be favorable to us, and even if we were to prevail, such litigation could result in substantial costs and diversion of resources and could have a material adverse impact on our business, financial condition and results of operations.

As we move into new markets and expand our products or services offerings, incumbent participants in such markets may assert their patents and other proprietary rights against us as a means of slowing our entry into such markets or as a means to extract substantial license and royalty payments from us. In addition, future litigation may involve patent holding companies or other adverse patent owners who have no relevant product or service revenue and against whom our own patents may provide little or no deterrence or protection.

Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our current or future products, technologies and services may infringe. We cannot be certain that we have identified or addressed all potentially significant third-party patents in advance of an infringement claim being made against us. In addition, similar to what other companies in our industry have experienced, we expect our competitors and others may have trademarks or patents or may in the future obtain trademarks or patents, and assert that making, having made, using, selling, offering to sell or importing its products or services infringes these trademarks or patents. Defense of infringement and other claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and employee resources from our business. Parties making claims against us may be able to sustain the costs of complex trademark or patent litigation more effectively than we can because they have substantially greater resources. Parties making claims against us may be able to obtain injunctive or other relief, which could block our ability to develop, commercialize and sell products or services and could result in the award of substantial damages against us, including possible treble damages, attorney's fees, costs and expenses if we are found to have willfully infringed. In the event of a successful claim of infringement against us, we may be required to pay damages and ongoing royalties and obtain one or more licenses from third parties, or be prohibited from selling certain products or services. We may not be able to obtain these licenses on acceptable or commercially reasonable terms, if at all, or these licenses may be non-exclusive, which could result our competitors gaining access to the same intellectual property. In addition, we could encounter delays in product or service introductions while we attempt to develop alternative products or services to avoid infringing third-party patents or proprietary rights. Defense of any lawsuit or failure to obtain any of these licenses could prevent us from commercializing products or services, and the prohibition of sale of any of our products or services could materially impact our business and our ability to gain market acceptance for our products or services.

We maintain multiple forms of proprietary information, the value of which is derived from the proprietary nature of such information. Employees of ours or third parties that are or become privy to our proprietary information may, despite our efforts, misappropriate such information. Such misappropriation may result in publication or other public release of such information. In such an event, although we may have a cause of action against any such parties, such legal action is costly and may not result in sufficient compensation to ameliorate the loss of competitive advantages enjoyed by our confidential possession of such proprietary information. Additionally, such proprietary information, once published or otherwise released to the public, may not be returned to a secret state, and may be copied or otherwise imitated or used by competitors of ours without legal recourse or means of compensation by us. Such loss could materially adversely impact our business, financial condition and results of operations.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation, although courts are empowered to protect confidential information using protective orders. In addition, during the course of this kind of litigation, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of the Class A Common Stock.

In addition, our agreements with some of our customers, suppliers or other entities with whom we do business require us to defend or indemnify these parties to the extent they become involved in infringement claims, including the types of claims described above. We could also voluntarily agree to defend or indemnify third parties in instances where we are not obligated to do so if we determine it would be important to our business relationships. If we are required or agree to defend or indemnify third parties in connection with any infringement claims, we could incur significant costs and expenses that could materially adversely impact our business, financial condition and results of operations.

We utilize open-source software, which may pose particular risks to our proprietary software and source code.

We use open-source software in our proprietary software and will use open-source software in the future. Companies that incorporate open-source software into their proprietary software and products have, from time-to-time, faced claims challenging the use of open-source software and compliance with open-source license terms. Some licenses governing the use of open-source software contain requirements that we make available source code for modifications or derivative works we create based upon the open-source software, and that we license such modifications or derivative works under the terms of a particular open-source license or other license granting third parties certain rights of further use. By the terms of certain open-source licenses, we could be required to release the source code of certain aspects of our proprietary software, and to make our proprietary software available under open-source licenses to third parties at no cost if we combine certain aspects of proprietary software with open-source software in certain manners. Although we monitor our use of open-source software and have a policy of full compliance with all open-source software license terms, we cannot assure that all open-source software is reviewed prior to use in our software, that our developers have not incorporated open-source software into our proprietary software, or that they will not do so in the future.

Additionally, the terms of many open-source licenses to which we are subject have not been interpreted by U.S. or foreign courts. There is a risk that open-source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market or provide certain aspects of its proprietary software. Companies that incorporate open-source software into their products have, in the past, faced claims seeking enforcement of open-source license provisions and claims asserting ownership of open-source software incorporated into their proprietary software, and claims for damages for failure to fully comply with those applicable licenses. If an author or other third party that distributes such open-source software were to allege that we have not complied with the conditions of an open-source license, we could incur significant legal costs defending ourselves against such allegations. In the event such claims were successful, we could be subject to significant damages or be enjoined from the distribution of our proprietary software. In addition, the terms of open-source software licenses may require us to provide certain aspects of our software that we develop using such open-source software to others on unfavorable license terms. As a result of our current or future use of open-source software, we may face claims or litigation, be required to release certain aspects of our proprietary source code, pay damages for breach of contract, re-engineer its proprietary software, discontinue making our proprietary software available in the event that re-engineering cannot be accomplished on a timely basis, discontinue certain aspects or functionality of our products and testing services, or take other remedial action. Any such re-engineering or other remedial efforts could require significant additional research and development resources, and we may not be able to successfully complete any such re-engineering or other remedial efforts. Further, in addition to risks related to license requirements, use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties or controls on the origin of the software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse impact on our business, financial condition and results of operations.

Risks Related to Owning Our Securities

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 (NYSE American: FOXO) has traded as low as $0.09 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.

If we issue additional shares 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.

We are subject to the continued listing standards of the NYSE American and our failure to satisfy these criteria may result in delisting of the Class A Common Stock.

If the Class A Common Stock is delisted, our Class A Common Stock may be subject to the so-called "penny stock" rules. The SEC has adopted regulations that define a penny stock to be any equity security that has a market price per share of less than $5.00, subject to certain exceptions, such as any securities listed on a national securities exchange. For any transaction involving a penny stock, unless exempt, the rules impose additional sales practice requirements and burdens on broker-dealers (subject to certain exceptions) and could discourage broker-dealers from effecting transactions in our stock, further limiting the liquidity of our shares, and an investor may find it more difficult to acquire or dispose of our Class A Common Stock on the secondary market.

These factors could have a material adverse effect on the trading price, liquidity, value and marketability 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 2025 with five annual options to renew for an additional year
Oneida, Tennessee	Acute Care Hospital/Medical Office Building	Leased through June 2025 with five annual options to renew for an additional year
Farragut, Tennessee	Regional 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 pursuant to which Smithline exchanged the Assumed Warrant to purchase up to 312,500 shares, as adjusted, of the Company's Common Stock terminating on February 23, 2025, for the right to receive up to 13,087,514 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. Upon the execution of the Exchange Agreement and receipt of all of the Rights Shares, the Assumed Warrant, and all associated rights thereunder will be terminated. The Assumed Warrant is more fully discussed in Note 13. As of December 31, 2024, the Company has issued 3,238,973 Rights Shares to Smithline. Although Smithline has continued to convert debt to equity under the Exchange Agreement and has reduced the liability from $2.3 million to $1.4 million at December 31, 2024, the Company is currently in default of the Settlement Agreement that terminated on February 23, 2025. The parties have mutually agreed to continue to operate under the terms of the Settlement Agreement without a written amendment and extension. The Company has issued an additional 3,285,025 Rights Shares to Smithline in the quarter ending March 31, 2025 for a further reduction of $588,898 of the balance owed under the Settlement Agreement. At March 31, 2025 the balance remaining to be paid under the Settlement Agreement is $780,620.

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, retained certain liabilities of severance pay and stock-based compensation in the 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.

Disputed Severance Policy

A proposed severance policy was drafted in early 2023 with an effective date of January 9, 2023. However, neither the Company's board of directors nor its remuneration committee approved the policy. If adopted the policy would have applied to all exempt level vice presidents and above employees across various departments. It provided for a six-month salary pay out if the employee, while in good standing, was involuntarily separated from the Company. If the policy were valid, five former employees would have met the guidelines to receive the severance aggregating approximately $0.5 million in severance payments. The Company understands that in breach of fiduciary duty and outside of required approvals from the Board of Directors, certain offers were made by an officer of the Company to a number of employees of the Company. The Company has received demands from employees requesting payment of severance they believed to be owed but which agreements were not authorized or valid. The Company believes that all obligations related to employees' separation from the Company have been paid and/or fully satisfied and will vigorously defend any claim for payment that might arise.

SEC Investigation

On March 3, 2023, the Company received a document request from the SEC indicating that the SEC was conducting an investigation regarding the Company and sought documents concerning (1) Jon Sabes' termination as CEO, (2) Jon Sabes' resignation from the Company's board of directors, and (3) Steven Sabes' termination as COO, and voluntarily responded to the SEC's request.

On July 9, 2024, the Company received a letter from the SEC has concluded the investigation and, based on the information it had as of that date, it does not intend to recommend an enforcement action against the Company.

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 recorded this liability at December 31, 2024 and has recently engaged in communication with counsel for Illumina to explore the opportunity to complete a judgment settlement agreement with terms acceptable to both parties and which would facilitate the settlement of this judgment over time. There is no guarantee that discussions will result in an agreement between the parties.

Senior PIK Notes

In July 2024, John Nash and Mitchell Kersch, two holders of promissory notes, which we refer to as Senior PIK Notes, filed legal actions against the Company for approximately $0.8 million and $0.4 million respectively. On January 22, 2025, all Senior PIK Notes were exchanged to Series B Preferred Stock of the Company on agreement by the majority of the Senior PIK Note holders in October 2024. At March 31, 2025, the Company has been successful in having the court vacate the Nash and Kersch judgment efforts and having both complaints dismissed by the court.

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

Our Class A Common Stock is currently listed on NYSE American under the symbol "FOXO." The Public Warrants (as defined below) are currently quoted on the OTC Pink Marketplace under the symbol "FOXOW."

The closing price of our Class A Common Stock on April 8, 2025 was $0.1387.

Holders of Record

As of April 8, 2025, there were 62 active holders of record of shares of our Class A Common Stock, one holder of record of Public Warrants and nine holders of record of private warrants. 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*."

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

We are a healthcare services and technology company operating in two reportable business segments: (i) Healthcare; and (ii) Labs and Life. These segments further operate in three synergistic divisions, a rural hospital division, a mental and behavioral health division, which together make up our Healthcare segment and an epigenetics diagnostics and interpretation division, which makes up our Labs and Life segment. Our rural hospital division and our epigenetics diagnostics and interpretation division operate through wholly owned subsidiaries, and our behavioral health division operates through a majority-owned subsidiary.

Previously, Labs and Life were treated as separate segments; however, with the acquisition of Myrtle in June 2024, which is more fully discussed below, the Company's operational focus shifted such that it was appropriate to combine our Labs and Life segments during the second quarter of 2024 and to operate Myrtle in the newly formed Healthcare segment. Our Healthcare segment also includes RCHI, and its wholly-owned subsidiary, SCCH which were acquired on September 10, 2024, as more fully discussed below.

Our Business Segments

Healthcare Segment

Myrtle offers behavioral health services, primarily substance abuse treatments and services that are provided on either an inpatient, residential basis or an outpatient basis. RCHI's hospital, SCCH, doing business **as 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.

Labs and Life Segment

Our Labs and Life segment is commercializing epigenetic biomarker technology to support groundbreaking scientific research and disruptive next-generation business initiatives. It applies automated machine learning and artificial intelligence ("**AI**") technologies to discover epigenetic biomarkers of human health, wellness and aging. On February 3, 2023, we sold FOXO Life Insurance Company, as is more fully described herein.

Recent and Other Developments

Reverse Stock Split

On October 31, 2023, we amended our Second Amended and Restated Certificate of Incorporation, as amended, to implement a 1-for-10 reverse stock split, such that every 10 shares of our Class A Common Stock will be combined into one issued and outstanding share of our Class A Common Stock, with no change in the $0.0001 par value per share (the "**Reverse Stock Split**").

We effected the Reverse Stock Split on November 6, 2023 at 4:01pm Eastern Time of our issued and outstanding shares of Class A Common Stock, which was previously approved by stockholders at our annual meeting of stockholders held on May 26, 2023 to regain compliance with Section 1003(f)(v) of the NYSE Company Guide (the "**Company Guide**").

Trading reopened on November 7, 2023, which is when our Class A Common Stock began trading on a post reverse stock split basis. All share information included in this Annual Report has been reflected as if the Reverse Stock Split occurred as of the earliest period presented.

Stock Exchange Agreements Dated June 10, 2024

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 1,023,629 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 abuse 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.

Myrtle has been granted two licenses from the Tennessee Department of Mental Health and Substance Abuse Services, effective August 1, 2024, for 12 months. The first license authorizes the provision of services for alcohol and drug residential detoxification treatment, as well as alcohol and drug residential rehabilitation treatment. The second license authorizes the provision of services for non-residential office-based opiate treatment.

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 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 RJO to exchange all of the outstanding shares of its subsidiary RCHI, including RCHI's wholly-owned subsidiary Scott County Community Hospital, Inc. ("**SCCH**"), for 20,000 shares of the Company's 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 "**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**"). The RCHI Note matured on 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.

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.

FOXO acquired Myrtle and RCHI as synergistic opportunities to expand its operations into the healthcare sector and as a complement to its epigenetic biomarkers of human health, wellness and aging.

Termination of Employment, Settlement and Mutual Release Agreement

On July 25, 2024, we entered into an amended Services Agreement with Mark White (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 ai Inc., a Nevada corporation controlled my Messrs. White and Ward ("**KR8**"), pursuant to which 3,000 shares of our Series D Preferred Stock (as defined below) (the "**KR8 Shares**") 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 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 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 acquisition and investment in new operations in targeted areas.

FOXO Labs

In response to changing conditions and feedback from the market, including growing demand for direct-to-consumer wellness testing and epigenetic data analysis tools, we are shifting our strategic focus away from selling life insurance products through our MGA Model and concentrating efforts on: (1) our Bioinformatics Services offering, a suite of bioinformatic tools to help researchers process, analyze, and interpret epigenetic data (see "*Bioinformatics Services*" below for more information); 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.

FOXO is focused on commercializing scientific discoveries in health and longevity. A pivotal moment in the field of longevity science came with the discovery that epigenetics could be used to develop measures of health, including biological aging, according to an article published in the scientific journal, *Nature*, in 2014. In recent years, we and other scientists have extended these findings to assess tobacco, alcohol, blood cell composition, and other health measures based on discovered epigenetic biomarkers. To that end, FOXO is dedicated to research and development in order to provide data-driven insights based on the numerous health measures that can be determined through this unique dimension of biology and used to foster optimal health and longevity for both individuals and organizations. We believe there is value in what these biomarkers will be able to provide to the world. Current testing options can be inaccurate, and piecemeal, and often require obtaining a blood sample. Epigenetic biomarkers may pave the path for a fully comprehensive, at-home, low-cost test that could, with other existing testing, offer a much easier, more detailed sense of one's health.

At the same time, we believe there exists a significant bottleneck in scientific research and product development using epigenetic data. Due to the complexity of the data, many scientists are unaware of how to properly process such data or take full advantage of the available tools. With our experience in bringing to market new tools (both software and hardware) and know-how (our Bioinformatics Services and analytic consulting), we believe we are well-positioned to help reduce barriers in advancing epigenetic research and the development of epigenetic-based products. Thus, we have chosen strategically to extend our expertise in epigenetic data processing and analysis to outside parties in an effort to further accelerate new discoveries. This work not only allows us to generate revenue, but also continue our work in developing improved ways in processing and analyzing this important data.

Historically, we have had two core product offerings related to the commercialization of epigenetic science: the "Underwriting Report," and the "Longevity Report™." The Underwriting Report, which has been under development and is currently paused until we increase our cash resources in order to continue additional research and development, is intended to allow us to leverage a single assay testing process to generate a panel of impairment scores that could be applied by life insurance underwriters to more efficiently assess clients during the underwriting process and provide a more personalized risk assessment. The Longevity Report, sales of which have also been paused as we redevelop and re-strategize around this product, was designed as a customer-facing consumer engagement product that provides actionable insights based on one's biological age and other epigenetic measures of health and wellness.

Historically, we were operationalizing a sales and distribution platform focused on recruiting independent life insurance agents to sell life insurance with longevity-promoting products such as our Longevity Report. We previously marketed and sold life insurance products underwritten and issued by third-party carriers through distribution relationships (the "MGA Model"). The MGA Model allowed us to appoint sales agents and producers to sell insurance products for specific carriers and earn commissions on subsequent policy sales. On October 2, 2023, we decided to pause sales of new life insurance products and move existing producers out of the MGA Model hierarchy to further conserve cash resources and focus resources on FOXO Labs.

Management, License and Maintenance Fees Under the KR8 Agreement

On October 29, 2023, we entered into a Letter Agreement with KR8 to develop a Direct-to-Consumer APP (iOS and Android) combining its artificial intelligence ("**AI**") Machine Learning technology to provide a commercial application of our epigenetic biomarker technology as a subscription consumer engagement platform. Effective January 12, 2024, the Letter Agreement was replaced by the KR8 Agreement. Our former Interim CEO and our current Interim CFO each are equity owners of the Licensor. Under the KR8 Agreement, the Licensor granted to us a limited, non-sub licensable, non-transferable perpetual license to use the Licensor's products 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 agreement is solely within the U.S., Canada and Mexico.

Net Revenues

Healthcare generates revenues from hospital and ancillary services as well as substance abuse treatments, including inpatient and outpatient services. Labs currently recognizes revenue from providing epigenetic testing services and collecting a royalty from Illumina, Inc. related to the sales of the Infinium Mouse Methylation Array. Life primarily had residual commission revenues from its legacy insurance agency business.

Research and Development

Labs conducts research and development, and such costs are recorded within research and development expenses on the consolidated statements of operations. Labs had operated its Bioinformatics Services as an ancillary offering, with revenue recognized as epigenetic biomarker services in our historical financial statements, but now looks to it as a primary offering. Bioinformatics Services provide a data processing, quality checking, and data analysis service using FOXO's cloud-based bioinformatics pipeline, referred to as our epigenetics, longevity, or methylation pipeline in our historical financial statements. Labs accepts raw data from third party labs and converts that data into usable values for customers

FOXO Life Insurance Company

Due to market conditions, our capitalization following the business combination did not materialize in the way the Company anticipated, and we did not possess the funding that we believed would be required to satisfy state regulations and regulatory bodies to issue new life insurance policies through FOXO Life Insurance Company. As such, we decided to not move forward with the launch of FOXO Life Insurance Company. Accordingly, on February 3, 2023, we consummated the sale of FOXO Life Insurance Company to Security National pursuant to the Security National Merger Agreement. As a result of the merger, we were no longer required to hold cash and cash equivalents required to be held as statutory capital and surplus, as required under the Arkansas Insurance Code (the "**Arkansas Code**").

At the closing, all of FOXO Life Insurance's shares were cancelled and retired and ceased to exist in exchange of an amount equal to FOXO Life Insurance's statutory capital and surplus amount of $5.0 million as of the closing date, minus $0.2 million (the "**Merger Consideration**").

After the Merger Consideration and Security National's third-party expenses, the transaction resulted in the Company gaining access to $4.8 million that was previously held as statutory capital and surplus pursuant to the Arkansas Code.

Results of Operations

Year Ended December 31, 2024 and 2023

	2024	2023	Change in $	Change in %
Net revenues	$ 4,051,601	$ 145,291	$ 3,906,310	2688.61%
Operating expenses:				
Direct costs of revenues	2,484,361	132,428	2,351,933	1776.01%
Research and development	312,267	900,431	(588,164)	-65.32%
Management contingent share plan	(56,231)	(732,227)	675,996	-92.32%
Impairment of intangible assets and cloud computing arrangements	1,847,994	2,632,677	(784,683)	-29.81%
Selling, general and administrative	7,225,124	19,399,603	(12,174,479)	-62.76%
Total operating expenses	11,813,515	22,332,912	(10,519,397)	-47.10%
Loss from operations	(7,761,914)	(22,187,621)	14,425,707	-61.02%
Change in fair value of warrant liability	(32,425)	302,541	(334,966)	-110.72%
Loss from PIK Note Amendment and Debenture Release	-	(3,520,609)	3,520,609	-100.00%
Loss on extinguishments of debt	(428,295)	-	(428,295)	0.00%
Interest expense	(3,910,340)	(1,063,679)	(2,846,661)	267.62%
Non-operating (expenses) income, net	(287,988)	18,832	(306,820)	-1629.25%
Provision for income taxes	-	-	-	0.00%
Net loss, including noncontrolling interest	(12,420,962)	(26,450,536)	14,029,574	-53.04%
Noncontrolling interest	14,573	-	14,573	100.00%
Net loss attributable to FOXO	(12,406,389)	(26,450,536)	14,044,147	-53.10%
Deemed dividends	(1,073,993)	(3,378,834)	2,304,841	-68.21%
Net loss to common stockholders	$ (13,480,382)	$ (29,829,370)	$ 16,348,988	-54.81%

Net revenues. Net revenues were $4.1 million for the year ended December 31, 2024, compared to $0.1 million for the year ended December 31, 2023. Myrtle, acquired on June 14, 2024 and RCHI, acquired on September 10, 2024, contributed $0.6 million and $3.4 million of the revenue, respectively, partially offset by a decrease in Labs and Life revenues of $0.1 million.

Direct Costs of Revenues. Direct costs of revenues were $2.5 million for the year ended December 31, 2024, compared to $0.1 million of direct costs of revenues for the year ended December 31, 2023. The increase resulted from the direct costs of Myrtle and RCHI, which were acquired on June 14, 2024 and September 10, 2024, respectively.

Research and Development. Research and development expenses were $0.3 million or the year ended December 31, 2024, compared to $0.9 million for the year ended December 31, 2023. The decrease was driven by lower employee-related expenses and professional services as well as research and development projects that are no longer ongoing.

Management Contingent Share Plan. During the years ended December 31, 2024 and 2023, forfeitures of 12,334 and 419,132 unvested shares previously granted under the Management Contingent Share Plan resulted in a reduction of compensation expense under the plan of $0.1 million and $0.7 million, respectively.

Impairments of Intangible Assets and Cloud Computing Arrangements. During the year ended December 31, 2024 and 2023, total impairment losses were $1.8 million and $2.6 million, respectively. The impairment loss recorded for 2024 were $1.7 million for the Epigenetic APP and $0.2 for the methylation pipeline asset and for 2023 were $0.6 million for an underwriting API intangible asset, $0.6 million for a longevity API intangible asset and $1.4 million for cloud computing arrangements, that is, a digital insurance platform. In December of 2024, the Company determined that the projected cash flows could no longer support the Epigenetic APP and the methylation pipeline asset. In June of 2023, management no longer forecasted positive cash flows from the longevity report, underwriting report or digital insurance platform. For the longevity report, the Company sold the associated product at cost. For the underwriting report, the Company no longer expected sales during the amortization period. For the digital insurance platform, the manner in which the asset was used, and the corresponding cash flows no longer supported the asset.

Selling, General and Administrative. Selling, general and administrative expenses were $7.2 million for the year ended December 31, 2024, compared to $19.4 million for the year ended December 31, 2023. The decrease of $12.2 million, or 62.76%, was driven by lower employee related expenses due to headcount reductions, legal fees, insurance expense, software license fees and professional fees, among other items. Also contributing to the decrease were $1.7 million less consulting costs associated with the amortization of consulting agreements in the current period compared to the prior period. In addition, during the year ended December 31, 2023, we wrote off $1.3 million of supplies. The supplies consisted of Epic + arrays that were used to process epigenetic data and were purchased in 2022 and mouse arrays, as well as associated saliva test kits. As of the fourth quarter of 2023, the Company had completed all of its open projects that used these arrays and kits, and it did not have any contracts in the near future for additional projects. Also, the arrays were outside of the warranty periods. As such, since the Company did not have any upcoming plans for these arrays and kits, it determined it was appropriate to write off the remaining arrays and kits as of December 31, 2023. Partially offsetting the decrease in selling, general and administrative expenses in 2024 compared to 2023 were $3.1 million of selling, general and administrative expenses of Myrtle acquired on June 14, 2024 and RCHI acquired on September 10, 2024.

Change in Fair Value of Warrant Liability. The fair value of the warrant liability decreased by $32,425 for the year ended December 31, 2024, compared to an increase in fair value of $0.3 million for the year ended December 31, 2023. The change was attributable to a reduction in the quoted price of the Public Warrants at December 31 2024 versus 2023, The warrants are listed on the OTC Pink Marketplace.

Loss on PIK Note Amendment and 2022 Debenture Release. We amended our Senior PIK Notes and entered into a release in connection with our 2022 Debenture in the year ended December 31, 2023 resulting in a charge of $3.5 million.

Loss from Extinguishments of Debt. We exchanged $2.2 million of notes payable and $1.1 million of accounts payable for $3.7 million of stated value of our preferred stock resulting in a loss from extinguishments of debt of $0.4 million during the year ended December 31, 2024

Interest Expense. Interest expense was $3.9 million for the year ended December 31, 2024 compared to $1.1 million for the year ended December 31, 2023. The increase was attributable to the increase in notes payable during 2024. We issued 17 third party promissory notes and two interest-bearing related party promissory notes during 2024.

Non-Operating (Expenses) Income, Net. Non-operating expenses, net were $0.3 million for the year ended December 31, 2024, compared to non-operating income, net of $18,832 for the year ended December 31, 2023. 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.

Net Loss Attributable to FOXO. Net loss attributable to FOXO was $12.4 million for the year ended December 31, 2024 compared to a loss of $26.5 million for the year ended December 31, 2023. The improvement was primarily related to a decrease in the loss from operations of $14.4 million for the year ended December 31, 2024 compared to the year ended December 31, 2023. Also, contributing to the improvement in 2024 compared to 2023 was the $3.5 million loss from PIK Note Amendment and debenture release in 2023. Partially offsetting the improvement in 2024 was an increase in interest expense of $2.8 million in the year ended December 31, 2024 compared to 2023. Additionally, we recorded $1.1 million of deemed dividends from the trigger of the down round provisions and the extension of the Assumed Warrants and the issuance of preferred stock in the year ended December 31, 2024 compared to deemed dividends of $3.4 million related to the Exchange Offer and the trigger of the down round provisions of the Assumed Warrants during the year ended December 31, 2023. The deemed dividends resulted in net loss to common stockholders of $13.5 million and $29.8 million for the years ended December 31, 2024 and 2023, respectively.

Analysis of Segment Results:

The following is an analysis of our results by reportable segment for the year ended December 31, 2024 compared to the year ended December 31, 2023. 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

	2024	2023	Change in $	Change in %
Total revenues	$ 4,018,961	$ -	$ 4,018,961	NM%
Operating expenses	(5,732,626)	-	(5,732,626)	NM%
Noncontrolling interest	14,573	-	14,573	NM%
Segment Loss	$ (1,699,092)	$ -	$ (1,699,092)	NM%

NM = Not Meaningful

Net revenues. Net revenues were $4.0 million for the year ended December 31, 2024 and represent the net revenue of Myrtle of $0.6 million and the net revenue of RCHI of $3.4 million. Myrtle was acquired on June 14, 2024 and of RCHI was acquired on September 10, 2024. Our healthcare segment began with the acquisition of Myrtle.

Segment Loss. Segment Loss was $1.7 million for the year ended December 31, 2024 and represents the losses of Myrtle and RCHI.

Labs and Life

	2024	2023	Change in $	Change in %
Total revenues	$ 32,640	$ 145,291	$ (112,651)	(77.53)%
Operating expenses	(1,173,945)	(3,939,405)	(2,765,460)	(70.20)%
Segment Loss	$ (1,141,305)	$ (3,794,114)	$ (2,652,809)	(69.92)%

Net revenues. Net revenues were $32,640 for the year ended December 31, 2024 compared to $0.1 million for the year ended December 31, 2024. The decrease was due to lower royalty revenue and reduced life insurance commissions earned as we ceased placing policies from our legacy agency business.

Segment Loss. Segment loss decreased from $3.8 million for the year ended December 31, 2023 to $1.1 million for the year ended December 31, 2024. The decrease was due to a $1.3 million write-off of supplies in the year ended December 31, 2023. The supplies consisted of Epic + arrays that were used to process epigenetic data and were purchased in 2022 and mouse arrays, as well as associated saliva test kits. As of the fourth quarter of 2023, the Company had completed all of its open projects that used these arrays and kits and it did not have any contracts in the near future for additional projects. Also, the arrays were outside of the warranty periods. As such, since the Company did not have any upcoming plans for these arrays, and kits it determined it was appropriate to write off the remaining arrays and kits as of December 31, 2023. Also contributing to the decrease in segment loss in 2024 compared to 2023 were lower employee-related expenses and a $0.3 million loss on the sale of FOXO Life Insurance Company in the year ended December 31, 2023, partially offset by minimum royalties and maintenance fees due under the KR8 Agreement in the year ended December 31, 2024.

Liquidity and Capital Resources

Sources of Liquidity and Capital

We had cash and cash equivalents of $68,268 and $38,116 as of December 31, 2024 and December 31, 2023, respectively. We have incurred net losses since our inception. For the years ended December 31, 2024 and 2023, we incurred net losses to common stockholders of $13.5 million and $29.8 million, respectively. As of December 31, 2024, we had a working capital deficit of $29.8 million. We expect to incur additional losses in future periods. Our current revenue is not adequate to fund our operations in the next twelve months and requires us to fund our business through other avenues until the time we achieve adequate scale. Securing additional capital is necessary to execute our business strategy.

FOXO Life Insurance Company Sale

On February 3, 2023, we consummated the sale of FOXO Life Insurance Company to Security National pursuant to the Security National Merger Agreement. After the Merger Consideration and Security National's third-party expenses, the transaction resulted in the Company gaining access to $4.8 million that was previously held as statutory capital and surplus pursuant to the Arkansas Code. We used the entire $4.8 million to fund our operations during 2023.

Exchange Offer and PIK Note Offer to Amend

On May 26, 2023, we consummated two issuer tender offers: (i) the Exchange Offer and (ii) the Offer to Amend 15% Senior Promissory Notes whereby holders of the Assumed Warrants were able to exchange such Assumed Warrants for shares of Class A Common Stock. Pursuant to the Exchange Offer, we solicited consents from a sufficient amount of holders of Assumed Warrants to amend and restate the Original Securities Purchase Agreement, pursuant to the terms of the Amendment and Restatement, to provide that certain previous and future issuances of Class A Common Stock and Common Stock Equivalents (as defined in the Original Securities Purchase Agreement) do not trigger, and cannot be deemed to have triggered, any anti-dilution adjustments in the Securities. Additionally, we consummated the PIK Note Offer to Amend, whereby we amended our Senior PIK Notes to permit certain issuances of Class A Common Stock and Common Stock Equivalents (as defined in the PIK Note Purchase Agreement), without prepaying the Senior PIK Notes as required by the terms of the PIK Note Purchase Agreement. Both the Exchange Offer and PIK Note Amendment were designed to facilitate future capital raises.

Private Placements

During the third quarter of 2023, we completed two tranches of private placements that provided gross proceeds of $0.5 million and $0.3 million. After deducting placement agent fees and other offering expenses, the net proceeds from the private placements were $0.3 million and $0.2 million.

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. During the fourth quarter of 2023, we completed two tranches of private placements under the terms of the Strata Purchase Agreement with ClearThink that provided gross proceeds of $0.2 million and $0.3 million. After deducting finder's fees and other offering expenses, the net proceeds from the private placements were $0.2 million and $0.2 million. 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 February 1, 2024, we entered into the Second Strata Purchase Agreement with ClearThink. No shares of the Company's common stock were issued under the Second Strata Purchase Agreement and on August 8, 2024, the Company and ClearThink entered into a termination agreement and all outstanding obligations were terminated.

Third Party Promissory Notes Payable

As of December 31, 2024, we had outstanding Senior PIK Notes Payable in the amount of $5.3 million. The Senior PIK Notes Payable were issued during 2022. During the year ended December 31, 2024, we issued to third parties 17 promissory notes with principal balances totaling $5.0 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 2.1 million shares of our Class A Common Stock pursuant to the conversion terms of such notes. At December 31, 2024, $2.1 million of the outstanding principal balance of six promissory notes were convertible into 2.9 million shares of our Class A Common Stock per the terms of the securities purchase agreement entered into in connection with the notes. Two other promissory notes outstanding at December 31, 2024, were convertible but only in the event of an event of default as that term is defined in the applicable agreements. In addition, at December 31, 2024, as part of the RCHI acquisition, we assumed a note a payable with Western Healthcare, LLC (the "Western Note Payable") in the principal amount of $0.6 million As of December 31, 2024, the total principal balance of third-party promissory notes payable as presented on the consolidated balance sheet is $7.3 million, which is net of $0.7 million of debt discounts.

Conversion of Promissory Notes

On January 10, 2025, we entered into an Exchange Agreement pursuant to which $200,000 owing under a promissory note issued on January 30, 2024 was exchanged for 773,215 shares of our Class A Common Stock and on January 27, 2025 we entered into an Exchange Agreement pursuant to which an additional $250,000 owing under the note was exchanged for 966,520 shares of our Class A Common Stock.

On January 15, 2025, we issued 43,333 shares of our Class A Common Stock in exchange for the balance of a promissory note issued on April 3, 2024.

On July 22, 2024, we issued a promissory note dated July 22, 2024 in the principal amount of $168,728. In January 2025, we issued 1,186,493 shares of our Class A Common Stock upon conversion in full of the outstanding principal balance and accrued interest totaling $173,228.

Western Note Payable Amended and Restated

In February 2025, the Western Note Payable was sold to a new holder and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which includes previously accrued interest expense, is $1.1 million, the maturity date is February 26, 2026 and the note is 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.

Convertible Note Offerings

On February 27, 2025, our Board of Directors approved a convertible promissory note offering of up to $1.5 million of convertible promissory notes (a "Note" or, together, the "Notes") to be issued to investors under Rule 506(b) of Regulation D promulgated by the SEC (the "Note Offering"). Each Note will carry a 9.09% original issuance discount as well as a one-time interest charge of 10% on the date of issuance. Each Note will mature nine months from issuance and each note and accrued interest are convertible into shares of our Common Stock at $0.20, subject to adjustments.

Three notes were issued on February 27, March 4, and March 7, 2025 under this agreement totaling $302,500 and 250,000 commitment shares of our Class A Common Stock were issued pursuant to these issuances.

On January 28, 2025, we issued a convertible promissory note in the principal amount of $121,000 and 62,500 commitment shares of our Class A Common Stock were issued pursuant to this issuance.

On January 21, 2025 and February 24, 2025, we issued convertible promissory notes in the principal amounts of $168,728 and $112,746, respectively.

Convertible Promissory Notes with Jefferson Street Capital LLC

On January 7, 2025, the Company entered into a Securities Purchase Agreement with Jefferson Street Capital LLC ("JSC") pursuant to which we 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 our 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 Common Stock during the five Trading Days (as defined in the notes) prior to the issuance date of the respective notes. The per share conversion price into which principal and interest under each note is convertible into shares of our Class A Common Stock equals the higher of (i) $0.01 or (ii) the 90% of the lowest daily VWAP on any trading day during the five trading days prior to the respective conversion date. On January 7, 2025, we issued to JSC a convertible promissory note in the principal amount of $291,500 and 86,959 commitment shares of our Class A Common Stock were issued pursuant to this issuance. On March 6, 2025, we issued to JSC a convertible promissory note in the principal amount of $147,015 and 1,000,000 commitment shares of our Class A Common Stock were issued pursuant to this issuance.

Related Party Promissory Notes Payable

On September 10, 2024, we issued a note payable due on 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.

In addition, we have outstanding a note payable to RHI in the amount of $0.3 million for the purchase of Myrtle, a note payable to RHI for the amount owed by Myrtle to RHI on the date that we acquired Myrtle, which balance has been reduced to $0.6 million as of December 31, 2024, and we have outstanding at December 31, 2024, three additional promissory notes payable to related parties totaling $0.8 million.

Each of these notes is more fully discussed in the footnotes to the consolidated financial statements presented elsewhere in this Annual Report.

Preferred Stock

In addition to the issuances 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 3.6 million shares of our Class A Common Stock.

On February 28, 2025, an investor purchased 60 Series C Preferred Stock for $50,000 and in doing so exchanged 50 Series B Preferred Stock for 75 Series C Preferred Stock.

On April 12, 2025, we issued 375 shares of Series A Preferred Stock to an institutional investor in return for $325,000 of cash received by the Company.

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 finalized the acquisition of Myrtle on June 14, 2024 and the acquisition of RCHI on September 10, 2024. We are expecting the Myrtle and RCHI businesses to produce a small cash flow surplus through 2025. Capital expenditures have historically not been material to our consolidated operations, and we do not anticipate making material capital expenditures in 2025 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 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 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, 2024, and after taking into account the actions described above, we do not expect to be able to fund our operations through 2025 without the need for additional financing or other increases in our cash and cash equivalents balance 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, 2024 and 2023:

	December 31, 2024	December 31, 2023	Change
Cash	$ 68,268	$ 38,116	$ 30,152
Working capital deficit	(29,846,195)	(14,102,795)	(15,743,400)
Total debt, net of discounts of $678,925, and $0	10,219,905	4,992,730	5,227,175
Total stockholders' equity (deficit)	5,271,811	(14,100,209)	19,372,020

Cash Flows

The following table summarizes our cash flow data for the years ended December 31, 2024 and 2023:

	Cash Provided by/ (Used in)	
Years Ended December 31,	**2024**	**2023**
Operating Activities	$ (2,840,614)	$ (6,645,057)
Investing Activities	$ 13,329	$ -
Financing Activities	$ 2,857,437	$ 1,167,584

Operating Activities

The net cash used in operations in the year ended December 31, 2024 was $2.8 million, or $3.8 million less than the $6.6 million of cash used in operations during the year ended December 31, 2023, primarily as a result of the reduction in the net loss attributable to FOXO in 2024 compared to 2023, partially offset by the $4.8 million statutory capital and surplus that we gained access to as a result of the sale of FOXO Life Insurance Company in February 2023. We used the entire $4.8 million to fund our operations during 2023. The improvement in the year ended December 31, 2024 was also due to certain noncash items, including higher amortization of debt discounts and debt issuance costs of $0.9 million and an increase of $0.4 million of PIK Notes interest, among other items, partially offset by certain noncash items in the 2023, including: (i) the loss from PIK Note Amendment and 2022 Debenture Release of $3.5 million, (ii) higher amortization of consulting fees paid in common stock of $1.7 million and (iii) higher impairment of assets of $0.8 million, among other items that contributed to the net loss for 2023.

Investing Activities

Investing activity in the year ended December 31, 2024 provided cash of $13,329, which represented the cash acquired from the purchases of Myrtle and RCHI. We did not have cash flows from investing activities in the year ended December 31, 2023.

Financing Activities

Net cash provided by financing activities for the year ended December 31, 2024 was $2.9 million compared to $1.2 million for the year ended December 31, 2023. 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. Net cash provided by financing activities for the year ended December 31, 2023, included $1.2 million from private placements and $0.3 million from related parties' promissory notes/payables, partially offset by $0.3 million of deferred offering costs.

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.

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.

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 year ended December 31, 2024, estimated contractual allowances and implicit price concessions of $18.6 million 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 year ended December 31, 2024, the Company recorded healthcare net revenues of $4.1 million. Myrtle and SCCH were acquired on June 14, 2024 and September 10, 2024, respectively, thus no revenues were recorded related to the healthcare segment in the year ended December 31, 2023.

The Company has recorded minor amounts of revenues from its Labs and Life segment during the years ended December 31, 2024 and 2023. The Labs and Life segment's revenues consist of royalties based on the Company's epigenetic biomarker research, agents' commissions earned on the sale, servicing and placement of life insurance policies, and epigenetic testing services sold primarily to research organizations. 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.

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, 2024 and 2023, however, we had significant forfeitures during those years.

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 Accounting Standards Update ("**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 is effective for public business entities for annual periods beginning on January 1, 2025. We plan to adopt ASU 2023-09 effective January 1, 2025 applying a retrospective approach to all prior periods presented in the financial statements. We do not believe the adoption of this new standard will have a material effect on our disclosures.

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.

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. 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 Procedures

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 Interim 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 Securities Exchange Act of 1934 (the "Exchange Act")) as of December 31, 2024. 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, 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, 2024 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 Interim 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, 2024.

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 2024 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) increasing the staffing of its internal accounting department; and (ii) 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 and accounting officer concluding that as of December 31, 2024, material weaknesses existed in the Company's internal controls over financial reporting. Specifically, in connection with our:

(i) Lack of adequate policies and procedures in a control environment and monitoring controls to ensure that the Company's policies and procedures have been carried out as planned.

(ii) Lack of accounting personnel resources with the necessary levels of accounting expertise and knowledge to compile and analyze consolidated financial statements and related disclosures in accordance with U.S. GAAP.

(iii) Segregation of duties: The accounting manager can prepare and post the same journal entries in the accounting system, which increases the risk of misstatement and fraud. In addition, the reconciliations and financial statements have been prepared by the accounting manager, however, no proper review has been implemented.

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, 2025.

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, 2024, 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
Executive Officers		
Seamus Lagan	56	Chief Executive Officer and Director
Martin Ward	66	Interim Chief Financial Officer
Mark White	63	Chief Executive Officer and sole director of FOXO Labs Inc. and Director
Non-Employee Directors		
Bret Barnes (1)(2)(3)	42	Director
Francis Colt deWolf III (1)(2)(3)	56	Director
Trevor Langley	63	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 Alcimede LLC until November 1, 2021 and Alcimede Limited since November 1, 2021, a consultant to Medytox since May 2011. Mr. Lagan is the managing director of Alcimede Limited, a Bahamas company that provides various consulting services, including management, organization, and financial consulting services. Mr. Lagan also currently serves, through Alcimede Limited, as Chief Executive Officer of most of the subsidiaries of RHI, including RCHI.

Martin Ward — Interim Chief Financial Officer

Mr. Ward has served as our Interim Chief Financial Officer since September 2023. In addition to his role at the Company, Mr. Ward has served since 2022, and continues to serve, as Chief Financial Officer of Kr8 ai Inc. Since 2012, Mr. Ward served and continues to serve as the Chief Financial Officer, Secretary and a director of One Horizon Group Inc. Mr. Ward served as the Chief Financial Officer, Secretary and a director of One Horizon Group PLC the predecessor to One Horizon Group, Inc., where he oversaw One Horizon Group's United Kingdom arm float on the London AIM market and its merger into a company whose securities were quoted on the OTC Markets in 2012 which uplisted to the NASDAQ Capital Market in 2014. Mr. Ward is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as a Chartered Accountant in 1983.

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.

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.

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

The Board consists of five members, three of whom qualify as independent within the meaning of the independent director guidelines of NYSE American. The Company anticipates electing additional independent directors in the future.

The Company's Class A Common Stock is listed on NYSE American. 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 and the rules of NYSE American. Compensation committee members must also satisfy the additional independence criteria set forth in Rule 10C-1 under the Exchange Act and the rules of NYSE American.

We have undertaken a review of the independence of each director and considered whether each director has a material relationship that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. As a result of this review, we have determined that Messrs. Barnes, deWolf, and Langley are "independent directors" as defined under the listing requirements and rules of NYSE American and the applicable rules of the Exchange Act.

We are a "controlled company" within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of our Board of Directors consist of "independent directors" as defined under the rules of the NYSE;
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement for an annual performance evaluation of the compensation and nominating and corporate governance committees.

At any future time, we may utilize these exemptions. As a result, we may not have a majority of independent directors, our nominating/corporate governance committee, if any, and compensation committee may not consist entirely of independent directors and such committees may not be subject to annual performance evaluations. Accordingly, our shareholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

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 and the NYSE American rules.

Audit Committee

The Company's audit committee consists of Messrs. Barnes and deWolf. The Board has determined that each of these individuals meets the independence requirements of the Sarbanes-Oxley Act of 2002, as amended, or the Sarbanes-Oxley Act, Rule 10A-3 under the Exchange Act and the applicable listing standards of the NYSE American. Each member of the Company's audit committee meets the requirements for financial literacy under the applicable NYSE American rules. In arriving at this determination, the Board has examined each audit committee member's scope of experience and the nature of their prior and/or current employment.

The Board has determined that Mr. deWolf qualifies as an audit committee financial expert within the meaning of SEC regulations and meets the financial sophistication requirements of the NYSE American rules. In making this determination, the Board has considered Mr. deWolf's formal education and previous and current experience in financial and accounting roles. Both the Company's independent registered public accounting firm and management periodically will meet privately with the Company's audit committee.

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, SEC rules and regulations and NYSE American listing 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 the applicable NYSE American listing standards, including the standards specific to members of a compensation committee.

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 and the NYSE American listing rules. 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 the applicable listing standards of the NYSE American and SEC rules and regulations.

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 and NYSE American listing rules. 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/Risk

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. The Company maintains a directors' and officers' insurance policy pursuant to which the Company's directors and officers are insured against liability for actions taken in their capacities as directors and officers. 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, 2024 and 2023 were as follows:

- Seamus Lagan, our current Chief Executive Officer;
- Martin Ward, our current Interim Chief Financial Officer; and
- Mark White, our former Interim Chief Executive 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, 2024 and 2023.

Name and Principal Position	Year	Salary ($)	Stock Awards ($)	All Other Compensation ($)	Total ($)
Mark White(1)	2024	150,000(2)	—	538,522(3)	688,522
Former Interim Chief Executive Officer	2023	—	257,500(4)	—	257,500
Martin Ward(5)	2024	—	—	180,000(6)	180,000
Interim Chief Financial Officer	2023	—	257,500(4)	—	257,500
Seamus Lagan	2024	—	—	—	—
Current Chief Executive Officer	2023	—	—	—	—

(1) Mark White was appointed as Interim Chief Executive Officer and director of the Company effective as of September 19, 2023 and resigned as Chief Executive Officer on December 5, 2024.

(2) Amount earned under the Services Agreement dated July 25, 2024.

(3) Includes $180,000 of management fees paid to KR8, an entity of which Mr. White shares beneficial ownership. Also includes $350,000 paid to Mr. White pursuant to the Termination of Employment, Settlement and Mutual Release Agreement dated December 5, 2024 and $8,522 for car lease payments under the Services Agreement dated July 25, 2024.

(4) On October 3, 2023, Messrs. White and Ward were each awarded 250,000 shares of the Company's Class A Common Stock.

(5) Martin Ward was appointed as Interim Chief Financial Officer of the Company effective as of September 19, 2023.

(6) Includes $180,000 of management fees paid to KR8, an entity of which Mr. Ward shares beneficial ownership.

Agreements with Named Executive Officers

Mark White, our former Interim Chief Executive Officer

On September 19, 2023, we entered into an interim employment agreement with Mark White, pursuant to which Mr. White agreed to serve as our Interim Chief Executive Officer and as a member of the Board. Pursuant to the employment agreement, Mr. White is an at-will employee and will receive an annual base salary of $1.

Mr. White is eligible to participate in our benefits program, including medical, dental and vision, 401k plan, short-term and long-term disability, paid time off, holidays and other voluntary benefits. We also agreed to reimburse Mr. White for reasonable out-of-pocket expenses incurred in furthering our businesses, after he provides an itemized account of expenditures pursuant to our reimbursement policy. The employment agreement includes provisions governing Company confidential information and ownership of work product.

On October 3, 2023, we granted Mr. White 250,000 shares of Class A Common Stock pursuant to the 2022 Plan in consideration of services rendered and to be rendered to us. The shares awarded are not subject to any performance or vesting criteria, are deemed fully earned as of the grant date and are not subject to forfeiture, even if Mr. White's employment with us terminates for any reason.

On July 25, 2024, we entered into a new Services Agreement with Mark White that superseded the interim employment agreement (the "**Services Agreement**"). The initial term of the Services Agreement is until July 31, 2026. Pursuant to the Services Agreement, Mr. White is entitled to monthly fees of $30,000, which may be converted into equity at the option of both Mr. White and the Company. Mr. White is 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 in excess of $80,000. No later than 30 days after the date of the Services Agreement, Mr. White is to be issued 2,000 shares of Series A Preferred Stock.

We may terminate the Services Agreement at any time without Cause (as defined in the Services Agreement), provided that we give written notice of termination at 60 days before the date of such termination. In which case, Mr. White is be entitled to receive the following:

(i) payment of 24 months' of monthly fees which, may be taken in cash or common stock of the Company at Mr. White's sole option; and

(ii) reimbursement for any outstanding reasonable business expenses incurred by Mr. White in performing his duties.

The Company may terminate the Services Agreement at any time for Cause, provided that the Company gives written notice of termination to Mr. White. If the Services Agreement is terminated for Cause, Mr. White is entitled to:

(i) accrued and unpaid monthly fees through the date of such termination; and

(ii) reimbursement for any outstanding reasonable business expenses incurred by Mr. White in performing his duties.

The Services Agreement will terminate upon a Change of Control (as defined in the Services Agreement). If the Services Agreement is terminated upon Change of Control, Mr. White will be entitled to:

(i) payment of 24 months of monthly fees which, may be taken in cash or common stock of the Company at Mr. White's sole option; and

(ii) reimbursement for any outstanding reasonable business expenses incurred by Mr. White in performing his duties.

For purposes of the Services Agreement, a termination for *"Change of Control"* means: (i) A change in control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A as in effect on the date of this Agreement pursuant to the Exchange Act; provided that, without limitation, such a change in control will be deemed to have occurred at such time as any Acquiring Person hereafter becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 30% or more of the combined voting power of Voting Securities; or (ii) during any period of 12 consecutive calendar months, individuals who at the beginning of such period constitute the Board of Directors cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election, by the Company's stockholders of each new director was approved by a vote of at least a majority of the directors then in office who were directors at the beginning of the period; or (iii) there will be consummated (1) any acquisition by the Company of stock or assets of another entity actively engaged in business, in connection with which the Company issues Voting Securities or any security, instrument or agreement exercisable for or convertible into Voting Securities, representing in the aggregate more than 100% of the Voting Securities outstanding prior to the entry into an agreement to consummate such acquisition, notwithstanding that the exercise or conversion of such security, instrument or agreement is subject to a vote of the shareholders of the Company, (2) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which Voting Securities would be converted into cash, securities, or other property, other than a merger of the Company in which the holders of Voting Securities immediately prior to the merger have the same proportionate ownership of common stock of the surviving corporation immediately after the merger, or (3) any sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or (iv) approval by the stockholders of the Company of any plan or proposal for the liquidation or dissolution of the Company.

For purposes of the Services Agreement, "Acquiring Person" means any person or related person or related persons which constitute a "group" for purposes of Section 13(d) and Rule 13d-5 under the Exchange Act, as such Section and Rule are in effect as of the date of this Agreement; provided, however, that the term Acquiring Person shall not include (i) the Company or any of its subsidiaries, (ii) any employee benefit plan of the Company or any of its subsidiaries, (iii) any entity holding voting capital stock of the Company for or pursuant to the terms of any such employee benefit plan, or (iv) any person or group solely because such person or group has voting power with respect to capital stock of the Company arising from a revocable proxy or consent given in response to a public proxy or consent solicitation made pursuant to the Exchange Act.

For purposes of the Services Agreement, "Voting Securities" means the Company's issued and outstanding securities ordinarily having the right to vote at elections for director.

Upon the termination of the Services Agreement, upon the payment of all obligations owing to Mr. White by the Company, unless the Company will otherwise request, Mr. White shall resign from all positions within the Company.

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 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 will be satisfied in full upon the payment of $250,000 by December 31, 2024 (the "**White Note**").

- Issuance of 3,000 shares of Series D Preferred Stock (as defined below) pursuant to the KR8 Termination Agreement (as defined below) in full satisfaction of all amounts owing to KR8 (a company controlled by Mr. White) under the Master Software and Services Agreement with KR8 dated January 12, 2024, as amended (the "**MSSA**").

KR8 was issued 3,000 shares of Series D Preferred Stock pursuant to the KR8 Termination Agreement and Mr. White was paid an aggregate of $350,000.

On December 6, 2024, FOXO Labs Inc. entered into a 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.

Martin Ward, our current Chief Financial Officer

On September 19, 2023, we entered into an interim employment agreement with Martin Ward, pursuant to which Mr. Ward agreed to serve as our Interim Chief Financial Officer. Pursuant to the employment agreement, Mr. Ward is an at-will employee and will receive an annual base salary of $1.

Mr. Ward is eligible to participate in our benefits program, including medical, dental and vision, 401k plan, short-term and long-term disability, paid time off, holidays and other voluntary benefits. We also agreed to reimburse Mr. Ward for reasonable out-of-pocket expenses incurred in furthering our businesses, after he provides an itemized account of expenditures pursuant to our reimbursement policy. The employment agreement includes provisions governing Company confidential information and ownership of work product.

On October 3, 2023, we granted Mr. Ward 250,000 shares of Class A Common Stock pursuant to the 2022 Plan in consideration of services rendered and to be rendered to us. The shares awarded are not subject to any performance or vesting criteria, are deemed fully earned as of the grant date and are not subject to forfeiture, even if Mr. Ward's employment with us terminates for any reason.

2022 Equity Incentive Plan

During the year ended December 31, 2023, we granted 609,770 shares of restricted stock under the 2022 Plan of which 11,100 restricted shares were forfeited during the year. No shares of restricted stock were granted under the 2022 Plan during the year ended December 31, 2024. No stock options were granted under the 2022 Plan during the years ended December 31, 2024 and 2023. Summary terms of the 2023 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

651,862 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 920,000 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 920,000 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 920,000 shares of Class A Common Stock were issued to members of our management designated by management.

Types of Awards

The Management Contingent Share Plan provides 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 (5^{th}) 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, 2024, 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, 2024, the following compensation was earned by, paid to, or awarded to our non-employee directors who served on the board of directors during 2024.

Name and Principal Position	**Year**	**Salary ($)**	**Total ($)**
Bret Barnes	2024	80,000(1)	80,000
Francis Colt deWolf III	2024	60,000(2)	60,000
Trevor Langley	2024	20,000	20,000

(1) Amounts paid under the Independent Director Agreement dated July 24, 2024.

(2) Amounts paid under the Independent Director Agreement dated January 22, 2024.

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 July 24, 2024, we entered into an Independent Director Agreement with Bret Barnes pursuant to which Mr. Barnes is to be paid a cash fee of $50,000 for previous services performed as a director (with an additional $5,000 per month to be paid until satisfied), 400,000 shares of Class A Common Stock (which will be issued upon NYSE American approval), and $5,000 per month commencing in July 2024 for his services as a director.

Insider Trading Policy

Although the Company has not adopted an insider trading policy, its officers and directors comply with all applicable SEC and NYSE American 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 8, 2025, 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 Plam Beach, FL 33401.

Applicable percentage of ownership is based on 35,726,867 shares of Class A Common Stock, 22,232 shares of Series A Preferred Stock, 3,307.50 shares of Series B Preferred Stock, 405 shares of Series C Preferred Stock, and 4,311.70 shares of Series D Preferred Stock issued as of April 8, 2025.

Name and Address of Beneficial Owner	Number of Shares of Class A Common Stock (6)	% of Class (7)	% of Votes
Directors, Named Executive Officers, and Executive Officers:			
Seamus Lagan, Chief Executive Officer and Director (2)	1,023,629	2.87%	*(8)
Mark White, former Interim Chief Executive Officer and Director (1)	237,037	*	*
Martin Ward, Interim Chief Financial Officer (1)	237,037	*	*
Bret Barnes, Director (3)	8,944	*	*
Francis Colt deWolf III, Director	-	-	-
Trevor Langley, Director (4)	1,023,629	2.87%	*(8)
All current directors and executive officers as a group (six individuals) (5)	1,269,610	3.55%	*
5% Beneficial Holders (Not Named Above) Rennova Health, Inc. 477 S. Rosemary Avenue, Suite 224 West Palm Beach, Florida 33401	1,023,629	2.87%	* (8)

* less than 1%.

(1) Includes 237,037 shares of Class A Common Stock held by KR8 AI, an entity which Messrs. White and Ward control. On December 5, 2024, KR8 AI was issued 3,000 shares of Series D Preferred Stock, which are not included in the above table.

(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 12,150 shares of Series A Preferred Stock, which are not included in the above table.

(3) Includes (i) 3,334 shares of Class A Common Stock held by Mr. Barnes that are subject to forfeiture pursuant to the Management Contingent Share Plan; and (ii) 5,610 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 12,150 shares of Series A Preferred Stock, which are not included in the above table.

(5) Our current directors and executive officers are: Francis Colt deWolf III (Director), Bret Barnes (Director), Mark White (Director), Martin Ward (Interim Chief Financial Officer), Seamus Lagan (Chief Executive Officer and Director) and Trevor Langley (Chairman and Director).

(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	12,150	54.65%	% 46.43(3)
Sabby Volatility Warrant Master Fund, Ltd. Miami Beach, FL	5,181.59	23.31%	% 19.80(3)
Sabby Healthcare Master Fund, Ltd. Miami Beach, FL	4,800.41	21.59%	% 18.34(3)

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

(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) On February 3, 2025, RHI entered into a Voting Agreement and Irrevocable Proxy with each of Volatility and 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 C Preferred Stock (1)	% of Class (2)	% of Votes
Firstfire Global Opportunities Fund, LLC 1040 1st Ave, Ste 190 New York, NY 10002	270	66.67%	*
Joel Yanowitz & Amy B. Metzenbaum Rev. Trust+	135	33.33%	*

* less than 1%.
\+ Address unknown to the Company.

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

(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, 2021, 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. Wey 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. Martin Ward, our Interim Chief Financial Officer, is KR8's Chief Financial Officer. Mr. White and Mr. Ward each 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 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 Licensor 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.

Rennova 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.

Demand Promissory Notes

On September 19, 2023, we obtained a $247,233 loan from Andrew J. Poole, a director of the Company (the "**September 2023 Loan**"), to be used to pay for directors' and officers' insurance through October 2023. We issued to Mr. Poole a demand promissory note for $247,233 evidencing the September 2023 Loan (the "**September 2023 Note**"). The September 2023 Note does not bear interest. The September 2023 Note is due on demand, and in the absence of any demand, will be due one year from the issuance date. The September 2023 Note may be prepaid, in whole or in part, without penalty at any time.

On October 2, 2023, we obtained a $42,500 loan from Mr. Poole (the "**October 2023 Loan**") to be used to pay for MSK's legal fees through October 2023. We issued to Mr. Poole a demand promissory note for $42,500 evidencing the October 2023 Loan (the "**October 2023 Note**"). The October 2023 Loan accrues interest in arrears at a rate of 13.25% per annum. The principal sum of the October 2023 Note is due on demand, and in the absence of any demand, one year from the issuance date. The October 2023 Note may be prepaid, in whole or in part, without penalty at any time.

Consider other potential related party transactions—leases with RHSTN; services from INQR; loans from RNVA

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 with our former Interim Chief Executive Officer and Interim Chief Financial Officer, 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 predecessor companies and our former executive officers.

Item 14. Principal Accountant Fees and Services

KPMG LLP ("**KPMG**") served as our independent registered public accounting firm from September 20, 2022 following the Closing of the business combination until June 12, 2023, and as the independent registered public accounting firm of our predecessor, Legacy FOXO, from November 8, 2021 until June 12, 2023.

Effective June 12, 2023, the Audit Committee approved the appointment of EisnerAmper LLP ("**EisnerAmper**") as our independent registered public accounting firm for the fiscal year ended December 31, 2023 and EisnerAmper served until January 3, 2024.

On October 7, 2024 and December 29, 2023, we engaged Kreit & Chiu CPA LLP ("**Kreit**") to serve as our independent registered public accounting firm for the years ended December 31, 2024 and 2023, respectively.

The following is a summary of the fees and services provided by Kreit, KPMG, and EisnerAmper to FOXO for fiscal years 2024 and 2023:

	For the Fiscal Year Ended December 31,	
	2024	2023
Audit Fees (1)	$ 666,550	$ 373,236
Audit-Related Fees (2)	40,000	110,675
Total(3)	$ 706,550	$ 483,911

1. *Audit Fees*. Audit fees of $666,500 and 373,236 for Kreit, KPMG and EisnerAmper for 2024 and 2023, respectively, were for professional services rendered for the audits of our financial statements, review of interim financial statements, and services that are normally provided by Kreit, KPMG and EisnerAmper 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, KPMG and EisnerAmper 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. Neither Kreit, KPMG nor EisnerAmper provided 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, KPMG, and EisnerAmper, 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+	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.	By Reference	8-K	2.1	March 2, 2022
2.2	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.	By Reference	8-K	2.1	April 27, 2022
2.3	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.	By Reference	8-K	2.1	July 6, 2022
2.4	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.	By Reference	8-K	2.1	August 12, 2022
2.5	Merger Agreement, dated January 10, 2023, by and between (i) FOXO Technologies Inc., (ii) FOXO Life Insurance Company (fka Memorial Insurance Company of America), (iii) FOXO Life, LLC and (iv) Security National Life Insurance Company.	By Reference	8-K	2.1	January 12, 2023

3.1	Certificate of Incorporation of FOXO Technologies Inc.	By Reference	8-K	3.1	September 21, 2022
3.2	Certificate of Amendment to Certificate of Incorporation of FOXO Technologies Inc. filed October 31, 2023.	By Reference	8-K	3.1	November 2, 2023
3.3	Amended and Restated Bylaws	By Reference	8-K	3.1	October 25, 2024
3.4	Certificate of Designation filed with the Delaware Secretary of State on October 18, 2024	By Reference	8-K	3.1	October 23, 2024
3.5	Amended and Restated Certificate of Designation for Series A Preferred Stock filed with the Delaware Secretary of State on December 27, 2024	By Reference	8-K	3.1	January 2, 2025
3.6	Certificate of Designation for Series B Preferred Stock filed with the Delaware Secretary of State on November 27, 2024	By Reference	8-K	3.1	December 4, 2024
3.7	Certificate of Designation for Series C Preferred Stock filed with the Delaware Secretary of State on November 27, 2024	By Reference	8-K	3.2	December 4, 2024
3.8	Certificate of Designation for Series D Preferred Stock filed with the Delaware Secretary of State on December 6, 2024	By Reference	8-K	3.1	December 10, 2024
3.9	Amendment to the Certificate of Designation filed with the Delaware Secretary of State on March 31, 2025	By Reference	8-K	3.1	April 4, 2025
4.1	Warrant Agreement, dated December 10, 2020, between Delwinds and Continental Stock Transfer & Trust Company, as Warrant Agent.	By Reference	8-K	4.1	December 16, 2020
4.2	Form of Assumed Warrant.	By Reference	8-K	4.2	September 21, 2022
4.3	Form of 15% Senior Promissory Note.	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	Investment Management Trust Agreement, dated December 10, 2020, by and between the Delwinds and Continental Stock Transfer & Trust Company, as trustee.	By Reference	8-K	10.2	December 16, 2020
10.2	Registration Rights Agreement, dated December 10, 2020, by and among Delwinds and certain security holders.	By Reference	8-K	10.3	December 16, 2020
10.3	Securities Subscription Agreement, dated May 28, 2020, by and between Delwinds and DIAC Sponsor LLC.	By Reference	S-1	10.5	September 11, 2020

10.4	Form of Backstop Subscription Agreements, dated February 24, 2022, by and between Delwinds and the Subscription investors thereto.	By Reference	8-K	10.6	March 2, 2022
10.5	FOXO Technologies Inc. 2022 Equity Incentive Plan, as amended.	By Reference	8-K	10.5	May 30, 2023
10.6	2022 Management Contingent Share Plan (including Notice of Grant)	By Reference	S-4/A	10.9	August 26, 2022
10.7	FOXO Technologies Inc. 2020 Equity Incentive Plan.	By Reference	8-K	10.7	September 21, 2022
10.8	Form of FOXO Technologies Inc. 2020 Equity Incentive Plan Award Agreements.	By Reference	8-K	10.8	September 21, 2022
10.9	Common Stock Purchase Agreement, dated as of February 24, 2022, by and between Delwinds and Cantor.	By Reference	8-K	10.4	March 2, 2022
10.10	Registration Rights Agreement, dated as of February 24, 2022, by and between Delwinds and Cantor.	By Reference	8-K	10.5	March 2, 2022
10.11	Form of Lock-Up Agreement, dated as of February 24, 2022, by and among Delwinds, the Purchaser Representative and the stockholders of FOXO party thereto.	By Reference	8-K	10.2	March 2, 2022
10.12	Form of Voting Agreement, dated as of February 24, 2022, by and among Delwinds, FOXO and the stockholders of FOXO party thereto.	By Reference	8-K	10.1	March 2, 2022
10.13	Form of Non-Competition Agreement, effective as of February 24, 2022, by and among Delwinds, FOXO and the stockholders of FOXO party thereto.	By Reference	8-K	10.3	March 2, 2022
10.14	Forward Share Purchase Agreement, dated September 13, 2022, by and between (i) Delwinds, (ii) Meteora Special Opportunity Fund I, LP, a Delaware limited partnership (“MSOF”), (iii) Meteora Select Trading Opportunities Master, LP, a Cayman Islands limited partnership (“MSTO”) and (iv) Meteora Capital Partners, LP, a Delaware limited partnership.	By Reference	8-K	10.14	September 21, 2022
10.15+	Form of Revised Backstop Subscription Agreement, dated September 13, 2022.	By Reference	8-K	10.15	September 21, 2022
10.16	Insider Letter Amendment.	By Reference	8-K	10.16	September 21, 2022
10.17*	Form of Indemnification Agreement.	By Reference	8-K	10.17	September 21, 2022
10.18+	Form of Senior Promissory Note Purchase Agreement.	By Reference	8-K	10.18	September 21, 2022
10.19	Placement Agency Agreement.	By Reference	8-K	10.19	September 21, 2022
10.20	Form of Lock-Up Release Agreement.	By Reference	8-K	10.20	September 21, 2022
10.21+	Form of Securities Purchase Agreement, dated as of January 25 2021, by and among FOXO Technologies Inc. (now known as FOXO Technologies Operating Company) and purchaser signatories thereto.	By Reference	10-Q	10.10	November 21, 2022
10.22*	Employment Agreement of Jon Sabes.	By Reference	10-Q	10.11	November 21, 2022
10.23*	Tyler Danielson’s Offer Letter.	By Reference	10-Q	10.12	November 21, 2022

10.24*	Employment Agreement of Robby Potashnick.	By Reference	10-Q	10.13	November 21, 2022
10.25*	Amended and Restated Employment Agreement of Brian Chen.	By Reference	S-1	10.25	December 23, 2022
10.26*	Michael Will's Offer Letter.	By Reference	10-Q	10.15	November 21, 2022
10.27	Amended and Restated Securities Purchase Agreement.	By Reference	8-K	10.1	May 30, 2023
10.28	Exchange Offer General Release Agreement.	By Reference	8-K	10.2	May 30, 2023
10.29	Amendment No. 1 to Senior Promissory Note Purchase Agreement.	By Reference	8-K	10.3	May 30, 2023
10.30	PIK Note Offer to Amend General Release Agreement.	By Reference	8-K	10.4	May 30, 2023
10.31	Amendment No. 1 to Senior Promissory Note	Filed Herewith			
10.32	Form of General Release Agreement.	By Reference	8-K	10.1	June 22, 2023
10.33	Form of Stock Purchase Agreement.	By Reference	8-K	10.1	July 20, 2023
10.34	Form of Registration Rights Agreement.	By Reference	8-K	10.2	July 20, 2023
10.35	Shares for Services Agreement, dated as of September 19, 2023, by and between FOXO Technologies Inc. and Mitchell Silberberg & Knupp LLP.	By Reference	8-K	10.1	September 19, 2023
10.36	Shares for Services Agreement, dated as of September 19, 2023, by and between FOXO Technologies Inc. and Joseph Gunner & Co., LLC.	By Reference	8-K	10.5	October 16, 2023
10.37*	Interim Employment Agreement of Mark White.	By Reference	8-K	10.4	September 19, 2023
10.38*	Interim Employment Agreement of Martin Ward.	By Reference	8-K	10.5	September 19, 2023
10.39	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
10.40	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
10.41	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 14, 2024
10.42	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
10.43	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
10.44	Master Software and Services Agreement with KR8 AI Inc. effective January 12, 2024	By Reference	8-K	99.1	January 19, 2024
10.45	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

10.46	Amendment No. 1 to Termination Agreement dated effective December 6, 2024 by and between FOXO Technologies Inc. and KR8 AI Inc.	Filed Herewith			
10.47	Settlement Agreement, dated November 7, 2023, by and between Smithline Family Trust II, as Assignee of Puritan Partners LLC, on the one hand, and FOXO Technologies Inc. and its subsidiaries, on the other hand.	By Reference	8-K	10.1	November 13, 2023
10.48	Mutual Release, dated November 7, 2023, by and between Smithline Family Trust II, Puritan Partners LLC, and FOXO Technologies Inc.	By Reference	8-K	10.2	November 13, 2023
10.49	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
10.50	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
10.51	Exchange Agreement with Smithline Family Trust II dated May 28, 2024	By Reference	10-Q	10.1	August 19, 2024
10.52	Corporate Development Advisory Agreement dated July 25, 2024 with C L Talent Inc.	By Reference	10-Q	10.1	November 19, 2024
10.53	Advisory Agreement July 25, 2024 with J.H. Darbie & Co., Inc.	By Reference	10-Q	10.2	November 19, 2024
10.54	Engagement of J.H. Darbie & Co., Inc. dated July 25, 2024	By Reference	10-Q	10.3	November 19, 2024
10.55*	Services Agreement July 25, 2024 with Mark White	By Reference	10-Q	10.4	November 19, 2024
10.56*	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
10.57	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
10.58	Purchase Agreement dated January 30, 2024 with ClearThink Capital Partners, LLC	By Reference	10-Q	10.1	June 28, 2024
10.59	Form of Securities Purchase Agreement for Senior Notes	By Reference	8-K	99.1	June 18, 2024
10.60	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
10.61	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
10.62	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
10.63	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
10.64	Shares for Services Agreement dated December 23, 2024 with Mitchell Silberberg & Knupp LLP	By Reference	8-K	99.1	December 27, 2024

10.65	Registration Rights Agreement dated December 23, 2024 with Mitchell Silberberg & Knupp LLP	By Reference	8-K	99.2	December 27, 2024
10.66*	Independent Director Agreement with Bret Barnes dated July 24, 2024	Filed Herewith			
10.67*	Independent Director Agreement with Francis Colt deWolf III dated January 22, 2024	Filed Herewith			
10.68*	Services Agreement by and between FOXO Labs, Inc. and Mark White dated December 6, 2024	Filed Herewith			
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.	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 Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith			
32.1#	Certification of the Principal Executive Officer and Principal Financial 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.	Filed Herewith			
101.SCH	Inline XBRL Taxonomy Extension Schema.	Filed Herewith			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	Filed Herewith			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	Filed Herewith			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	Filed Herewith			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed Herewith			
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).	Filed Herewith			

\+ 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, 2025.

FOXO TECHNOLOGIES INC.

By: */s/ Seamus Lagan*
Seamus Lagan
Chief Executive Officer (Principal Executive Officer)

By: */s/ Martin Ward*
Martin Ward
Interim 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.

Signature	Position	Date
/s/ Seamus Lagan Seamus Lagan	Chief Executive Officer and Director (Principal Executive Officer)	April 15, 2025
/s/ Martin Ward Martin Ward	Interim Chief Financial Officer (Principal Financial and Accounting Officer)	April 15, 2025
/s/ Trevor Langley Trevor Langley	Director	April 15, 2025
/s/ Mark White Mark White	Director	April 15, 2025
/s/ Francis Colt deWolf III Francis Colt deWolf III	Director	April 15, 2025
/s/ Bret Barnes Bret Barnes	Director	April 15, 2025

FOXO TECHNOLOGIES INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
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, 2024 and 2023, and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, 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, 2024 and 2023, and the results of its operations and its cash flows for the years then ended 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 more fully described in Note 2 to the financial statements, the Company has a negative working capital of $29,846,195 as of December 31, 2024. The Company has incurred recurring losses and sustained a net loss of $12,420,962 and $26,450,536 for the years ended December 31, 2024 and 2023, respectively. These conditions raise substantial doubt about the Company's 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 become necessary should the Company be unable to continue as a going concern.

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, 2025

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 68,268	$ 38,116
Accounts receivable, net	2,270,957	-
Supplies	161,466	-
Prepaid expenses	291,011	86,379
Other current assets	89,564	109,234
Total current assets	**2,881,266**	**233,729**
Property and equipment, net	364,481	13,641
Intangible assets, net	9,015,556	378,283
Goodwill	25,463,948	-
Right-of-use assets	3,982,820	-
Other assets	-	100,000
Total assets	**$ 41,708,071**	**$ 725,653**
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	$ 6,677,281	$ 4,557,912
Accrued expenses	13,521,416	3,984,720
Notes payable	7,279,724	4,202,997
Related parties' notes payable	2,671,924	789,733
Related parties' payables and accrued expenses	1,941,385	801,162
Other loans	268,257	-
Right-of-use lease obligations	367,474	-
Total current liabilities	32,727,461	**14,336,524**
Warrant liabilities	41,246	8,821
Right-of-use lease obligations, non-current	3,667,553	-
Other liabilities	-	480,517
Total liabilities	**36,436,260**	**14,825,862**
Commitments and contingencies (Note 19)		
Stockholders' equity (deficit)		
Series A preferred stock, $0.0001 par value and $1,000 stated value per share; 35,000 shares authorized, 22,540 and 0 issued and outstanding as of December 31, 2024 and 2023, respectively	2	-
Series B preferred stock, $0.0001 par value and $1,000 stated value per share; 7,500 shares authorized, 0 issued and outstanding as of December 31, 2024 and 2023	-	-
Series C preferred stock, $0.0001 par value and $1,000 stated value per share; 5,000 shares authorized, 120 and 0 issued and outstanding as of December 31, 2024 and 2023, respectively	-	-
Series D preferred stock, $0.0001 par value and $1,000 stated value per share; 10,000 shares authorized, 4,312 and 0 issued and outstanding as of December 31, 2024 and 2023, respectively	1	-
Class A common stock, $0.0001 par value, 500,000,000 shares authorized, 23,560,438 and 7,646,032 shares issued and outstanding as of December 31, 2024 and 2023, respectively	2,356	765
Additional paid-in capital	195,862,460	162,959,711
Accumulated deficit	(190,541,067)	(177,060,685)
Total FOXO's stockholders' equity (deficit)	5,323,752	(14,100,209)
Noncontrolling interest	(51,941)	-
Total stockholders' equity (deficit)	**5,271,811**	**(14,100,209)**
Total liabilities and stockholders' equity (deficit)	**$ 41,708,071**	**$ 725,653**

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,	
	2024	**2023**
Net revenues	**$ 4,051,601**	**$ 145,291**
Operating expenses:		
Direct costs of revenue	2,484,361	132,428
Research and development	312,267	900,431
Management contingent share plan net of forfeitures	(56,231)	(732,227)
Impairments of intangible assets and cloud computing arrangements	1,847,994	2,632,677
Selling, general and administrative	7,225,124	19,399,603
Total operating expenses	11,813,515	22,332,912
Loss from operations	**(7,761,914)**	**(22,187,621)**
Change in fair value of warrant liabilities	(32,425)	302,541
Loss from PIK Note Amendment and 2022 Debenture Release	-	(3,520,609)
Interest expense	(3,910,340)	(1,063,679)
Loss from extinguishments of debt	(428,295)	-
Other non-operating (expense) income, net	(287,988)	18,832
Total non-operating expenses	(4,659,048)	(4,262,915)
Loss before income taxes	**(12,420,962)**	**(26,450,536)**
Provision for income taxes	-	-
Net loss, including noncontrolling interest	**(12,420,962)**	**(26,450,536)**
Noncontrolling interest	**14,573**	**-**
Net loss attributable to FOXO	**(12,406,389)**	**(26,450,536)**
Deemed dividends related to preferred stock, the extension of and triggers of down round provisions of Assumed Warrants and the Exchange Offer	(1,073,993)	(3,378,834)
Net loss to common stockholders	(13,480,382)	(29,829,370)
Preferred stock dividends – undeclared	(81,326)	-
Net loss to common stockholders, net of preferred stock dividends – undeclared	**$ (13,561,708)**	**$ (29,829,370)**
Net loss per share of Class A Common Stock, basic and diluted	$ (0.93)	$ (7.08)
Weighted average number of shares of Class A Common Stock, basic and diluted	14,612,052	4,215,991

See accompanying Notes to Consolidated Financial Statements

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

	Preferred Stock		Class A Common Stock		Treasury Stock	Additional Paid-	Accumulated	Total FOXO's Stockholders' Equity	Noncontrolling	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	In-Capital	Deficit	(Deficit)	Interest	(Deficit)
Balance December 31, 2022	-	$ -	2,966,967	$ 297	214,077	$ 153,938,590	$ (147,231,315)	$ 6,707,572	$ -	$ 6,707,572
Net loss to common stockholders	-	-	-	-	-	-	(29,829,370)	(29,829,370)	-	(29,829,370)
Stock-based compensation	-	-	(419,132)	(42)	-	(269,096)	-	(269,138)	-	(269,138)
2022 Debenture Release	-	-	703,500	70	-	2,180,147	-	2,180,217	-	2,180,217
PIK Note Amendment	-	-	432,188	43	-	1,339,349	-	1,339,392	-	1,339,392
Exchange Offer	-	-	795,618	80	-	2,465,548	-	2,465,628	-	2,465,628
Common stock issuable under Shares for Services Agreement	-	-	-	-		408,821		408,821	-	408,821
Private placements, net of issuance costs	-	-	2,208,376	221	-	862,467	-	862,688	-	862,688
Warrants issued in private placement	-	-	-	-	-	12,168	-	12,168	-	12,168
Issuance of shares to officers and employees	-	-	598,670	60	-	649,764	-	649,824	-	649,824
Issuance of shares to MSK	-	-	292,867	29	-	234,000	-	234,029	-	234,029
Issuance of shares to Joseph Gunner	-	-	276,875	28	-	221,223	-	221,251	-	221,251
Deemed dividends from trigger of down round provisions of Assumed Warrants	-	-	-	-	-	912,499		912,499	-	912,499
Reverse stock split adjustments	-	-	4,180	0	-	4,231	-	4,231	-	4,231
Treasury stock	-	-	(214,077)	(21)	(214,077)	-	-	(21)	-	(21)
Balance at December 31, 2023	-	$ -	7,646,032	$ 765	-	$ 162,959,711	$ (177,060,685)	$ (14,100,209)	$ -	$ (14,100,209)

	Preferred Stock		**Class A Common Stock**		**Treasury**	**Additional Paid-**	**Accumulated**	**Total FOXO Stockholder' Equity**	**Noncontrolling**	**Total Stockholder' Equity**
	Shares	**Amount**	**Shares**	**Amount**	**Stock**	**In-Capital**	**Deficit**	**(Deficit)**	**Interest**	**(Deficit)**
Balance, December 31, 2023	**-**	**$ -**	**7,646,032**	**$ 765**	**-**	**$ 162,959,711**	**(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)**	**3,573,301**	**357**	**-**	**(357)**	**-**	**-**	**-**	**-**
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	**-**	**-**	**(12,234)**	**(1)**	**-**	**(117,427)**	**-**	**(117,428)**	**-**	**(117,428)**
Common stock issued under KR8 License Agreement	**-**	**-**	**1,537,037**	**154**	**-**	**419,475**	**-**	**419,629**	**-**	**419,629**
Common stock issued under corporate development and advisory agreements	**-**	**-**	**1,950,000**	**195**	**-**	**545,805**	**-**	**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	**-**	**-**	**511,027**	**51**	**-**	**(51)**	**-**	**-**	**-**	**-**
Common stock issued to employee	**-**	**-**	**53,202**	**5.32**	**-**	**15,689**	**-**	**15,695**	**-**	**15,695**
Warrants issuable for finder's fees	**-**	**-**	**-**	**-**	**-**	**61,915**	**-**	**61,915**	**-**	**61,915**
Common stock issued under terms of notes payable	**-**	**-**	**1,608,755**	**161**	**-**	**397,353**	**-**	**397,514**	**-**	**397,514**
Common stock issued for extensions of notes payable	**-**	**-**	**350,000**	**35**	**-**	**59,215**	**-**	**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	**-**	**-**	**2,080,816**	**208**	**-**	**694,537**	**-**	**694,745**		**694,745**
Common stock issued for legal settlement	**-**	**-**	**3,238,973**	**324**	**-**	**902,466**	**-**	**902,790**	**-**	**902,790**
Common stock issued for Myrtle acquisition	**-**	**-**	**1,023,629**	**102**	**-**	**235,332**	**-**	**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	**-**	**-**	**-**	**-**	**-**	**1,073,993**	**-**	**1,073,993**	**-**	**1,073,993**
Balance, December 31, 2024	**26,972**	**$ 3**	**23,560,438**	**$ 2,356**	**$ -**	**$ 195,862,460**	**$ (190,541,067)**	**$ 5,323,752**	**$ (51,941)**	**$ 5,271,811**

See accompanying Notes to Consolidated Financial Statements

FOXO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Year Ended December 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss, including noncontrolling interest	$ (12,420,962)	$ (26,450,536)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1,235,015	1,278,916
Loss from PIK Note Amendment and 2022 Debenture Release	-	3,520,609
Loss from extinguishments of debt	428,295	-
Impairments of intangible assets	1,848,402	2,632,677
Equity-based compensation (forfeitures), net	(101,734)	381,378
Amortization of consulting fees paid in common stock	481,183	2,221,233
Common stock issued and issuable under Shares for Services Agreements	-	864,614
Change in fair value of warrants	32,425	(302,541)
PIK Notes interest	1,047,743	615,841
Amortization of debt discounts and debt issuance costs	1,376,498	448,174
Non-cash interest expense on right-of-use lease obligations	352,563	-
Other	100,000	125,279
Changes in operating assets and liabilities:		
Accounts receivable	553,929	-
Supplies	40,268	1,313,174
Prepaid expenses and consulting fees	98,562	3,054,631
Change in right-of-use lease assets	(1,440,769)	-
Other current assets	74,229	4,611
Reinsurance recoverables	-	18,573,430
Accounts payable	1,157,448	495,760
Accrued and other liabilities, including related parties' payables	1,787,290	3,151,123
Change in other liabilities	(480,517)	-
Change in right-of-use lease obligations	989,518	-
Policy reserves	-	(18,573,430)
Net cash used in operating activities	**(2,840,614)**	**(6,645,057)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash acquired from purchases of Myrtle and RCHI	13,329	-
Net cash from investing activities	**13,329**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuances of notes payable	4,090,500	-
Payments on note payable to RHI	(993,045)	-
Payments on notes payable	(30,881)	-
Payments on other loans	(257,062)	-
Proceeds from private placements of Class A Common Stock, net of issuance costs	-	1,175,895
Proceeds from issuance of Series C Preferred Stock, net of issuance costs	89,925	-
Finder's fees on notes payable paid in cash	(42,000)	-
Deferred offering costs	-	(299,433)
Proceeds from related parties' promissory notes/payables	-	291,122
Net cash provided by financing activities	**2,857,437**	**1,167,584**
Net change in cash and cash equivalents	**30,152**	**(5,477,473)**
Cash and cash equivalents at beginning of period	38,116	5,515,589
Cash and cash equivalents at end of period	**$ 68,268**	**$ 38,116**

See accompanying Notes to Consolidated Financial Statements

Note 1 DESCRIPTION OF BUSINESS

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. FOXO is commercializing epigenetic biomarker technology to support groundbreaking 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 and, with the acquisitions from Rennova Health Inc. ("RHI") of Myrtle Recovery Centers, Inc. ("Myrtle"), a Tennessee corporation, effective on June 14, 2024, and Rennova Community Health, Inc. ("RCHI"), a Florida corporation, and its wholly owned subsidiary, Scott County Community Hospital, Inc. ("SCCH"), a Tennessee corporation, 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. The acquisitions of Myrtle and RCHI are more fully discussed in Note 5.

Segments

The Company manages and classifies its business into two reportable business segments: (i) Healthcare; and (ii) Labs and Life. Previously, Labs and Life 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 operate Myrtle, RCHI and SCCH under the Company's recently formed Healthcare segment. SCCH is doing business as Big South Fork Medical Center ("BSF").

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 Date") 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, while FOXO Life Insurance Company was a wholly-owned subsidiary of FOXO Life, LLC. On February 3, 2023, the Company sold FOXO Life Insurance Company as more fully discussed in Note 16.

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, 2024 and 2023, the Company incurred net losses to common stockholders of $13.5 million and $29.8 million, respectively. As of December 31, 2024, the Company had a working capital deficit of $29.8 million. Cash used in operating activities for the years ended December 31, 2024 and 2023 was $2.8 million and $6.6 million, respectively. As of December 31, 2024, the Company had $0.1 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.

During the first quarter of 2023, the Company completed the sale of FOXO Life Insurance Company in order to gain access to the cash held as statutory capital and surplus at FOXO Life Insurance Company, which we used to fund a portion of our operations during 2023. On June 14, 2024 and September 10, 2024, the Company completed the acquisitions of Myrtle and RCHI, 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, (ii) pursue additional strategic operating companies, and (iii) commercialize our products and services to generate revenue.

See Note 10 for information on promissory notes payable issued during the year ended December 31, 2024, Note 13 for information on preferred stock and common stock issued during the year ended December 31, 2024 and Note 21 for financing transactions entered into subsequent to December 31, 2024.

Compliance with NYSE American Continued Listing Requirements

On December 16, 2024, the Company announce that recent transactions have led to the Company having stockholders' equity greater than $4.0 million and, as a result, it has regained compliance with NYSE American continued listing requirements for stockholders' equity.

As was disclosed in the Company's Quarterly Report on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC") on November 19, 2024, the Company had a stockholders' deficit of approximately $17.5 million in its unaudited financial statements as of September 30, 2024. Since then, the Company has been working to secure agreements from certain creditors, debt holders, and investors to exchange their debt to equity in the form of common stock and preferred stock.

The Company was successful in securing:

- RHI's exchange of $21.0 million of the Company's senior secured note issued for the acquisition of RCHI into 21,000 shares of the Company's Series A Cumulative Convertible Redeemable Preferred Stock(the "Series A Preferred Stock");
- An institutional investor's additional funding of $1.0 million and exchange of approximately $2.2 million of Senior Notes Payable (including the newly issued $1.0 million note) into 2,464 shares of the Company's Series A Preferred Stock and conversions of 924 shares of these Series A Preferred Stock into 3.6 million shares of the Company's Class A Common Stock;
- Settlement of certain liabilities totaling $3.1 million owed to KR8 AI, Inc. ("KR8"), and the termination of certain sections of the license agreement with KR8 (the "KR8 License Agreement") in exchange for 3,000 shares of the Company's newly designated Series D Cumulative Convertible Redeemable Preferred Stock (the "Series D Preferred Stock") and settlement of a liability owed to a law firm for legal services in the amount of $1.1 million in exchange for 1,312 shares of the Company's Series D Preferred Stock; and
- Additionally, the Company had approximately $1.3 million of other liabilities and promissory notes payable converted to approximately 4.2 million shares of its Class A Common Stock during the fourth quarter of 2024.

These transactions are more fully discussed in Notes 5, 10, and 13.

If at any time in the future the Company falls out of compliance with the stockholders' equity requirements to meet NYSE American continued listing rules, the Company would be subject to immediate reevaluation by NYSE American.

Senior PIK Notes

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 21.

While the transactions discussed above have improved 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, 2024 and 2023, 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 SPLIT

On October 31, 2023, the Company amended its Second Amended and Restated Certificate of Incorporation, as amended, to implement a 1-for-10 reverse stock split, such that every ten shares of the Company's Class A Common Stock would 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 "Reverse Stock Split"). The Company effected the Reverse Stock Split on November 6, 2023 at 4:01pm Eastern Time of its issued and outstanding shares of Class A Common Stock, which was previously approved by stockholders at the Company's annual meeting of stockholders held on May 26, 2023 to regain compliance with Section 1003(f)(v) of the NYSE Company Guide. Trading reopened on November 7, 2023, which is when the Company's Class A Common Stock began trading on a post reverse stock split basis.

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

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.

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.

WRITE OFFS OF SUPPLIES AND FIXED ASSETS

Included in selling, general and administrative expenses in the consolidated statement of operations for the year ended December 31, 2023 was a write off of supplies totaling $1.3 million. The supplies consisted of Epic + arrays that were used to process epigenetic data and were purchased in 2022, and mouse arrays, as well as associated saliva test kits. The Epic + arrays had two components. The first being the actual array that was used in processing, as well as the reagents (liquids) to work with the saliva. While the reagents had an "expiration" date based on warranties, the Company had gone through testing on older arrays and determined that arrays have a longer shelf life than the expiration date of the reagents. The Company performed this testing periodically to make sure results from "old" arrays were not skewed. The expiration date essentially relates to the expiration of a warranty from the manufacturer. Further, with the Company's commercial lab partners (e.g. Tempus and Neogen), fresh reagents are continuously used in their labs that could allow the Company to use the arrays beyond their expiration date. However, as of the fourth quarter of 2023, the Company completed all of its open projects that use these arrays and it did not have any contracts in the near future for additional projects. As such, since the Company did not have any upcoming plans for these arrays, it determined it was appropriate to write off the remaining arrays as of December 31, 2023. As with the Epic + arrays, the mouse arrays were outside of their warranty period and the Company no longer possessed the necessary items needed to process these arrays. This rendered the mouse arrays useless and, as such, they were written off as of December 31, 2023. In addition, during the year ended December 31, 2023, the Company wrote off $23,000 of net book value of fixed assets, consisting of furniture and fixtures and computer and office equipment, which were no longer in use. There were no write offs of supplies or fixed assets during the year ended December 31, 2024.

IMPAIRMENT OF GOODWILL, INTANGIBLE ASSETS AND CLOUD COMPUTING ARRANGEMENTS

The Company reviews its goodwill, intangible assets and cloud computing arrangements, 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. 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 and cloud computing arrangements assets during the years ended December 31, 2024 and 2023 as more fully discussed in Note 8. The Company acquired intangible assets and goodwill in 2024 from the acquisitions of Myrtle and RCHI, as more fully discussed in Note 5. No impairments of goodwill were recorded in the year ended December 31, 2024.

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 exits, 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.

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.

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, 2024, $2.1 million of Medicare cost report settlement reserves were recorded in accrued expenses on the consolidated balance sheet, 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.

The Company has recorded minor amounts of revenues from its Labs and Life segment during the years ended December 31, 2024 and 2023. The Labs and Life segment's revenues consist of royalties based on the Company's epigenetic biomarker research, agents' commissions earned on the sale, servicing and placement of life insurance policies, and epigenetic testing services sold primarily to research organizations. 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 year ended December 31, 2024, estimated contractual allowances and implicit price concessions of $18.6 million 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 year ended December 31, 2024, the Company recorded healthcare net revenues of $4.1 million. Myrtle and SCCH were acquired on June 14, 2024 and September 10, 2024, respectively, thus no revenues were recorded related to the healthcare segment in the year ended December 31, 2023. The Company continues to review the provisions for contractual allowances and implicit price concessions. See Note 6.

REINSURANCE

Prior to the sale of FOXO Life discussed above and in Note 16, the Company was subject to a 100% coinsurance agreement with the seller of Memorial Insurance Company of America ("MICOA"), Security National Life Insurance Company. The amounts reported in the consolidated cash flows as reinsurance recoverables included amounts billed to reinsurers on losses paid as well as estimates of amounts expected to be recovered from reinsurers on insurance liabilities that had not yet been paid. Reinsurance recoverables on unpaid losses were estimated based upon assumptions consistent with those used in establishing the liabilities related to the underlying reinsured contracts. Insurance liabilities were reported gross of reinsurance recoverables. Management believes reinsurance recoverables were appropriately established. Reinsurance premiums were reflected in income in a manner consistent with the recognition of premiums on the reinsured contracts. Reinsurance did not extinguish the Company's primary liability under the policies written. The Company regularly evaluated the financial condition of the reinsurer and established allowances for uncollectible reinsurance recoverables as appropriate. Revenues on traditional life insurance products subject to this reinsurance agreement consisted of direct premiums reported as earned when due. Premium income included premiums on reinsured policies and was reduced by premiums ceded. Expenses under the reinsurance agreement were also reduced by the amount ceded.

As a result of the sale of FOXO Life Insurance Company on February 3, 2023, as more fully discussed in Note 16, the Company no longer had reinsurance recoverables as of December 31, 2023. Reinsurance recoverables are reflected as a source of cash in the cash flow statement for the year ended December 31, 2023.

POLICY RESERVES

The Company established liabilities for amounts payable under insurance policies, including traditional life insurance and annuities. Generally, amounts were payable over an extended period. Liabilities for future policy benefits of traditional life insurance were computed by using a net level premium method based upon estimates at the time of issue for investment yields, mortality and withdrawals. These estimates included provisions for experience less favorable than initially expected. Mortality assumptions were based on industry experience expressed as a percentage of standard mortality tables. Annuity liabilities were primarily associated with deferred annuity contracts. The deferred annuity contracts credited interest based on a fixed rate. Liabilities for deferred annuities were included without reduction for potential surrender charges. The liability was equal to accumulated deposits, plus interest credited, less policyholder withdrawals. Reserving assumptions for interest rates, mortality and expense were "locked in" upon the acquisition date for traditional life insurance contracts; significant changes in experience or assumptions may have required the Company to provide for extended future losses by establishing premium deficiency reserves. Premium deficiency reserves were determined based on best estimate assumptions that existed at the time the premium deficiency reserve was established and did not include a provision for adverse deviation. As a result of the sale of FOXO Life Insurance Company on February 3, 2023, which is more fully discussed in Note 16, the Company no longer had any policy reserves as of December 31, 2023. Policy reserves are reflected as a use of cash in the cash flow statement for the year ended December 31, 2023.

EQUITY-BASED COMPENSATION

The Company measures all equity-based payments, including stock options and restricted stock to employees, service providers and nonemployee directors, using a fair-value based method. The cost of services received from employees and nonemployee directors 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. The Black-Scholes valuation 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. 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 Company has completed the valuation studies for the purchases of Myrtle and RCHI. The accounting for the acquisitions of Myrtle and RCHI during the year ended December 31, 2024 are presented in Note 5.

RECENTLY ISSUED ACCOUNTING STANDARDS

In December 2023, the 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 is effective for public business entities for annual periods beginning on January 1, 2025. The Company plans to adopt ASU 2023-09 effective January 1, 2025 applying a retrospective approach to all prior periods presented in the financial statements. The Company does not expect the adoption of this new standard to have a material effect on its disclosures.

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.

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 Company excluded the effect of the 3,334 and 15,668 Management Contingent Shares outstanding and not vested as of December 31, 2024 and 2023, respectively, from the computation of basic and diluted net loss per share for the years ended December 31, 2024 and 2023, as the conditions to trigger the vesting of the Management Contingent Plan Shares had not been satisfied as of December 31, 2024 and 2023. The Management Contingent Share Plan is more fully discussed in Note 14.

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, 2024 and 2023:

		2024		2023
Net loss attributable to FOXO	$	(12,406,389)	$	(26,450,536)
Deemed dividends related to the extension of and triggers of down round provisions of Assumed Warrants and the Exchange Offer		(1,073,993)		(3,378,834)
Net loss to common stockholders		(13,480,382)		(29,829,370)
Preferred stock dividends – undeclared		(81,326)		-
Net loss to common stockholders, net of preferred stock dividends - undeclared	$	(13,561,708)	$	(29,829,370)
Basic and diluted weighted average number of shares of Class A Common Stock		14,612,052		4,215,991
Basic and diluted net loss available to Class A Common Stock per share	$	(0.93)	$	(7.08)

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 (shares in actuals):

	December 31, 2024	December 31, 2023
Preferred stock	104,589,137	-
Public and private warrants	1,037,875	1,037,875
Assumed Warrants	4,726,514	2,007,848
Convertible notes payable	2,870,924	-
Stock options	104,762	119,371
Finder's warrants	-	25,672
Total antidilutive shares	**113,329,212**	**3,190,766**

At December 31, 2024, in addition to the common stock equivalents listed in the table above, the Company has agreed to issue; (i) up to 9.8 million additional shares of its Class A Common Stock under the terms of a legal settlement as more fully discussed in Notes 19 and 21, (ii) an aggregate of 600,000 shares of its Class A Common Stock under the terms of outstanding notes payable, which are discussed in Notes 10 and 13, and (iii) shares of its common stock for finder's fees and other financial and advisory service agreements, which are discussed in Note 13. See Note 21 regarding the Company's Class A Common Stock and common stock equivalents issued and issuable subsequent to December 31, 2024.

Note 5 ACQUISITIONS AND STOCK EXCHANGE AGREEMENTS

On June 10, 2024, the Company entered into two stock exchange agreements, each with Rennova Health, Inc., a Delaware corporation ("RHI").

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 1,023,629 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 $0.23 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.

Myrtle has been granted two licenses from the Tennessee Department of Mental Health and Substance Abuse Services, effective August 1, 2024, for 12 months. The first license authorizes the provision of services for alcohol and drug residential detoxification treatment, as well as alcohol and drug residential rehabilitation treatment. The second license authorizes the provision of services for non-residential office-based opiate treatment.

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 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 then to be authorized 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, 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) (the "RCHI Note"). The RCHI Note matured on 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. Promissory notes are presented in Note 10.

As previously discussed in Note 1, RCHI's wholly-owed 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.

FOXO acquired Myrtle and RCHI as synergistic opportunities to expand its operations into the healthcare sector and as a complement to its epigenetic biomarkers of human health, wellness and aging.

Appointment of Officer and Members of the Board of Directors

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.

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 on 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.

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.

These leases are accounted for as right-of-use assets and liabilities as more fully discussed in Note 12.

The purchase consideration payable to RHI under the terms of the Myrtle Agreement and the RCHI SEA Amendment was 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 has undertaken valuation studies to determine the fair values of the assets acquired. 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 and ($2.2) million for RCHI. The valuation firm used a number of methods to calculate the fair values of the intangible assets acquired in the Myrtle and RCHI acquisitions (principally tradenames, 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 firm 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.

The following table shows the allocations of the purchase prices of Myrtle and RCHI to the identifiable assets acquired and liabilities assumed on their respective acquisition dates:

	Myrtle	RCHI
Total purchase price	$ 500,000	$ 22,000,100
Tangible and Intangible assets acquired, and liabilities assumed at fair value:		
Cash	$ 5,757	$ 7,572
Accounts receivable, net	284,445	2,540,440
Supplies	-	201,734
Prepaid expenses	-	127,936
Property and equipment, net	221,045	176,109
Intangible assets	495,400	8,528,082
Right-of-use lease assets	-	2,693,046
Accounts payable	(708,381)	(3,081,467)
Accrued expenses	(98,731)	(8,941,433)
Right-of-use lease liabilities	-	(2,692,946)
Note payable	(1,610,671)	(623,832)
Other loan	-	525,319
Noncontrolling interest	37,366	-
Assets acquired, net of liabilities assumed	$ (1,373,770)	$ (2,213,901)
Goodwill	$ 1,873,770	$ 23,590,178

In addition to the purchase prices listed above, the Company incurred acquisition costs consisting of $5,000 in legal fees for each of the acquisitions. These fees were expensed during the year ended December 31, 2024.

The following presents the unaudited pro-forma combined results of operations of the Company, Myrtle and RCHI as if the acquisitions of Myrtle and RCHI occurred on January 1, 2023.

	Year-Months Ended December 31,	
	2024	**2023**
Net revenues	$ 12,061,242	$ 18,666,676
Net loss, attributable to FOXO	$ (14,643,377)	$ (21,215,341)
Deemed dividends	(1,073,993)	(3,378,834)
Net loss to common stockholders	(15,717,370)	(24,594,175)
Preferred stock dividends - undeclared	(1,050,000)	(1,050,000)
Net loss to common stockholders, net of preferred stock dividends - undeclared	$ (16,767,370)	$ (25,644,175)
Net loss per share:		
Basic and diluted net loss available to Class A Common Stock per share	$ (1.11)	$ (4.89)
Basic and diluted weighted average number of shares of Class A Common Stock	15,165,819	5,239,620

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 and RCHI been completed as of January 1, 2023 or to project potential operating results as of any future date or for any future periods.

Note 6 ACCOUNTS RECEIVABLE, NET

Accounts receivable as of December 31, 2024 and December 31, 2023 were as follows:

	December 31, 2024	December 31, 2023
Accounts receivable, gross	$ 12,200,256	$ -
Less:		
Allowance for contractual obligations	(8,967,362)	-
Allowance for doubtful accounts	(961,937)	-
Accounts receivable, net	$ 2,270,957	$ -

Note 7 PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of December 31, 2024 and December 31, 2023 were as follows:

	December 31, 2024	December 31, 2023
Leasehold improvements	$ 133,033	$ -
Furniture and fixtures	83,930	-
Computer equipment	37,115	37,115
Software	4,441	-
Medical equipment	193,517	-
Gross property and equipment	452,036	37,115
Less accumulated depreciation	(87,555)	(23,474)
Property and equipment, net	$ 364,481	$ 13,641

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 $25,611 for the years ended December 31, 2024 and 2023, respectively.

Note 8 INTANGIBLE ASSETS, NET AND GOODWILL

The components of intangible assets, net as of December 31, 2024 and 2023 were as follows:

	December 31, 2024	December 31, 2023
Methylation pipeline	$ -	$ 592,095
Tradenames	1,582,734	-
Licenses and permits	7,396,848	-
Customer relationships	43,900	-
Epigenetic APP	-	-
Less: accumulated amortization	(7,926)	(213,812)
Intangible assets, net	$ 9,015,556	$ 378,283

Amortization of the Company's Methylation pipeline, customer relationships and Epigenetic APP intangible assets was recorded on a straight-line basis within selling, general and administrative expenses over lives of three years. The Company recognized amortization expense on its intangible assets of $1.0 and $1.3 million in the years ended December 31, 2024 and 2023, respectively. Included in the amortization expense in the year ended December 31, 2024 was $0.8 million of expense for the Epigenetic APP. The tradenames and licenses and permits assets have indefinite lives. During the year ended December 31, 2024, the Company recorded an impairment loss of $1.6 million for the Epigenetic APP and $0.2 million for its methylation pipeline asset and during the year ended December 31, 2023, the Company recorded an impairment loss of $2.6 million for its digital insurance platform and its underwriting API and longevity API as the sales and or projected cash flows could no longer support these assets. The Company continues to believe this asset will play a valuable part in its Epigenetic business but needs to make further investment for this asset to generate sales. Without certainty on the timeframe the Company has no choice but to impair the value of the asset in its records.

The tradenames, licenses and permits and customer relationship intangible assets resulted from the acquisitions of Myrtle and RCHI, which are more fully discussed in Note 5. The Company's Epigenetic APP intangible asset was acquired from KR8 under the terms of a license agreement, which is more fully discussed in Note 11.

Goodwill

Goodwill was $25.5 million and $0 as of December 31, 2024 and December 31, 2023, respectively. The goodwill resulted from the acquisitions of Myrtle and RCHI, which are more fully discussed in Note 5.

Note 9 ACCRUED EXPENSES

At December 31, 2024 and December 31, 2023, accrued expenses consisted of the following:

	December 31, 2024	December 31, 2023
Accrued payroll and related liabilities	$ 6,024,516	$ 29,854
Accrued severance	2,174,035	1,693,518
Accrued interest	651,664	-
Accrued legal expenses and settlements	1,356,957	2,259,748
Medicare cost report settlement reserves	2,147,581	-
Other accrued expenses	1,166,663	1,600
Accrued expenses	$ 13,521,416	$ 3,984,720

Included in accrued payroll and related liabilities totaling $6.0 million at December 31, 2024, was approximately $5.2 million for past due payroll taxes and associated penalties and interest. Related parties' payables and accrued expenses are presented in Note 11.

Note 10 DEBT

At December 31, 2024 and December 31, 2023, debt consisted of the following:

	December 31, 2024	December 31, 2023
Notes payable – third parties	$ 7,279,724	$ 4,202,997
Notes payable – related parties	2,671,924	789,733
Other loans	268,257	-
Total debt	10,219,905	4,992,730
Less current portion of debt	(10,219,905)	(4,992,730)
Total debt, net of current portion	**$ -**	**$ -**

Notes Payable – Third Parties

At December 31, 2024 and December 31, 2023 notes payable with third parties consisted of the following:

	December 31, 2024	December 31, 2023
Senior PIK Notes in the principal amount of $3,457,500, including interest of $1,793,241 and $745,497 at December 31, 2024 and 2023, respectively	$ 5,250,741	$ 4,202,997
Western Note Payable	623,832	-
ClearThink Notes in the aggregate principal amount of $1,166,750 net of unamortized discounts of $257,290	909,460	-
LGH notes payable in the aggregate principal amounts of $222,000, net of unamortized discounts of $126,511	95,489	-
IG Note Payable in the principal amount of $120,000, net of unamortized discounts of $68,739	51,267	-
1800 Diagonal notes payable in the principal amount of $264,308, net of unamortized discounts of $57,672	206,636	-
Red Road note payable in the principal amount of $91,019, net of unamortized discounts of $35,556	55,463	-
Lucas Ventures note payable in the principal amount of $220,000, net of unamortized discounts of $133,164	86,836	-
Total third-party notes payable	7,279,724	4,202,997
Less current portion of third-party notes payable	(7,279,724)	(4,202,997)
Total third-party notes payable, net of current portion	**$ -**	**$ -**

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 had agreed to not obtain additional equity or debt financing, without the consent of a majority of the holders of the Senior PIK Notes, other than if a financing pays amounts owed on the Senior PIK Notes, with the exception of certain exempt issuances. The Company shall not incur other indebtedness, except for certain exempt indebtedness, until such time the Senior PIK Notes were repaid in full; however, the Senior PIK Notes were unsecured.

2023 PIK Note Amendment

On May 26, 2023, the Company consummated two issuer tender offers: (i) the Exchange Offer (as described in Note 13) and (ii) the Offer to Amend 15% Senior Promissory Notes and Consent Solicitation that commenced on April 27, 2023 (the "PIK Note Offer to Amend"), pursuant to which the Company offered all holders of Senior PIK Notes 0.125 shares of the Company's Class A Common Stock for every $1.00 of the Original Principal Amount (as defined in the Senior PIK Notes) of such holder's Senior PIK Notes, in exchange for the consent by such holder of Senior PIK Notes to amendments to the Senior Promissory Note Purchase Agreement, dated September 20, 2022, between the Company and each purchaser of the Senior PIK Notes (the "PIK Note Purchase Agreement").

Pursuant to the PIK Note Offer to Amend, the Company solicited approval from holders of Senior PIK Notes to amend the PIK Note Purchase Agreement to permit the following issuances by the Company of its Class A Common Stock and Common Stock Equivalents (as defined in the PIK Note Purchase Agreement), without prepaying the Senior PIK Notes: (i) the issuance of shares of the Company's Class A Common Stock in connection with the PIK Offer Note Offer to Amend, (ii) the issuance of shares of the Company's Class A Common Stock in connection with the Exchange Offer (as defined in Note 13), (iii) the issuance of shares of the Company's Class A Common Stock or Common Stock Equivalents (as defined in the PIK Note Purchase Agreement) in connection with the 2022 Bridge Debenture Release (defined in Note 13), (iv) the issuance of shares of the Company's Class A Common Stock or Common Stock Equivalents (as defined in the PIK Note Purchase Agreement) in (a) a private placement of the Company's equity, equity-linked or debt securities resulting in gross proceeds to the Company no greater than $5 million (a "Private Placement") and/or (b) a registered offering of the Company's equity, equity-linked or debt securities resulting in gross proceeds to the Company no greater than $20 million (a "Public Financing"); provided that (A) the proceeds of a Private Placement resulting in gross proceeds to the Company of at least $2 million are used by the Company to prepay not less than 25% of the Outstanding Principal Balance (as defined in the Senior PIK Notes) as of the date of prepayment on a pro rata basis upon the closing of such Private Placement, and (B) the proceeds of a Public Financing resulting in gross proceeds to the Company of at least $10 million are used by the Company to prepay all of the Outstanding Principal Balance as of the date of prepayment upon the closing of such Public Financing, and (v) the issuance of shares of the Company's Class A Common Stock or Common Stock Equivalents (as defined in the PIK Note Purchase Agreement) as private placement additional consideration (collectively, the " 2023 PIK Note Amendment").

The Company received consents from all Senior PIK Note holders and all required approvals, including stockholder approval, and issued on a pro rata basis to the holders of the Senior PIK Notes 432,188 shares of its Class A Common Stock in consideration for the 2023 PIK Note Amendment.

The Company accounted for the 2023 PIK Note Amendment as an extinguishment as the consideration of $1.3 million paid to Senior PIK Note holders in the form of the Company's Class A Common Stock caused the cash flows after the 2023 PIK Note Amendment to change by more than 10%. Due to the short-term nature of the Senior PIK Notes, the Company determined the reacquisition price of debt was equal to the principal amount at the time of the amendment. The Company recognized $1.6 million of expense related to the 2023 PIK Note Amendment consisting of $0.3 million of unamortized debt issuance costs and $1.3 million for the issuance of the Company's Class A Common Stock. The Company has continued to accrue PIK Interest.

As noted above, 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 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. 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 Preferred Stock. Pursuant to the terms of the 2024 PIK Notes Amendment, on January 22, 2025, the Senior PIK Notes were exchanged into Series B Preferred Stock as more fully discussed in Note 21.

As of December 31, 2024 and 2023, the Company has recorded the $5.3 million and $4.2 million balance of the Senior PIK Notes, respectively, as current liabilities based on the monthly installments payment schedule. For the years ended December 31, 2024 and 2023, the Company recognized $1.0 million and $0.6 million, respectively, of contractual interest expense on the Senior PIK Notes and during the year ended December 31, 2023, the Company recognized $0.4 million related to the amortization of debt issuance costs on the Senior PIK Notes. The amortization of debt issuance costs included $0.3 million of unamortized debt issuance costs at the time of the 2023 PIK Note Amendment. The debt issue costs for the Senior PIK Notes were fully amortized as of June 30, 2023.

Western Note Payable

Promissory note payable to Western Healthcare, LLC (the "Western Note Payable") 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 bears 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 has not made all of the monthly installments due under the note and it is past due. RHI is a co-borrower under the terms of the Western Note Payable. During the year ended December 31, 2024, the Company accrued interest expense on the note of $37,430. As of December 31, 2024, $0.4 million of accrued interest was owed. As more fully discussed in Note 21, during February 2025, the note was amended and restated.

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 note was exchanged for 324,750 shares of the Company's Class A Common Stock as discussed in Note 21. 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, matured on January 30, 2025 and was converted into shares of the Company's Class A Common Stock during January 2025 as more fully discussed in Note 21. 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 200,000 shares of the Company's common stock as an inducement valued at $58,000 and the note matured on August 14, 2024. On August 16, 2024, the note was extended until September 30, 2024. Under the August 16, 2024 extension, the Company issued ClearThink 100,000 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 200,000 shares of its Class A Common stock valued at $34,800. On several dates during the fourth quarter of 2024, the principal balance of the May 15, 2024 note payable and associated accrued interest totaling $0.4 million was converted into 1,305,816 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 that matured on November 16, 2024, which is in default and has not yet been repaid by the Company. The note was issued with a $13,250 original issue discount. On November 20, 2024 and December 31, 2024, the Company issued ClearThink promissory notes each in the principal amount of $0.2 million and each with a $20,000 original issue discount. The November 20, 2024 note was issued with 125,000 inducement shares of the Company's common stock valued at $82,500 and the December 31, 2024 note was issued with 125,000 inducement shares valued at $36,375.

The January 3, 2024, January 30, 2024, May 15, 2024, August 16, 2024, November 20, 2024 and December 31, 2024 notes are referred to collectively as the "ClearThink Notes." The January 3, 2024, January 30, 2024 and August 16, 2024 notes have interest rates of 12% per annum (22 – 24% after the occurrence of an Event of Default, as defined in the ClearThink Notes). The May 15, 2024 note originally did not bear interest but as amended had an interest rate of 22% as discussed above. The November 20, 2024 and December 31, 2024 notes each bore a one-time 10% interest rate upon issuance and upon an event of default, as that term is defined in the notes, the outstanding balances will be 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. The November 20, 2024 note is convertible into shares of the Company's common stock at a fixed conversion price of $0.50 per share and the December 31, 2024 note is convertible into shares of the Company's common stock at a conversion price equal to the higher of $0.10 per share and a 10% discount to the lowest volume weighted average price of the Company's common stock for the five days prior to conversion, which price was $0.2587 per share on December 31, 2024.

Funding of the ClearThink Notes occurred on various dates during 2024. During the year ended December 31, 2024, the Company received net cash proceeds from the ClearThink Notes totaling $1.1 million. During the year ended December 31, 2024, the Company recorded interest expense of $0.7 million on the ClearThink Notes, including amortization of debt discounts of $0.6 million. As a result of the issuances of the ClearThink Note, 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. The Company recorded the fair value of the warrants and common stock issuable to the finder in connection with the ClearThink Notes as well as the cash finder's fees aggregating to approximately $0.1 million as debt discounts on the ClearThink Notes.

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 200,000 shares of its Class A Common Stock as inducement shares to LGH. The note is convertible into shares of the Company's Class A Common Stock at a conversion price of $0.30 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 200,000 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 360,000 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, 2024, the note was converted in full into 43,333 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 it agreed to issue 125,000 shares of its Class A Common Stock as inducement shares to LGH. The note is convertible into shares of the Company's Class A Common Stock at a conversion price of $0.50 per share. The note, which matures on August 14, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of $22,000. The value of the 125,000 inducement shares of $83,500, was recorded as additional debt discount. 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. During the year ended December 31, 2024, interest expense on the LGH notes, including the amortization of the debt discounts, was $118,589.

Securities Purchase Agreements Dated April 30, 2024 and December 24, 2024 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 100,000 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 50,000 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 100,000 inducement shares that were issuable to IG per the original terms of the note and the 50,000 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, which were $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 415,000 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 it agreed to issue 100,000 shares of its Class A Common Stock as inducement shares to IG. The note is convertible into shares of the Company's Class A Common Stock at a conversion price of $0.30 per share. The note, which matures on September 23, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of $12,000. The value of the 100,000 inducement shares of $24,800 was recorded as additional debt discount. In addition, the Company recorded finder's fees of $14,000 payable in shares of the Company's common stock as additional debt discount. During the year ended December 31, 2024, interest expense on the IG notes, including the amortization of the debt discounts, was $147,117.

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.

Securities Purchase Agreement with Institutional Investor Dated June 12, 2024

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").

The closings of the SPA (each a "Closing," or, together, the "Closings") are as follows:

- On June 14, 2024, the Initial Closing Date, the Purchaser purchased $840,000 in principal amount of the Senior Notes Payable and the Company received cash proceeds of $750,000. In addition, as required per the terns, the Company issued to the Purchaser an aggregate of 1,108,755 shares of the Company's Class A Common Stock representing 9.99% of the outstanding shares of its Class A Common Stock on the Initial Closing Date. The Company issued 1,108,755 shares on July 17, 2024. The Senior Note Payable matured on June 14, 2025. The principal amount of the Senior Note Payable was the subscription amount multiplied by 1.12 which represented a 12% (or $90,000) original issuance discount. The Senior Note Payable did not accrue any interest except for in the event of an Event of Default (as defined in the Note) upon which it would accrue interest at 18% per annum. The Company recorded the $90,000 original issue discount and the value of the 1,108,755 shares of its Class A Common Stock issuable in connection with the Senior Note Payable of $255,014 as debt discounts. The Company recorded interest expense resulting from the amortization of the debt discounts totaling $345,014 during the year ended December 31, 2024. On December 6, 2024, the Senior Note Payable was exchanged for 924 shares of the Company's Series A Preferred Stock with a stated value of $924,000. On various dates during December 2024, the Purchaser converted the 924 shares of Series A Preferred Stock into 3,573,301 shares of the Company's Class A Common Stock.

- Upon the filing of a preliminary proxy statement or information statement with the SEC relating to the approval by the Company's stockholders of the agreement by the Company to acquire the shares of common stock of RCHI from RHI, and all transactions contemplated therein, the Purchaser agreed to purchase an aggregate of $280,000 in principal amount of the Senior Notes Payable. Accordingly, on August 1, 2024, the Company issued a Senior Note Payable in the principal amount of $280,000 to the Purchaser and it received cash proceeds of $250,000. The Senior Note Payable matured on July 31, 2025. The principal amount of the Senior Note Payable was the subscription amount multiplied by 1.12 which represented a 12% (or $30,000) original issuance discount. The Senior Note Payable did not accrue any interest except for in the event of an Event of Default (as defined in the Note) upon which it would accrue interest at 18% per annum. The Company recorded interest expense resulting from the amortization of the debt discount of $30,000 during the year ended December 31, 2024. On December 6, 2024, the Senior Note Payable was exchanged for 308 shares of the Company's Series A Preferred Stock with a stated value of $308,000.

- Upon the closing of the purchase of RCHI, the Purchasers agreed to purchase up to an aggregate of $1,120,000 in principal amount of the Senior Notes Payable. Under the terms of the SPA as discussed above, on December 6, 2024, the Company issued a Senior Note Payable in the principal amount of $1,120,000 to the Purchaser and it received cash proceeds of $1,000,000. The Senior Note Payable matured on December 5, 2025. The principal amount of the Senior Note Payable was the subscription amount multiplied by 1.12 which represented a 12% (or $120,000) original issuance discount. The Senior Note Payable did not accrue any interest except for in the event of an Event of Default (as defined in the Note) upon which it would accrue interest at 18% per annum. The Company recorded interest expenses resulting from the amortization of the debt discount of $120,000 during the year ended December 31, 2024. On December 6, 2024, the Senior Note Payable was exchanged for 1,232 shares of the Company's Series A Preferred Stock with a stated value of $1,232,000.

- Upon the filing of a registration statement by the Company with the SEC relating to the resale by the Purchasers (and any affiliates) of all shares of the Company's Class A Common Stock beneficially owned by each Purchaser (and any affiliate) the Purchasers agreed to purchase up to an aggregate of $560,000 in principal amount of the Senior Notes Payable. Should the remaining Senior Notes Payable in the aggregate of $560,000 of principal be issued, it will provide the Purchaser with rights upon a Fundamental Transaction (as defined in the Senior Note Payable) such as assumption rights of the Successor Entity (as defined in the Senior Note Payable). The Senior Note Payable will also provide the Purchaser an exchange right upon the issuance of preferred stock, including the Series A Preferred Stock. There is also an optional prepayment of the Senior Note Payable provided to the Company of 100% of the Senior Note Payable amount.

The 3,573,301 shares of the Company's Class A Common Stock issued upon conversion of the 924 shares of the Series A Preferred stock, as noted above, is more fully discussed in Note 13. During the year ended December 31, 2024, the Company recorded deemed dividends of $224,000, which represented the difference between the $2,464,000 stated value of the Series A Preferred Stock issued and the $2,240,000 principal balance of the Senior Notes Payable exchanged.

1800 Diagonal Lending LLC Notes Payable Dated July 22, 2024 and Security Purchase Agreement Dated November 18, 2024

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 matures on May 22, 2025. The note was convertible into shares of the Company's common stock, but only in the Event of a Default. Upon an Event of Default, 150% of the amount owed would be immediately due and payable and the note bears interest at a rate of 22% upon an Event of Default. 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 due are $21,091 each. During January 2025, the note was converted into shares of the Company's Class A Common Stock as more fully discussed in Note 21.

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 $107,050, which included a one-time interest amount of $11,470 (12% of the original principal amount of $95,580) and 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 common stock as additional debt discount. The note matures on September 15, 2025. Repayment of the 1800 Diagonal note is due in five monthly payments. The first monthly payment is due on May 15, 2025 in the amount of $53,525 and the four subsequent monthly payments due are $13,381 each. The note may be prepaid anytime within the first 180 days of issuance at a discounted rate of 97% of the outstanding balance. The note is convertible into shares of the Company's common stock, but only in the Event of a Default. Upon an Event of Default, 150% of the amount owed will be immediately due and payable and the note bears interest at a rate of 22% upon an Event of Default. During the year ended December 31, 2024, interest expense on the two 1800 Diagonal notes, including amortization of the debt discounts, totaled $26,205.

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 $138,966, which included a one-time interest amount of $17,066 (14% of the original principal amount of $121,900), which was recorded as a debt discount, and it received cash of $106,000 and it paid legal fees of $6,000. The note was issued with a $15,900 original issue discount and it matures 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 is convertible into shares of the Company's common stock, but only in the Event of a Default. Upon an Event of Default, 150% of the amount owed will be immediately due and payable and the note bears interest at a rate of 22% upon an Event of Default. Repayment of the Red Road note is due in nine monthly payments of $15,441 each beginning on November 14, 2024. During the year ended December 31, 2024, interest expense on the Red Road note, including amortization of the debt discounts, was $15,601.

Securities Purchase Agreement with Lucas Ventures Dated November 18, 2024

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 125,000 shares of its Class A Common Stock as inducement shares to Lucas Ventures. The note is convertible into shares of the Company's Class A Common Stock at a conversion price of $0.50 per share. The note, which matures on August 18, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of $22,000. The value of the 125,000 inducement shares of $88,750 was recorded as an additional debt discount. 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. During the year ended December 31, 2024, interest expense on the Lucas Venture note, including the amortization of the debt discounts, was $25,586.

Notes Payable – Related Parties

At December 31, 2024 and December 31, 2023 notes payable with related parties consisted of the following:

	December 31, 2024	December 31, 2023
Poole Note, dated September 19, 2023	$ 247,233	$ 247,233
Additional Poole Note	42,500	42,500
Sponsor loan	500,000	500,000
Note payable to RHI for the acquisition of Myrtle	264,565	-
Note payable to RHI in connection with the acquisition of Myrtle in the original principal amount of $1,610,671	617,626	-
New RCHI Note for the acquisition of RCHI	1,000,000	-
Total related parties' notes payable	2,671,924	789,733
Less current portion of related parties' notes payable	(2,671,924)	(789,733)
Total related parties' notes payable, net of current portion	**$ -**	**$ -**

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 is due on demand, and in the absence of any demand, the Poole Note will be due one year from the issuance date. The Poole Note may be prepaid, in whole or in part, without penalty at any time.

Additional Poole Note

On October 2, 2023, the Company obtained a $42,500 loan from Mr. Poole, (the "Additional Poole Note"), to be 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 is due on demand, and in the absence of any demand, one year from the issuance date. The Additional Poole Note may be prepaid, in whole or in part, without penalty at any time. During the years ended December 31, 2024 and 2023, the Company recorded interest expense of $5,646 and $1,389, respectively on the Additional Poole Note.

Sponsor Loan

In order to finance transaction costs in connection with the Business Combination, the Sponsor or an affiliate of the Sponsor loaned Delwinds 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

Note payable to RHI dated June , 2024, in the original principal amount of $1,611 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, 2024, the Company has repaid $1.1 million leaving a principal balance of $0.6 million on December 31, 2024. At December 31, 2024, the note is in default but the Company is in discussions with RHI about extending the maturity date of the note.

RCHI Note and New RCHI Note 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 Note 5. 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 matures on June 5, 2025 and accrues interest on any outstanding principal amount at an interest rate of 8% per annum. After maturity, the default interest rate will be 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 year ended December 31, 2024, the Company recorded a total of $0.9 million of interest expense on the RCHI Note and the New RCHI Note.

Other Loans

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. During the period from September 11, 2024 to December 31, 2024, the Company repaid in full one of the notes in the amount of $0.2 million leaving a balance at December 31, 2024 of $0.3 million. The notes do not bear interest and are in payment default.

Note 11 RELATED PARTY TRANSACTIONS

At December 31, 2024 and December 31, 2023, related parties' payable and accrued expenses consisted of the following:

	December 31, 2024	December 31, 2023
Accrued expenses owed under KR8 Agreement	$ -	$ 594,999
Accounts payable to Andrew Poole	204,774	204,774
Accounts payable to InnovaQor	138,188	-
Rent payable to a subsidiary of RHI	648,333	-
Accrued interest on related parties' notes payable (Note 10)	900,090	1,389
Director fees payable	50,000	-
Related parties' payables and accrued expenses	$ 1,941,385	$ 801,162

In addition to the transactions discussed in Notes 5, 10, 12, 13, 14, 19 and 21, the Company had the following related party activity during the years ended December 31, 2024 and 2023:

Consulting Agreement

In April 2022, the Company executed a consulting agreement (the "Consulting Agreement") with an individual (the "Consultant") considered to be a related party of the Company as a result of his investment in 2021 Bridge Debentures. The Consulting Agreement, which expired in April 2023, had a minimum term of twelve months, over which the Consultant was to provide services that included, but were not limited to, advisory services relating to the implementation and completion of the Business Combination. The Company determined that all compensation costs related to the Consulting Agreement, including both cash and equity fee paid in 2022, represented remuneration for services to be rendered evenly over the contract term. Thus, all such costs were initially recorded at fair value as prepaid consulting fees in the consolidated balance sheet and were being recognized as selling, general and administrative expenses in the consolidated statement of operations on a straight-line basis over the term of the contract. For the year ended December 31, 2023, the remaining $2.7 million of expense related to the Consulting Agreement was recognized.

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 Interim CFO, Martin Ward, each are 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 are restricted by the terms of a legal settlement agreement, which is more fully discussed in Note 19 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 1,537,037 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.

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 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 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, as more fully discussed in Note 21. 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 in excess of $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. During the year ended December 31, 2024, the Company incurred $158,522 for services provided under the Services Agreement.

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.

Other Related Party Activity

RCHI and SCCH contracted with InnovaQor, Inc. ("InnovaQor") to provide ongoing health information technology-related services totaling approximately $0.1 million. RHI holds preferred stock in InnovaQor and Mr. Lagan is the controlling shareholder of InnovaQor. As of December 31, 2024, SCCH and Myrtle owed $0.6 million to a subsidiary of RHI for rent under facility leases that are more fully discussed in Notes 5 and 12.

Note 12 RIGHT-OF-USE LEASE ASSETS AND LIABILITIES

As discussed in Notes 5 and 11, the Company leases facilities for its Myrtle and RCHI operations under operating leases with a subsidiary of RHI. 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 liabilities 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 liabilities at December 31, 2024 and December 31, 2023:

	Balance Sheet Classification	December 31, 2024	December 31, 2023
Assets:			
Operating leases	Right-of-use lease assets	$ 3,982,820	$ -
Liabilities:			
Current:			
Operating leases	Right-of-use lease liabilities	$ 367,474	$ -
Noncurrent:			
Operating leases	Right-of-use lease liabilities	3,667,553	-
Total right-of-use lease liabilities		$ 4,035,027	$ -
Weighted average remaining term of operating leases, including option periods expected to renew		5.50 years	n/a
Discount rate		22.0%	n/a

The following table presents certain information related to lease expense for the right-of-use operating leases for the years ended December 31, 2024 and 2023:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Right-of-use operating leases amortization (1)	$ 157,796	$ -
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, 2024 and 2023:

	2024	2023
Operating cash flows for right-of-use operating leases	$ -	$ -

Aggregate future minimum lease payments under right-of-use operating leases are as follows:

	Right-of-Use Operating Leases
Twelve months ending:	
December 31, 2025	$ 1,220,545
December 31, 2026	1,257,161
December 31, 2027	1,294,876
December 31, 2028	1,333,723
December 31, 2029	1,373,735
Thereafter	597,219
Total	7,077,259
Less interest	(3,042,232)
Present value of minimum lease payments	4,035,027
Less current portion of right-of-use lease liabilities	(367,474)
Right-of-use lease liabilities, net of current portion	$ 3,667,553

Note 13 STOCKHOLDERS' EQUITY (DEFICIT)

Authorized Capital

The Company's authorized shares of all capital stock, par value $0.0001 per share, of 510,000,000 shares, consisting of (i) 10,000,000 shares of preferred stock and (ii) 500,000,000 shares of Class A Common Stock.

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, 2024, the Company had outstanding shares of preferred stock consisting of 22,540 shares of its Series A Preferred Stock, 120 shares of its Series C Cumulative Convertible Redeemable Preferred Stock (the "Series C Preferred Stock") and 4,312 shares of its Series D Preferred Stock. It also designated up to 7,500 shares of its Series B Preferred Stock, of which 3,457.5 shares were issued in January 2025 as more fully discussed in Note 21. 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 5, 2024, $21.0 million of the principal balance of the RCHI Note, which is more fully discussed in Notes 5 and 10, was exchanged for 21,000 shares of the Company's Series A Preferred Stock with a stated value of $21.0 million. In addition, as more fully discussed in Note 10, the Purchasers exchanged an aggregated of $2,240,000 of Senior Notes Payable for 2,464 shares of the Company's Series A Preferred Stock with a stated value of $2,464,000. On various dates during the month of December 2024, the Purchasers converted 924 shares of the Series A Preferred Stock into 3,573,301 shares of the Company's Class A Common Stock leaving 22,540 shares of Series A Preferred Stock outstanding at December 31, 2024. During the year ended December 31, 2024, the Company recorded a $0.2 million loss from extinguishment of debt from the issuances of 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. In addition, the Company included undeclared dividends on the Series A Preferred Stock of $81,009 in the calculation of net loss available to common stockholders per share for the year ended December 31, 2024.

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. 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 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 the number of votes determined by dividing the stated value per share by the higher of $0.01 or the VWAP of the trading day immediately before the record date for the vote, and (iii) conversion into shares of the Company's Class A Common Stock at the higher of $0.01 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 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 in exchange for its Senior PIK Notes, as more fully discussed in Notes 10 and 21.

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 $0.05 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

On December 12, 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. In addition, the Company included undeclared dividends on the Series C Preferred Stock of $317 in the calculation of net loss available to common stockholders per share for the year ended December 31, 2024.

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 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 $0.03 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 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.

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 include: (i) no dividends, (ii) no voting rights, expect 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 $0.03 per share or 90% of the average VWAP for the five trading days prior to the date of the conversion notice, among other terms.

The following table summarizes the activity in the Company's classes of preferred stock included in Stockholders' Equity for the year ended December 31, 2024 (no preferred stock was issued or outstanding during the year ended December 31, 2023):

	Series A		Series B		Series C		Series D		Total	
	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
Issuances of Series A Preferred Stock in exchange for Senior Notes Payable	2,464	0.24	-	-		-	-	-	2,464	0.24
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	$ 3

As more fully discussed above and in Note 21, subsequent to December 31, 2024, the Company's issued 3,457.5 shares of its Series B Preferred Stock in exchange for its Senior PIK Notes.

Class A Common Stock

As of December 31, 2024 and 2023, there were 23,560,438 and 7,646,032 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 1,537,037 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.

During the fourth quarter of 2023, we completed two tranches of private placements under the terms of the Strata Purchase Agreement with ClearThink that provided gross proceeds of $0.2 million and $0.3 million. After deducting finder's fees and other offering expenses, the net proceeds from the private placements totaled $0.2 million and $0.2 million. No shares of the Company's Class A Common Stock were issued under the terms of the Strata Purchase Agreement during the year ended December 31, 2024.

February 1, 2024 Second Strata Purchase Agreement

On February 1, 2024, the Company entered into a Second Strata Purchase Agreement (the "Second Strata Purchase Agreement") with ClearThink. No shares of the Company's common stock were issued under the Second Strata Purchase Agreement and on August 8, 2024, the Company and ClearThink entered into a termination agreement and all outstanding obligations were terminated.

Common Stock Issued to MSK Under Shares for Services Agreement

On September 19, 2023, the Company entered into a Shares for Services Agreement with MSK pursuant to which the Company issued to MSK in September 2023 292,866 shares of Company's Class A Common Stock valued at $0.2 million and rights (the "Rights") to receive 511,027 shares of the Company's Class A Common Stock valued at $0.4 million in satisfaction of outstanding amounts payable to MSK in an aggregate amount equal to $0.6 million for legal services rendered. During the year ended December 31, 2024, the Company issued to MSK 511,027 shares of its Class A Common Stock in full satisfaction of the Rights.

Common Stock Issued Under Corporate Development Advisory Agreements

On March 5, 2024, the Company issued 450,000 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 is providing 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. Per the Talent Agreement, C. L. Talent will reasonably be available during regular business hours to advise, counsel and inform 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 about which C. L. Talent has knowledge or expertise. In addition, it will assist FOXO with targeting key talent with whom FOXO has an existing relationship to further enhance market reach. The term of the Talent Agreement is 12 months. Pursuant to the Talent Agreement, the Company issued C. L. Talent 1,500,000 shares of its Class A Common Stock valued at $393,000 as compensation for its services.

Common Stock Issued/Issuable in Connection with Notes Payable

During the year ended December 31, 2024, the Company issued 1,608,755 shares of its Class A Common Stock under the terms of notes payable of which 1,108,755 shares were issued per the terms of the Senior Notes Payable, 200,000 were issued as inducement shares for the April 28, 2024 LGH note payable, 200,000 were issued as inducement shares for the May 15, 2024 ClearThink note payable and 100,000 were issued as inducement shares for its April 30, 2024 IG note payable.

During the year ended December 31, 2024, the Company issued 350,000 shares of its Class A Common Stock for extensions of the maturity dates of notes payable of which 300,000 were issued for two extensions of the maturity dates of the May 15, 2024 ClearThink note payable and 50,000 were issued for the extension of the maturity date of the April 30, 2024 IG note payable.

During the year ended December 31, 2024, the Company issued 2,080,816 shares of its Class A Common Stock upon conversions its notes payable of which 360,000 were for the conversion of a portion of the April 28, 2024 LGH note payable, 415,000 were for the conversion of the April 30, 2024 IG note payable and 1,305,816 were for the conversion of the May 15, 2024 ClearThink note payable.

In addition, the Company agreed to issue an aggregate of 600,000 shares of its Class A Common Stock as inducement shares for notes payable issued to IG, LGH, ClearThink and Lucas Ventures. These shares were issued by the Company in January and February 2025.

The value of the shares issued and issuable under the terms of and conversions of notes payable as discussed above are more fully discussed in Note 10.

Common Stock Issued to Smithline

During the year ended December 31, 2024, the Company issued 3,238,973 shares of its Class A Common Stock in connection with a legal settlement, which is more fully discussed in Note 19 under the heading, *"Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes.")*

Restricted Stock Granted to Messrs. White and Ward

On October 3, 2023, the Company granted 250,000 and 250,000 shares of its Class A Common Stock to Mr. White and Mr. Ward, respectively. The shares, which were granted under the FOXO Technology Inc. 2022 Equity Incentive Plan (the "2022 Plan"), are more fully discussed in Note 14.

Common Stock Issued to RHI

On July 17, 2024, the Company issued 1,023,629 shares of its Class A Common Stock to RHI for the acquisition of Myrtle, which is more fully discussed in Note 5.

Financial Adviser

On July 25, 2024, FOXO entered into the advisory agreement with J.H. Darbie & Co., Inc. ("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 625,000 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 138,954 shares of its Class A Common Stock valued at $30,000 effective in January 2025.

As additional compensation for the services to be rendered by J.H. Darbie under the Engagement, FOXO will (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.

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. During the year ended December 31, 2024, no shares or warrants 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 and 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, which is discussed above, the Company issued or was obligated to issue to the Finder 25,672 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 $1.324 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 191,179 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 $0.324 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 446,724 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 446,724 shares of the Company's Class A Common Stock noted above, the Company owed the finder 296,449 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 743,173 shares of its Class A Common Stock as of December 31, 2024. The finder's fees owed in connection with notes payable are more fully discussed in Note 10. As of December 31, 2024, 602,300 of the finder's fee shares remain issuable to the finder.

Warrants

Public Warrants and Private Placement Warrants

As of December 31, 2024 and 2023, the Company had outstanding 1,006,250 Public Warrants and 31,625 Private Placement Warrants each with an exercise price of $115.00 per share and each expiring five years after the completion of the Business Combination 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 a 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 2024 and 2023 are more fully discussed in Note 15.

Assumed Warrants

At Closing of the Business Combination, the Company assumed common stock warrants that were exchanged for common stock warrants to purchase 190,619 shares of the Company's Class A Common Stock at an exercise price of $62.10 per share, subject to adjustment (the "Assumed Warrants"). After the Exchange Offer discussed below, 25,868 Assumed Warrants remained outstanding. The Assumed Warrants include 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 exercise price per share then the exercise price shall be lowered to the new consideration amount on a per share basis with a simultaneous and corresponding increase to the number of warrants. During the year ended December 31, 2023, a triggering event occurred as a result of the issuance of the Rights under the terms of the Shares for Services Agreement with MSK dated September 19, 2023. Therefore, as of December 31, 2023, 2,007,848 Assumed Warrants were outstanding with an exercise price of $0.80 per share.

On February 23, 2024, 598,877 Assumed Warrants expired by their terms and on February 24, 2024, an Assumed Warrant exercisable into 1,408,971 shares of the Company's Common Stock was extended until February 23, 2025, in connection a legal settlement as more fully discussed in Note 19 under the heading, "*Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes.*"), (the "Smithline Assumed Warrant"). On February 24, 2024, the Company issued: (i) its Class A Common Stock to Tysadco Partners, as more fully discussed above; (ii) on June 14, 2024, the Company purchased Myrtle, which is more fully discussed in Note 5, pursuant to which the Company is obligated to provide piggy-back registration rights for the shares of its Class A Common Stock that it issued to RHI in connection with the acquisition; and (iii) on July 25, 2024, the Company agreed to issue shares of its Class A Common Stock to J.H. Darbie under the terms of an advisory agreement. These transactions triggered the down round provisions of the Smithline Assumed Warrant. Therefore, as of December 31, 2024, the Smithline Assumed Warrant was exercisable into 4,726,514 shares of the Company's Common Stock with an exercise price of $0.216 per share. The incremental value of the modifications to the Smithline Assumed Warrant as a result of the triggers of the down round provisions and the extension of the expiration date resulted in deemed dividends of $1.1 million for the year ended December 31, 2024. The incremental value was measured using the Black Scholes valuation model with the following assumptions: risk free rates ranging from 4.74% to 5.19%, volatility ranging from 111.99% to 158.57%, terms of .6 to 1 year and expected dividend yield of $0. Partially offsetting the increase in the number of outstanding Smithline Assumed Warrants on December 31, 2024, was the exchange of 312,500 Smithline 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 19.

Exchange Offer

On May 26, 2023, the Company consummated its tender offer commenced on April 27, 2023, to all holders of the then outstanding 190,619 Assumed Warrants to receive 48.3 shares of the Company's Class A Common Stock in exchange for each Assumed Warrant tendered (the "Exchange Offer"). As part of the Exchange Offer, the Company also solicited consents from holders of the Assumed Warrants to amend and restate in its entirety the Securities Purchase Agreement, dated as of January 25, 2021 (the "Original Securities Agreement"), to include certain issuances of the Company's Class A Common Stock as exempt issuances that do not trigger the down round provisions of the Assumed Warrants. Pursuant to the Exchange Offer, an aggregate of 164,751 Assumed Warrants were tendered and an aggregate of 795,618 shares of the Company's Common Stock were issued. After the Exchange Offer, 25,868 Assumed Warrants remained outstanding as noted above. At the same time 432,188 shares of Class A Common Stock were issued as part of the PIK Note Amendment as discussed in Note 10.

Bridge Debenture Release

The Company entered into two separate general release agreements in June of 2023 (the "General Release Agreements" and such transaction, the "2022 Bridge Debenture Release"). The General Release Agreements are with former registered holders (the "Investors") of 10% Original Issue Discount Convertible Debentures issued in 2022 by Legacy FOXO (the "2022 Bridge Debentures").

Pursuant to their respective General Release Agreement, each Investor released, waived and discharged the Company from any and all claims that such Investor had, have or may have against the Company from the beginning of time through the effective date of their respective General Release Agreement (the "Release"). As consideration for the Release and each Investor's other obligations, covenants, agreements, representations and warranties set forth in their respective General Release Agreement, the Company issued to each Investor 0.067 shares of Class A Common Stock for every $1.00 of Subscription Amount (as defined in the securities purchase agreements governing the 2022 Bridge Debentures) of 2022 Bridge Debentures purchased by such Investor. Pursuant to the General Release Agreements, the Company issued an aggregate of 703,500 shares of Class A Common Stock.

The Company issued shares to the Investors in exchange for the release and recognized expense of $2.2 million based on the shares issued and corresponding fair value of common stock at the time of issuance.

Treasury Stock

On April 14, 2023, the Company cancelled the 214,077 shares of treasury stock that it held.

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 920,000 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.

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. With the sale of FOXO Life Insurance Company on February 3, 2023, which is more fully discussed in Note 16, performance-based vesting is no longer required. 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 year ended December 31, 2022 the Company recognized $10.1 million of expense related to the vesting of the Management Contingent Share Plan based on the fair value at grant date of $78.10 per share. For the year ended December 31, 2024, 12,334 shares were forfeited by their terms and as a result, the Company reversed a net of $0.1 million of expense in 2024. For the year ended December 31, 2023, 419,132 shares were forfeited by their terms and as a result the Company reversed a net of $0.7 million of expense in 2023.

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 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 forfeited or (b) the first business day following the fifth (5^{th}) 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, 2024 and 2023:

	Management Contingent Share Plan		**Grant Date Fair Value**
Outstanding December 31, 2023	**132,568**	**$**	**78.10**
Granted	-	$	-
Forfeited	(12,334)	$	78.10
Outstanding December 31, 2024	**120,234**	**$**	**78.10**
Vested December 31, 2024	116,900	$	78.10

	Management Contingent Share Plan		**Grant Date Fair Value**
Outstanding December 31, 2022	**551,700**	**$**	**78.10**
Granted	-	$	-
Forfeited	(419,132)	$	78.10
Outstanding December 31, 2023	**132,568**	**$**	**78.10**
Vested December 31, 2023	116,900	$	78.10

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 19 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. Immediately prior to Closing, vested and unvested stock options were outstanding to purchase 5,105,648 shares of FOXO Class A Common Stock. At Closing, the Combined Company assumed the stock options granted pursuant to the 2020 Plan to purchase FOXO Class A Common Stock and exchanged such stock options to purchase 296,550 shares of the Company's Class A Common Stock at a weighted-average exercise price of approximately $71.30 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, 2024, the Company had 104,762 stock options outstanding and 1,743 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. In the first quarter of 2022, 20,418 additional stock options were issued primarily as part of the Company's regular review cycle as well as to form the Company's Scientific Advisory Board.

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 $157.50 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, 2024, the total number of shares of the Company's Class A Common Stock that may be issued under the 2022 Plan is 651,862. No stock options were granted under the 2022 Plan to date.

During the year ended December 31, 2023, the Company granted 609,770 shares of restricted stock under the 2022 Plan of which 11,100 restricted shares were forfeited during the year. As of December 31, 2024, 598,670 restricted shares were outstanding, including 250,000 and 250,000 shares that were granted in 2023 to Mr. White and Mr. Ward, respectively. The restricted shares granted during the year ended December 31, 2023 were fully vested on the date of grant. The Company recorded stock-based compensation totaling $0.7 million during the year ended December 31, 2023 in connection with the grants, of which $0.5 million resulted from the shares issued to Messrs. White and Ward. The compensation expense was 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.

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 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.

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.

The following table summarizes stock option activity under the 2020 Plan for the years ended December 31, 2024 and 2023 (there was no stock option activity under the 2022 Plan for the years ended December 31, 2024 and 2023):

	Stock Option Awards	Weighted-Average Exercise Price	Average Remaining Life (Years)	Aggregate Intrinsic Value
Outstanding December 31, 2023	**119,371**	**$ 73.02**		
Granted	**-**	**$ -**		
Exercised	**-**	**$ -**		
Forfeited	(14,609)	$ (73.24)		
Outstanding December 31, 2024	**104,762**	**$ 72.99**	**1.22**	**$ ***
Exercisable December 31, 2024	**104,592**	**$ 72.98**	**1.19**	**$ ***

	Stock Option Awards	Weighted-Average Exercise Price	Average Remaining Life (Years)	‘Aggregate Intrinsic Value
Outstanding December 31, 2022	**276,510**	**$ 70.20**		
Granted	**-**	**$ -**		
Exercised	**-**	**$ -**		
Forfeited	(157,139)	**$ (68.15)**		
Outstanding December 31, 2023	**119,371**	**$ 73.02**	**2.22**	**$ ***
Exercisable at December 31, 2023	**115,616**	**$ 70.50**	**2.19**	**$ ***

* 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 $0.291 on December 31, 2024.

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:

	2024	2023
Research and development[1]	$ 24,128	$ 72,301
Selling, general and administrative	(69,629)	1,041,803
Total equity-based compensation expense	**$ (45,501)**	**$ 1,114,104**

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 $(146,322) and $54,913 for the years ended December 31, 2024 and 2023, respectively, with the remaining reduction recognized within selling, general and administrative expense for the years ended December 2024 and 2023.

As of December 31, 2024, there was $8,838 of total unrecognized compensation cost related to unvested stock options that is expected to be recognized in the first quarter of 2025 and $0.1 million of total unrecognized compensation cost 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, 2024 and 2023, 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, 2024 and 2023 and indicates the fair value hierarchy of the valuation techniques that the Company utilized to determine such fair value.

	Fair Value Measurements Using Inputs Considered as:			
December 31, 2024	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Liabilities:				
Warrant liability	$ 41,246	$ 40,250	$ 996	$ -
Total liabilities	**$ 41,246**	**$ 40,250**	**$ 996**	**$ -**

	Fair Value Measurements Using Inputs Considered as:			
December 31, 2023	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Liabilities:				
Warrant liability	$ 8,821	$ 8,553	$ 268	$ -
Total liabilities	**$ 8,821**	**$ 8,553**	**$ 268**	**$ -**

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 any changes in the fair value presented as change in fair value of warrant liabilities in the consolidated statements of operations.

Measurement at Closing and Subsequent Measurement

The Company established the fair values for the Public and Private Placement Warrants on the date of the Closing, and subsequent fair values as of each reporting period. The measurement of the Public Warrants is classified as Level 1 due to the use of an observable market quote in an active market under ticker FOXOW. As reflected in the tables above, the fair value of the Public Warrants was $40,250 and $8,553 at December 31, 2024 and 2023, respectively.

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 are classified as Level 2 at December 31, 2024 and 2023. As reflected in the tables above, the fair value of the Private Placement Warrants was $996 and $392 for the years ended December 31, 2024 and 2023, respectively.

The Company recorded (loss) and income of $(32,425) and $302,541, respectively, during the years ended December 31, 2024 and 2023 for the change in fair values of the warrant liabilities.

Note 16 FOXO LIFE INSURANCE COMPANY

On February 3, 2023, the Company consummated the sale of FOXO Life Insurance Company to Security National Life Insurance Company (the "Buyer"). At closing, all of the FOXO Life Insurance Company's shares were cancelled and retired and ceased to exist in exchange for the assignment to the Company of FOXO Life Insurance Company's statutory capital and surplus amount of $5.0 million, as of the closing date, minus $0.2 million (the "Merger Consideration"). Pursuant to the transaction, at the closing, the Company paid the Buyer's third-party out-of-pocket costs and expenses of $0.1 million resulting in a total loss of $0.2 million that was recognized in the year ended December 31, 2023 within selling, general and administrative expense on the consolidated statements of operations and in Lab and Life segment. After the Merger Consideration and Buyer's third party expenses, the transaction resulted in the Company gaining access to $4.8 million that was previously held as statutory capital and surplus pursuant to the Arkansas Insurance Code. The Company used the funds to fund a portion of its operations during 2023.

On August 20, 2021, the Company completed its acquisition of MICOA and renamed it FOXO Life Insurance Company. The acquisition was accounted for as an asset acquisition as MICOA did not have inputs (employees) to create outputs.

As part of the transaction, the former owners of MICOA continued to administer and 100% reinsure all policies outstanding as of the acquisition date. The Company did not issue any new insurance policies since the acquisition and all premiums, reinsurance recoverables, and policy reserves related to the 100% reinsured business. For ceded reinsurance transactions, the Company remained liable in the event the reinsuring company was unable to meet its obligations under the reinsurance agreement. Further, the reinsurer was required to maintain accreditation from all applicable state insurance regulators so the Company may obtain full credit for the reinsurance agreement. If the reinsurer was unable to meet this obligation, they were required to compensate the Company so that the Company could take full credit for the reinsurance. As of December 31, 2021, the Company had determined there was a remote probability the reinsurer would fail to meet its obligations and any allowance would be immaterial. The policy reserves of $18,573 outstanding on January 1, 2023 represented the benefits and claims reserves ceded as part of the acquisition. There were no earned and ceded premiums and claims incurred and ceded included on the consolidated statement of operations for the year ended December 31, 2023. With the sale of FOXO Life Insurance Company on February 3, 2023, $18,573 of policy reserves were transferred to the new owners at closing.

Statutory Net Loss

FOXO Life Insurance Company was required to prepare statutory financial statements in accordance with statutory accounting practices prescribed or permitted by the Arkansas Insurance Department. Statutory accounting practices primarily differ from U.S. GAAP in that policy acquisition costs are to be expensed as incurred, future policy benefit liabilities are to be established using different actuarial assumptions, and the accounting for investments in certain assets and deferred taxes are stated on a different basis. FOXO Life Insurance Company did not issue any policies after the acquisition. Additionally, MICOA did not issue any policies in 2021 before the acquisition and its policies were separately 100% reinsured by the seller, Security National Life Insurance Company. The operations of FOXO Life Insurance Company are included in the Company's consolidated financial statements from the acquisition date to the February 3, 2023, the date of sale, in accordance with U.S. GAAP. FOXO Life Insurance Company had a statutory net loss of de minimus for the year ended December 31, 2023.

The following table provides information about deferred annuity contracts for the year ended December 31, 2023:

		2023
Balance at beginning of the period	$	4,327,333
Deposits received		27,153
Interest credited		-
Withdrawals		(82,107)
Transfers to new owners upon sale of business		(4,272,379)
Balance at end of period	**$**	**-**

Note 17 INCOME TAXES

The provision for income taxes for the years ended December 31, 2024 and 2023 consisted of the following:

		2024		2023
Federal				
Current	$	-	$	-
Deferred		-		-
State and Local				-
Current		-		
Deferred		-		-
Benefit from income taxes	**$**	**-**	**$**	**-**

A reconciliation of income taxes at the statutory federal income tax rate to the effective income tax rate for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Statutory U.S. tax rate	21.0%	21.0%
State taxes, net of federal benefit	(0.2)	5.6
Other	-	0.1
Nondeductible expenses	(8.5)	(4.4)
Valuation allowance change	(12.7)	(22.3)
Effective tax rate	**-%**	**-%**

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, 2024 and 2023 were as follows:

		2024		2023
Deferred tax assets:				
Accrued compensation	$	635,417	$	481,699
Net operating loss carryforwards		27,417,231		22,872,779
Capitalized software		670,064		682,170
Share-based compensation		2,720,443		-
Property and equipment		-		12,448
Issuance fees on convertible debentures		-		2,969,660
Gross deferred tax assets		**31,443,155**		**27,018,756**
Valuation allowance		(29,855,250)		(27,008,613)
Total deferred tax assets		**1,587,905**		**10,143**
Deferred tax liabilities:				
Intangible assets		(1,492,782)		-
Fixed assets		(23,846)		-
Prepaid expenses		(71,277)		(10,143)
Deferred tax liabilities		**(1,587,905)**		**(10,143)**
Net deferred tax assets	**$**	**-**	**$**	**-**

As of December 31, 2024 and 2023, 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, 2024 and 2023.

As of December 31, 2024, the Company had accumulated federal losses for tax purposes of approximately $102.6 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 $101.0 million may be carried forward indefinitely. As of December 31, 2024, the Company had net accumulated state losses for tax purposes of $86.1 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. An analysis of the potential limitation has not been completed.

Note 18 BUSINESS SEGMENTS

During the years ended December 31, 2024 and 2023, the Company managed and classified its business into two reportable business segments: (i) Healthcare and (ii) Labs and Life

- 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.

- Labs and Life - The Company's Labs and Life segment is commercializing proprietary epigenetic biomarker technology to be used for underwriting risk classification in the global life insurance industry. The Company's innovative biomarker technology enables the adoption of new saliva-based health and wellness biomarker solutions for underwriting and risk assessment. 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. On February 3, 2023, the Company sold FOXO Life Insurance Company as more fully discussed in Note 16.

The primary income measure used for assessing segment performance and making operating decisions is income (losses) before interest, income taxes, and depreciation and amortization not 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.

With the acquisition of Myrtle on June 14, 2024, the Chief Operating Decision Maker ("CODM") has begun to consider segment assets when making decisions and allocating resources. Assets by segment as of December 31, 2024 and 2023 were as follows:

	December 31, 2024	December 31, 2023
Healthcare	$ 41,399,346	$ -
Labs and Life	26,646	408,039
Corporate and other	282,079	317,614
Total assets	$ 41,708,071	$ 725,653

Summarized below is information about the Company's operations for the years ended December 31, 2024 and 2023 by business segment:

	Revenues		Earnings (Losses)	
	2024	2023	2024	2023
Healthcare	$ 4,018,961	$ -	$ (1,699,092)	$ -
Labs and Life (a)	32,640	145,291	(1,141,305)	(3,794,114)
	4,051,601		**(2,840,397)**	**(3,794,114)**
Corporate and other (b)	-	-	(5,655,652)	(21,592,743)
Interest expense	-	-	(3,910,340)	(1,063,679)
Total	**$ 4,051,601**	**$ 145,291**	**$ (12,406,389)**	**$ (26,450,536)**

(a) For 2023, Labs and Life losses include $1.3 million for the write off of supplies.

(b) 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. For 2023, Corporate and other include stock-based compensation, including amortization of consulting fees paid in stock, of $2.6 million, depreciation and amortization expense of $1.3 million, impairment charges of $2.6 million, change in fair value of warrant liability of $0.3 million and loss from PIK Note Amendment and 2022 Debenture Release of $3.5 million. See Notes 5, 6, 7, 9 and 11 for additional information.

Note 19 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 pursuant to which Smithline exchanged the Assumed Warrant to purchase up to 312,500 shares, as adjusted, of the Company's Common Stock terminating on February 23, 2025, for the right to receive up to 13,087,514 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. Upon the execution of the Exchange Agreement and receipt of all of the Rights Shares, the Assumed Warrant, and all associated rights thereunder will be terminated. The Assumed Warrant is more fully discussed in Note 13. As of December 31, 2024, the Company has issued 3,238,973 Rights Shares to Smithline. Although Smithline has continued to convert debt to equity under the Exchange Agreement and has reduced the liability from $2.3 million to $1.4 million at December 31, 2024, the Company is currently in default of the Settlement Agreement that terminated on February 23, 2025. The parties have mutually agreed to continue to operate under the terms of the Settlement Agreement without a written amendment and extension. The Company has issued an additional 3,285,025 Rights Shares to Smithline in the quarter ending March 31, 2025 for a further reduction of $588,898 of the balance owed under the Settlement Agreement. At March 31, 2025 the balance remaining to be paid under the Settlement Agreement is $780,620.

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, retained certain liabilities of severance pay and stock-based compensation in the 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.

Disputed Severance Policy

A proposed severance policy was drafted in early 2023 with an effective date of January 9, 2023. However, neither the Company's board of directors nor its remuneration committee approved the policy. If adopted the policy would have applied to all exempt level vice presidents and above employees across various departments. It provided for a six-month salary pay out if the employee, while in good standing, was involuntarily separated from the Company. If the policy were valid, five former employees would have met the guidelines to receive the severance aggregating approximately $0.5 million in severance payments. The Company understands that in breach of fiduciary duty and outside of required approvals from the Board of Directors, certain offers were made by an officer of the Company to a number of employees of the Company. The Company has received demands from employees requesting payment of severance they believed to be owed but which agreements were not authorized or valid. The Company believes that all obligations related to employees' separation from the Company have been paid and/or fully satisfied and will vigorously defend any claim for payment that might arise.

SEC Investigation

On March 3, 2023, the Company received a document request from the SEC indicating that the SEC was conducting an investigation regarding the Company and sought documents concerning (1) Jon Sabes' termination as CEO, (2) Jon Sabes' resignation from the Company's board of directors, and (3) Steven Sabes' termination as COO, and voluntarily responded to the SEC's request.

On July 9, 2024, the Company received a letter from the SEC has concluded the investigation and, based on the information it had as of that date, it does not intend to recommend an enforcement action against the Company.

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 recorded this liability at December 31, 2024 and has recently engaged in communication with counsel for Illumina to explore the opportunity to complete a judgment settlement agreement with terms acceptable to both parties and which would facilitate the settlement of this judgment over time. There is no guarantee that discussions will result in an agreement between the parties.

Senior PIK Notes

In July 2024, John Nash and Mitchell Kersch, two holders of promissory notes, which we refer to as Senior PIK Notes, filed legal actions against the Company for approximately $0.8 million and $0.4 million respectively. On January 22, 2025, all Senior PIK Notes were exchanged to Series B Preferred Stock of the Company on agreement by the majority of the Senior PIK Note holders in October 2024. At March 31, 2025, the Company has been successful in having the court vacate the Nash and Kersch judgment efforts and having both complaints dismissed by the court.

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.

Note 20 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

The supplemental cash flow information for the year ended December 31, 2024 and 2023 is as follows:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Non-cash investing and financing activities:		
2022 Debenture Release	$ -	$ 2,180,217
PIK Note Amendment	$ -	$ 1,339,392
Deemed dividends from Exchange Offer	$ -	$ 2,466,343
Series A Preferred Stock issued to RHI in exchange for RCHI Note payable	$ 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 and triggers of down round provisions and extension of Assumed Warrants	$ 1,073,993	$ 912,491
Preferred stock dividends – undeclared	$ 81,326	$ -
Warrants issuable for finder's fees	$ 61,915	$ -
Class A Common Stock issued for legal settlement	$ 902,790	$ -
Class A Common Stock issued/issuable in connection with debt financings	$ 1,467,434	$ -
Common stock issuable to finder for financial and strategic advisory services	$ 165,000	$ -
Common stock issuable to finder in lieu of warrants and cash finder's fees	$ 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	$ -
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 21 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.

Amendment No. 1 to the Senior PIK Notes

On September 20, 2022, the Company issued the Senior PIK Notes, which are more fully discussed in Note 10. Section 22 of the Senior PIK Notes states that no provision of the Senior PIK Notes can be waived, modified, supplemented or amended except in a written instrument signed - in the case of an amendment - by the Company and 50.01% of the holders of the Senior PIK Notes based on the Aggregate Original Principal Amount (as defined in the Senior PIK Notes).

As noted in Note 10, 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 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 to enter into the PIK Notes Amendment No. 1. Pursuant to the PIK Notes Amendment No. 1, the Senior PIK Notes would be automatically exchanged into shares of the Company's Series B Preferred Stock effective as of 5:00 pm Eastern time on the second business day after the date on which the Company's stockholders approve the conversion of the Series B Preferred Stock into shares of the Company's Class A Common Stock in accordance with the continued listing rules of the NYSE American. 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) would be automatically exchange 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 (the "Automatic Exchange"). Upon the Automatic Exchange, all Senior PIK Notes (including all accrued and unpaid interest) (which total value was $5.3 million at December 31, 2024) would be exchanged into Series B Preferred Stock, cancelled and satisfied in full. No shares of Series B Preferred Stock will be convertible into Class A Common Stock prior to the one-year anniversary of the date of issuance. Each share of Series B Preferred Stock will have one vote. On January 17, 2025, a shareholder of the Company acted by way of non-unanimous majority written consent action (in lieu of a special meeting of stockholders) to approve the Automatic Exchange. Effective on January 22, 2025, pursuant to the PIK Notes Amendment No. 1, the Automatic Exchange was completed and an aggregate of 3,457.5 shares of Series B Preferred Stock were issued to the holders of Senior PIK Notes and the Senior PIK Notes were cancelled and satisfied in full. The Series B Preferred Stock is also discussed in Note 13.

Amendment No. 1 to KR8 Termination Agreement

As discussed in Note 11, on December 6, 2024, the Company entered into the "KR8 Termination Agreement with KR8 pursuant to which 3,000 shares of the Company's Series D Preferred Stock with a stated value of $1,000 per share were issued to KR8 as full and final satisfaction of amounts owed to KR8 and the KR8 Agreement was terminated. 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 use of the Licensor Products under the KR8 Agreement. 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 KR8 Agreement is more fully discussed in Note 11.

Exchanges of Various ClearThink Promissory Notes

On January 3, 2025, the Company issued 324,750 shares of its Class A Common Stock in exchange for its promissory note in the principal amount of $75,000 issued to ClearThink on January 3, 2024. The January 3, 2024 note is more fully discussed in Note 10. On January 10, 2025, the Company entered into an Exchange Agreement with ClearThink pursuant to which $200,000 owing under the ClearThink January 30, 2024 promissory note was exchanged for 773,215 shares of the Company's Class A Common Stock and on January 27, 2025, the Company entered into an Exchange Agreement with ClearThink pursuant to which an additional $250,000 owing under the note was exchanged for 966,520 shares of the Company's Class A Common Stock.

LGH Note Balance Conversion

On January 15, 2025. The Company issued 43,333 shares of its Class A Common Stock in exchange for the balance of its promissory note issued to LGH Investments on April 3, 2024.

Conversion of 1800 Diagonal July 22, 2024 Promissory Note

As more fully discussed in Note 10, on July 22, 2024, the Company issued to 1800 Diagonal a promissory note dated July 22, 2024 in the principal amount of $168,728. In January 2025, the Company issued 1,186,493 shares of its Class A Common Stock upon conversion in full of the outstanding principal balance and accrued interest totaling $173,228.

Smithline Settlement Share Issuances

The Company continues to issue shares to Smithline under their settlement agreement which is fully described in Note 19. The Company issued 1,191,025 Class A Common Stock in January 2025, 753,500 Class A Common Stock in February 2025 and 1,340,500 Class A Common Stock in March 2025 for a $588,898 reduction of their liability. The balance remaining to be paid at March 31, 2025 is $780,620.

J. H. Darbie Finders Fees

As fully described in Note 13, the Company pays certain fees to J.H. Darbie in shares of its Class A Common Stock. The Company issued 212,858 shares of Class A Common Stock in January 2025 as settlement of various fees owed to J.H. Darbie.

Western Note Payable Amended and Restated

In February 2025, the Western Note Payable, which is presented in Note 10, was sold to a new holder and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which includes previously accrued interest expense, is $1.1 million, the maturity date is February 26, 2026 and the note is 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.

Conversions of Series A Preferred Stock

During February 2025, the Company issued 1,460,149 shares of its Class A Common Stock to institutional investors upon conversions of 308 shares of their Series A Preferred Stock with stated values totaling $308,000.

On April 12, 2025 the Company issued 375 shares of their Series A Preferred Stock to institutional investors in return for $325,000 of cash received by the Company.

Issuance of Series C Preferred Stock

On December 27, 2024 FirstFire Capital acquired 120 Series C Preferred Stock for $100,000 and in doing so on January 17, 2025 exchanged 100 Series B Preferred Stock for 150 Series C Preferred Stock.

On February 28, 2025 an investor purchased 60 Series C Preferred Stock for $50,000 and in doing so exchanged 50 Series B Preferred Stock for 75 Series C Preferred Stock.

Convertible Note Offering

On February 27, 2025, the Company's Board of Directors approved a convertible promissory note offering of up to $1.5 million of convertible promissory notes (a "Note" or, together, the "Notes") to be issued to investors under Rule 506(b) of Regulation D promulgated by the SEC (the "Note Offering"). Each Note will carry a 9.09% original issuance discount as well as a one-time interest charge of 10% on the date of issuance. Each Note will mature nine months from issuance and each note and accrued interest are convertible into shares of the Company's Common Stock at $0.20, subject to adjustments.

Three notes were issued on February 27, March 4, and March 7, 2025 under this agreement totaling $302,500 and 250,000 commitment shares of the Company's Class A Common Stock were issued pursuant to these issuances.

Convertible Promissory Notes with ClearThink

On January 28, 2025, the Company issued to ClearThink a convertible promissory note in the principal amount of $121,000 and 62,500 commitment shares of the Company's Class A Common Stock were issued pursuant to this issuance.

Convertible Promissory Notes with 1800 Diagonal

On January 21, 2025, the Company issued to 1800 Diagonal a convertible promissory note in the principal amount of $168,728.

On February 24, 2025, the Company issued to 1800 Diagonal a convertible promissory note in the principal amount of $112,746.

Convertible Promissory Notes with Jefferson Street Capital LLC

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 Common Stock during the five Trading Days (as defined in the notes) prior to the issuance date of the respective notes. The per share conversion price into which principal and interest under each note is convertible into shares of the Company's Class A Common Stock equals the higher of (i) $0.01 or (ii) the 90% of the lowest daily VWAP on any trading day during the five trading days prior to the respective conversion date. On January 7, 2025, the Company issued to JSC a convertible promissory note in the principal amount of $291,500 and 86,959 commitment shares of the Company's Class A Common Stock were issued pursuant to this issuance. On March 6, 2025, the Company issued to JSC a convertible promissory note in the principal amount of $147,015 and 1,000,000 commitment shares of the Company's Class A Common Stock were issued pursuant to this issuance.

Exhibit 10.31

AMENDMENT NO. 1 TO
SENIOR PROMISSORY NOTE

This Amendment (this "**PIK Note Amendment**") to the 15% Senior Promissory Notes issued by FOXO Technologies Inc., a Delaware corporation (the "**Company**"), to accredited investors in an aggregate principal amount of $3,457,500 (the "**PIK Notes**") is made and entered into effective as of the Shareholder Approval Date (as defined below), by and between the Company and the undersigned (each a "**Holder**"). Capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Senior Promissory Note Purchase Agreement, dated September 20, 2022 (the "**Note Purchase Agreement**"), as amended, which governs all of the PIK Notes.

WHEREAS, subject to the terms and conditions set forth in the Note Purchase Agreement and pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder, the Company issued the PIK Notes;

WHEREAS, the Company is requesting approval of this PIK Note Amendment in exchange for shares of the Company's Series B Cumulative Convertible Redeemable Preferred Stock, par value $0.0001 per share (the "**Series B Preferred Stock**"), as set forth in that certain Term Sheet and Consent of Noteholders (the "**Offer to Amend**"), a copy of which has been delivered to the Holder; and

WHEREAS, in connection with the foregoing transactions, the Company and the Holder desire to amend the PIK Note as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1. Automatic Conversion. The following Section 7 hereby is added with the remaining sections renumbered accordingly:

7. Automatic Conversion. The Note shall be convertible into shares of Series B Preferred Stock as follows:

(a) Automatic Conversion on Stockholder Approval. Effective as of 5:00 p.m. (Eastern time) on the second business day after the date on which the Borrower's stockholders approve the conversion of the Series B Preferred Stock into shares of Class A Common Stock in accordance with the listing rules of the New York Stock Exchange American, the Note (not including accrued and unpaid Interest) outstanding shall automatically convert into a number of shares of Series B Preferred Stock equal to the Original Principal Amount divided by the Stated Value ($1,000) of the Series B Preferred Stock (the "***Automatic Conversion***"). Upon the Automatic Conversion, all Notes (including all accrued and unpaid Interest) shall be cancelled and satisfied in full. The shares of Series B Preferred Stock issued upon the Automatic Conversion are referred to as the "***Conversion Shares***."

(b) Mechanics of Conversion

i. Delivery of Certificate or Electronic Issuance Upon Conversion. Not later than two (2) business days after the date of the Automatic Conversion (the "***Conversion Date***"), if the Holder requests the issuance of physical certificate(s), the Borrower shall deliver, or cause to be delivered, to the Holder a physical certificate or certificates representing the number of Conversion Shares being acquired upon the conversion of Notes.

ii. Obligation Absolute. The Borrower's obligation to issue and deliver the Conversion Shares upon Automatic Conversion in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Borrower or any violation or alleged violation of law by such Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to such Holder in connection with the issuance of such Conversion Shares.

iii. Fractional Shares. No fractional shares or scrip representing fractional shares of Series B Preferred Stock shall be issued upon the Automatic Conversion. As to any fraction of a share which a Holder would otherwise be entitled to receive upon such conversion, all fractional shares shall be rounded up to the nearest share of Series B Preferred Stock.

iv. Transfer Taxes. The issuance of certificates for shares of the Series B Preferred Stock upon the Automatic Conversion shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificates, provided that the Borrower shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the registered Holder and the Borrower shall not be required to issue or deliver such certificates unless or until the Person or Persons requesting the issuance thereof shall have paid to the Borrower the amount of such tax or shall have established to the satisfaction of the Borrower that such tax has been paid.

(c) Status as Stockholder. Upon each Conversion Date, (i) the Notes being converted shall be deemed converted into shares of Series B Preferred Stock and (ii) the Holder's rights as a holder of such Note shall cease and terminate, excepting only the right to receive certificates for such shares of Series B Preferred Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of the Certificate of Designation for Series B Preferred Stock. In all cases, the Holder shall retain all of its rights and remedies for the Borrower's failure to convert into Series B Preferred Stock. In no event shall the Notes convert into shares of Series B Preferred Stock prior to the Stockholder Approval.

2. Necessary Acts. Each party to this PIK Note Amendment hereby agrees to perform any further acts and to execute and deliver any further documents that may be necessary or required to carry out the intent and provisions of this PIK Note Amendment and the transactions contemplated hereby.

3. Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this PIK Note Amendment shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof.

4. Continued Validity. Except as otherwise expressly provided herein, the Note Purchase Agreement and the terms of the PIK Notes shall remain in full force and effect.

5. Approval of Amendment; No Execution Required. By the Holder's execution and delivery of the Consent of Noteholders, together with any other required documents in accordance with the terms of the Offer to Amend, electing thereby to participate in the Offer to Amend, the Holder shall be deemed to have authorized, approved and executed this PIK Note Amendment.

AMENDMENT NO. 1 TO TERMINATION AGREEMENT

This Amendment No. 1 to the Termination Agreement (this "**Amendment**"), dated effective December 6, 2024 (the "**Effective Date**"), is by and between FOXO Technologies Inc., a Delaware corporation (the "**Company**"), on the one hand, and KR8 AI Inc., a Nevada corporation ("**KR8**"), on the other hand. The Company and the KR8 will be referred to individually as a "**Party**" and collectively as the "**Parties**." Any capitalized terms not defined in this Amendment will have the meaning set forth in the Termination Agreement dated effective December 6, 2024 by and between the Company to the KR8 (the "**Agreement**"), attached hereto as **Exhibit A**.

RECITALS

WHEREAS, on January 12, 2024, the Company and KR8 entered into the Master Software and Services Agreement (the "**MSSA**") pursuant to which KR8 granted the Licensee a limited, non-sublicensable, non-transferable perpetual license to use the Licensor Products to develop, launch and maintain License Applications based upon Licensee's epigenetic biomarker technology and software to develop an AI machine learning epigenetic APP to enhance health, wellness and longevity;

WHEREAS, effective as of December 6, 2024, the Company and KR8 entered into the Agreement pursuant to which the MSSA was terminated;

WHEREAS, it was not the desire of the Parties to terminate the Agreement or the License;

WHEREAS, the Parties intended to terminate all future obligations of the Company under Section 8 of the MSSA after the issuance of the 3,000 shares of Series D Cumulative Convertible Redeemable Preferred Stock (the "**Shares**") as complete and full satisfaction of all and any amounts owing under the MSSA pursuant to Section 2 of the Agreement; and

WHEREAS, the Parties wish to amend the Agreement to clarify the intent to terminate the obligations of the Company under Section 8 of the MSSA and not the termination of the MSSA.

THEREFORE, in consideration of the foregoing recitals, mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as set forth below.

AGREEMENT

1. Termination of Company Obligations. The Parties agree that the recitals of the Agreement be and hereby are revised so, as amended, read as follows:

> WHEREAS, on January 12, 2024, the Company and KR8 entered into the MSSA; and
>
> WHEREAS, (i) the Company and (ii) KR8, together constituting all of the parties to the MSSA, now desire to terminate the obligations of the Company under Section 8 of MSSA as consideration for the issuance of the Shares, effective as of the date hereof (the "Termination Date"), pursuant to the provisions set forth herein.

The Parties agree that Section 1 of the Agreement be and hereby are revised so, as amended, read as follows:

> 1. Termination of the Company Obligations Under Section 8 of the MSSA. The parties hereby agree that the obligations of the Company under Section 8 of the MSSA shall terminate effective as of the Termination Date, with no further action required by any party besides the issuance of the Shares (as defined below) to KR8. As of the Termination Date, Section 8 of the MSSA will have no further force or effect due to the issuance of the Shares as complete and full satisfaction of all and any amounts owing under the MSSA.

2. Assignment. Pursuant to Section 15.9 of the MSSA, the Parties hereby agree to assign to FOXO Labs Inc., a Delaware corporation and wholly owned subsidiary of the Company ("**FOXO Labs**"), all of the Company's right, title and interest in, to and under the MSSA, and FOXO Labs hereby assumes all of the Company's rights and obligations under the MSSA.

3. No Other Changes. Except as amended hereby, the Agreement will continue to be, and will remain, in full force and effect. Except as provided herein, this Amendment will not be deemed (i) to be a waiver of, or consent to, or a modification or amendment of, any other term or condition of the Agreement or (ii) to prejudice any right or rights which the Parties may now have or may have in the future under or in connection with the Agreement or any of the instruments or agreements referred to therein, as the same may be amended, restated, supplemented or otherwise modified from time to time.

4. Authority; Binding on Successors. The Parties represent that they each have the authority to enter into this Amendment. This Amendment will be binding on, and will inure to the benefit of, the Parties to it and their respective heirs, legal representatives, successors, and assigns.

5. Governing Law and Venue. This Amendment and the rights and duties of the Parties hereto will be construed and determined in accordance with the terms of the Agreement.

6. Incorporation by Reference. The terms of the Agreement, except as amended by this Amendment, are incorporated herein by reference and will form a part of this Amendment as if set forth herein in their entirety.

7. Counterparts; Facsimile Execution. This Amendment may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one instrument. Delivery of an executed counterpart of this Amendment by facsimile or email will be equally as effective as delivery of a manually executed counterpart of this Amendment.

[***Signature Page to Follow***]

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment the respective day and year set forth below:

COMPANY:	**FOXO Technologies Inc.**
Date: March 3, 2025	By */s/ Seamus Lagan* Seamus Lagan, CEO
KR8:	**KR8 AI Inc.**
Date: March 3, 2025	By */s/ Mark White* Mark White, CEO
FOXO Labs:	**FOXO Labs Inc.**
Date: March 3, 2025	By */s/ Mark White* Mark White, Director

<u>EXHIBIT A</u>

Termination Agreement dated December 6, 2024

[*See Attached*]

Exhibit 10.66

FOXO TECHNOLOGIES INC.
INDEPENDENT DIRECTOR AGREEMENT

THIS AGREEMENT (The "**Agreement**") is made as of the 24^{th} day of July 2024, and is by and between Foxo Technologies Inc., Inc., a Delaware corporation (hereinafter referred to as the "**Company**"), and Bret Barnes (hereinafter referred to as the "**Director**").

BACKGROUND

Director has been a member of The Board of Directors of the Company from November 2021. Company desires to ensure the continued appointment of the Director and to have the Director perform the duties of an independent director and the Director desires to continue appointment for such position and to perform the duties required of such position in accordance with the terms and conditions of this Agreement.

AGREEMENT

In consideration for the above recited promises and the mutual promises contained herein, the adequacy and sufficiency of which are hereby acknowledged, the Company and the Director hereby agree as follows:

1. DUTIES. The Company requires that the Director be available to perform the duties of an independent director customarily related to this function as may be determined and assigned by the Board of Directors of the Company and as may be required by the Company's constituent instruments, including its certificate or articles of incorporation, bylaws and its corporate governance and board committee charters, each as amended or modified from time to time, and by applicable law, including the Delaware Business Corporation Law or any other applicable governing statute (the "**Law**"). The Director agrees to devote as much time as is necessary to perform completely the duties as the Director of the Company, including duties as a member of the Audit Committee and such other committees as the Director may hereafter be appointed to. The Director will perform such duties described herein in accordance with the general fiduciary duty of directors arising under the Law.

2. TERM. The term of this Agreement shall commence as of the date of the Director's appointment by the Board of Directors of the Company and shall continue until the Director's removal or resignation.

3. COMPENSATION. Director has not received any form of remuneration since 8^{th} September 2022. As consideration for services rendered from this date Company will compensate Director with a cash payment of $50,000, when this can't be paid an additional $5k per month until satisfied. In addition to 400,000 shares of Foxo common stock. Such shares will be granted piggy back registration rights in the Company's next S1 registration. For all future services to be rendered by the Director in any capacity hereunder, the Company agrees to pay the Director a fee of $5,000 per month, beginning in the month on the date that this agreement is executed. Such fee may be adjusted from time to time as agreed by the parties.

4. EXPENSES. In addition to the compensation provided in paragraph 3 hereof, the Company will reimburse the Director for pre-approved reasonable business-related expenses incurred in good faith in the performance of the Director's duties for the Company. Such payments shall be made by the Company upon submission by the Director of a signed statement itemizing the expenses incurred. Such statement shall be accompanied by sufficient documentary matter to support the expenditures.

5. CONFIDENTIALITY. The Company and the Director each acknowledge that, in order for the intents and purposes of this Agreement to be accomplished, the Director shall necessarily be obtaining access to certain confidential information concerning the Company and its affairs, including, but not limited to business methods, information systems, financial data and strategic plans which are unique assets of the Company ("**Confidential Information**"). The Director covenants not to, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association or other entity any Confidential Information.

7. TERMINATION. With or without cause, the Company and the Director may each terminate this Agreement at any time upon ten (10) days written notice, and the Company shall be obligated to pay to the Director the compensation and expenses due up to the date of the termination. Nothing contained herein or omitted herefrom shall prevent the shareholder(s) of the Company from removing the Director with immediate effect at any time for any reason.

8. INDEMNIFICATION. The Company shall indemnify, defend and hold harmless the Director, to the full extent allowed by the laws of the Delaware or any other applicable jurisdiction under which the Company or any successor entity of the Company may be incorporated or organized, and as provided by, or granted pursuant to, any charter provision, bylaw provision, agreement (including, without limitation, the Indemnification Agreement executed herewith), vote of shareholders or disinterested directors or otherwise, both as to action in the Director's official capacity and as to action in another capacity while holding such office. The Company and the Director are executing an indemnification agreement in the form attached hereto as Exhibit A.

9. EFFECT OF WAIVER. The waiver by either party of the breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof.

10. NOTICE. Any and all notices referred to herein shall be sufficient if furnished in writing at the addresses specified on the signature page hereto or, if to the Company, to the Company's address as specified in filings made by the Company with the U.S. Securities and Exchange Commission.

11. GOVERNING LAW. This Agreement shall be interpreted in accordance with, and the rights of the parties hereto shall be determined by, the laws of the State of Delaware without reference to that state's conflicts of laws principles.

12. ASSIGNMENT. The rights and benefits of the Company under this Agreement shall be transferable, and all the covenants and agreements hereunder shall inure to the benefit of, and be enforceable by or against, its successors and assigns. The duties and obligations of the Director under this Agreement are personal and therefore the Director may not assign any right or duty under this Agreement without the prior written consent of the Company.

13. MISCELLANEOUS. If any provision of this Agreement shall be declared invalid or illegal, for any reason whatsoever, then, notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.

14. ARTICLE HEADINGS. The article headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

15. COUNTERPARTS. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Facsimile execution and delivery of this Agreement is legal, valid and binding for all purposes.

16. ENTIRE AGREEMENT. Except as provided elsewhere herein, this Agreement sets forth the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party to this Agreement with respect to such subject matter.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Independent Director Agreement to be duly executed and signed as of the day and year first above written.

Foxo Technologies Inc.

By: /s/ Mark White
Name: Mark White
Title: Interim Chief Executive Officer

Independent Director

/s/ Bret Barnes
Name: Bret Barnes
Address: 2722 Fernglen Rd. Carlsbad, CA. 92008

EXHIBIT A

Form of Indemnification Agreement

(Separately attached)

FOXO TECHNOLOGIES INC.
INDEPENDENT DIRECTOR AGREEMENT

THIS AGREEMENT (The "**Agreement**") is made as of the 22nd day of January 2024, and is by and between Foxo Technologies Inc., Inc., a Delaware corporation (hereinafter referred to as the "**Company**"), and Francis DeWolf (hereinafter referred to as the "**Director**").

BACKGROUND

The Board of Directors of the Company desires [to appoint/to ensure the continued appointment of the Director and to have the Director perform the duties of an independent director and the Director desires to be so appointed for such position and to perform the duties required of such position in accordance with the terms and conditions of this Agreement.

AGREEMENT

In consideration for the above recited promises and the mutual promises contained herein, the adequacy and sufficiency of which are hereby acknowledged, the Company and the Director hereby agree as follows:

1. DUTIES. The Company requires that the Director be available to perform the duties of an independent director customarily related to this function as may be determined and assigned by the Board of Directors of the Company and as may be required by the Company's constituent instruments, including its certificate or articles of incorporation, bylaws and its corporate governance and board committee charters, each as amended or modified from time to time, and by applicable law, including the Delaware Business Corporation Law or any other applicable governing statute (the "**Law**"). The Director agrees to devote as much time as is necessary to perform completely the duties as the Director of the Company, including duties as a member of the Audit Committee and such other committees as the Director may hereafter be appointed to. The Director will perform such duties described herein in accordance with the general fiduciary duty of directors arising under the Law.

2. TERM. The term of this Agreement shall commence as of the date of the Director's appointment by the Board of Directors of the Company and shall continue until the Director's removal or resignation.

3. COMPENSATION. For all services to be rendered by the Director in any capacity hereunder, the Company agrees to pay the Director a fee of $5,000 per month[, beginning in the month on the date that this agreement is executed. Such fee may be adjusted from time to time as agreed by the parties.

4. EXPENSES. In addition to the compensation provided in paragraph 3 hereof, the Company will reimburse the Director for pre-approved reasonable business-related expenses incurred in good faith in the performance of the Director's duties for the Company. Such payments shall be made by the Company upon submission by the Director of a signed statement itemizing the expenses incurred. Such statement shall be accompanied by sufficient documentary matter to support the expenditures.

5. CONFIDENTIALITY. The Company and the Director each acknowledge that, in order for the intents and purposes of this Agreement to be accomplished, the Director shall necessarily be obtaining access to certain confidential information concerning the Company and its affairs, including, but not limited to business methods, information systems, financial data and strategic plans which are unique assets of the Company ("**Confidential Information**"). The Director covenants not to, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association or other entity any Confidential Information.

FCDW

7. TERMINATION. With or without cause, the Company and the Director may each terminate this Agreement at any time upon ten (10) days written notice, and the Company shall be obligated to pay to the Director the compensation and expenses due up to the date of the termination. Nothing contained herein or omitted herefrom shall prevent the shareholder(s) of the Company from removing the Director with immediate effect at any time for any reason.

8. INDEMNIFICATION. The Company shall indemnify, defend and hold harmless the Director, to the full extent allowed by the law of the [Commonwealth of Pennsylvania] or any other applicable jurisdiction under which the Company or any successor entity of the Company may be incorporated or organized, and as provided by, or granted pursuant to, any charter provision, bylaw provision, agreement (including, without limitation, the Indemnification Agreement executed herewith), vote of shareholders or disinterested directors or otherwise, both as to action in the Director's official capacity and as to action in another capacity while holding such office. The Company and the Director are executing an indemnification agreement in the form attached hereto as Exhibit A.

9. EFFECT OF WAIVER. The waiver by either party of the breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof.

10. NOTICE. Any and all notices referred to herein shall be sufficient if furnished in writing at the addresses specified on the signature page hereto or, if to the Company, to the Company's address as specified in filings made by the Company with the U.S. Securities and Exchange Commission.

11. GOVERNING LAW. This Agreement shall be interpreted in accordance with, and the rights of the parties hereto shall be determined by, the laws of the State of Delaware without reference to that state's conflicts of laws principles.

12. ASSIGNMENT. The rights and benefits of the Company under this Agreement shall be transferable, and all the covenants and agreements hereunder shall inure to the benefit of, and be enforceable by or against, its successors and assigns. The duties and obligations of the Director under this Agreement are personal and therefore the Director may not assign any right or duty under this Agreement without the prior written consent of the Company.

13. MISCELLANEOUS. If any provision of this Agreement shall be declared invalid or illegal, for any reason whatsoever, then, notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.

14. ARTICLE HEADINGS. The article headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

15. COUNTERPARTS. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Facsimile execution and delivery of this Agreement is legal, valid and binding for all purposes.

16. ENTIRE AGREEMENT. Except as provided elsewhere herein, this Agreement sets forth the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party to this Agreement with respect to such subject matter.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Independent Director Agreement to be duly executed and signed as of the day and year first above written.

Foxo Technologies Inc.

By: ______________________________
Name: Mark White
Title: Interim Chief Executive Officer

Independent Director

____
Name: Francis DeWolf
Address:

76 4th St N Suite 2140
St Petersburg Fl 33701

EXHIBIT A

Form of Indemnification Agreement

(Separately attached)

SERVICES AGREEMENT

This Services Agreement is entered into as of December 6th, 2024, between FOXO Labs Inc., a Delaware corporation (the "**Company**"), and Mark White, an individual residing in the United Kingdom ("**Mr. White**," or the "**Consultant**"). The Company is a wholly owned subsidiary of Foxo Technologies, Inc. (FOXO) The Company and/or Consultant may each be referred to herein as a "**Party**," and collectively as the "**Parties**."

R E C I T A L S:

Consultant has terminated his agreement to serve as the Interim Chief Executive Officer to Foxo Technologies Inc., and continues to be a director of Foxo Tecnologies Inc..

FOXO desires to have the Consultant serve as its Chief Executive Officer of its subsidiary Foxo Labs Inc., and the Consultant desires to do so, in each case, on the terms and conditions set forth herein.

1. Appointment and Responsibilities. (a) The Company agrees to engage Consultant for the Term (as defined herein) and Consultant agrees to remain in the service of the Company for the Term. The initial term of the Agreement shall be approximately twelve (12) months commencing as of January 1, 2025 and ending 31st December 2025 (the "**Initial Term**"). Unless early terminated pursuant to Section 14 hereof, at the end of the Initial Term and each subsequent term, the Agreement shall automatically extend for an additional twelve (12)-month term (together, with the Initial Term, the "**Term**").

(b) Consultant will carry out services typical of those of the Chief Executive Officer including but not limited to defining the strategy and business model for the Company, outlining the capital needs and use of proceeds for such capital required to deliver the strategy adopted. The Parties will explore opportunities to make the Company publicly listed if viable and achievable. The Consultant will not, without prior and written approval of the shareholder (FOXO), in his capacity as Chief Executive Officer of the Company, reduce the ownership or benefit of FOXO in any way or enter into or bind the Company or its shareholder to any agreement that will create liability for FOXO or reduce the ownership and benefit of the assets and business of the Company or of the Company itself without prior written approval by FOXO.

(c) During the Term, unless the Consultant and the Company shall otherwise agree, the Consultant shall serve as the Chief Executive Officer of the Company and shall be nominated to serve as a director of the Company at each meeting of shareholders of the Company at which directors are to be elected to the Board of Directors of the Company (the "Board"). Consultant shall have such power and authority as are generally associated with the position of Chief Executive Officer and shall perform his duties and responsibilities, in good faith and for the benefit of the Company.

(d) Consultant shall reasonably allocate his business time, attention, energies and skills to the Company and its business; provided, however, that the Company acknowledges that Consultant is engaged in other business activities which require a portion of his time and effort and such activities shall not be deemed a breach of Consultant's obligations to the Company, so long as such activities do not materially interfere with the performance of Consultant's duties on behalf of the Company.

(e) Consultant will be permitted to locate and work at a location remote from the offices of the Company.

2. Compensation. In consideration for the services to be provided by Consultant hereunder, the Company shall provide the following compensation to the Consultant:

> During the Term, the Company shall pay to the Consultant Ten Thousand Dollars ($10,000) per month (the "**Monthly Fee**"). The Monthly Fee shall be payable in arrears no later than the fifth (5^{th}) day following the end of each month and shall be pro-rated based upon the number of days served if the first or last month is less than thirty days.

(a) Employee shall be entitled to receive reimbursement for all reasonable expenses incurred by Employee in connection with carrying out the position of Chief Executive Officer on behalf of the Company and its affiliates. Reimbursement shall be made promptly in accordance with and subject to all Company policies.

(b) The Company will provide to the Consultant or reimburse the Consultant monthly during the Term for the cost of leasing and insuring a vehicle with a fair market value not in excess of Eighty Thousand Dollars ($80,000).

3. Independent Contractor Status. Consultant shall have control of the manner and means by which Consultant's services are performed, subject to compliance with relevant policies of the Company. Consultant shall be treated as an independent contractor for all employment and tax law purposes. Consultant shall be responsible for any taxes, duties and/or other charges imposed or charged on any payment made by the Company to Consultant under this agreement. Notwithstanding the foregoing, Consultant shall be permitted to participate in any pension, profit-sharing or welfare benefit plan of the Company with reasonable accommodation to account for the fact that Consultant is an independent contractor and resident of the United Kingdom.

4. Indemnification. If Consultant is made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of or in connection with the fact that Employee is or was performing services for the Company under this Agreement, then the Company shall indemnify Employee against all expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement, as actually and reasonably incurred by Employee in connection therewith to the maximum extent permitted by applicable law. In the event that both Employee and the Company are made a party to the same third-party action, complaint, suit or proceeding, the Company agrees to engage competent legal representation, and Employee agrees to use the same representation, provided that if counsel selected by the Company shall have a conflict of interest preventing such counsel from representing Employee, Employee may engage separate counsel of his choosing and the Company shall pay all reasonable attorneys' fees of such separate counsel. To the maximum extent permitted by law, Employee shall not be entitled to indemnification or expense advances under this Agreement in any case where he has exhibited gross negligence or willful misconduct, or performed criminal or fraudulent acts, or engaged in violations of federal securities laws; and the Company may withhold expense advances if it reasonably determines that Employee is not entitled to indemnification hereunder because of gross negligence, willful misconduct, the performance of criminal or fraudulent acts or the violation of federal securities law.

5. Confidential Information; Works for Hire. (a) Consultant recognizes that any information of a confidential nature relating to the Company its clients, business and products, including, without limitation, formulae, domestic and foreign sources of supply, production methods, trade secrets, and other technical and business information disclosed to Consultant by the Company or any of its affiliates (collectively, "Confidential Information"), either directly or indirectly, in writing, orally or by

inspection of documents or other tangible property, must be protected and only used for the benefit of the Company. Consultant agrees, during and following the termination of this agreement for any reason, not to use or divulge Confidential Information to anyone without the Company's consent, other than in furtherance of the Company's business. Upon request of the Company, Consultant shall return all copies of the Confidential Information in his possession. Notwithstanding the foregoing, the Company acknowledges that the Consultant is engaged in other businesses, some of which may be deemed competitive with the Company, and there shall be no presumption that any information that may become known to Consultant has become known to him as a result of the activities of the Company as opposed to the activities of such other businesses engaged in by Consultant.

(b) Title and ownership of any work, deliverables, inventions, know-how, trade secrets, discoveries, formulas, improvements, ideas, writings, computer programs, systems, data, expressions, patents, trademarks, copyrights, and any other intellectual property developed or provided by Consultant in performance of the services hereunder which relate solely to the business of the Company and not to any other business activity in which Consultant is engaged (collectively called "Works"), are and shall be the property of the Company. Consultant hereby agrees that the Works are being developed as a "work made for hire." As such, copyright and all other intellectual property rights vest with the Company when the Works are fixed in a tangible medium of expression. Consultant hereby (a) irrevocably assigns to the Company all rights, title and interest to Works and (b) agrees to execute all documents necessary to implement and confirm the letter and intent of this section. Consultant hereby transfers to the Company all right, title and interest, including copyright, in and to such Works, to the Company. Consultant further agrees that such Works (i) are being so produced, developed, modified, enhanced or furnished expressly and exclusively for the Company; (ii) shall constitute, and shall be treated by Consultant as, trade secrets and Confidential Information belonging exclusively to the Company and as a work made for hire for the Company; (iii) shall not be appropriated, disclosed or used in any way, directly or indirectly, by Consultant, either during the Term or any time thereafter, except as required to carry out the provisions of this Agreement.

(c) Consultant acknowledges and agrees that that a violation of any of the terms of confidentiality restrictions contained here may cause the Company irreparable injury for which adequate remedies are not available at law. Therefore, Consultant agrees that the Company will be entitled to seek an injunction, restraining order or other temporary or permanent equitable relief (without the requirement of proving monetary damages or posting a bond) restraining Consultant from committing any violation of the covenants and obligations contained in paragraph (a). These injunctive remedies are cumulative and are in addition to any other rights and remedies the Company may have at law or in equity.

6. Termination. (a) The Company may terminate the Agreement at any time without Cause, provided that it gives written notice of termination at least sixty (60) days before the date of such termination. If the Agreement is terminated without Cause, the Consultant shall be entitled to receive from the Company the following:

(i) payment of twelve (12) months' of Monthly Fees; and

(ii) reimbursement for any outstanding reasonable business expenses incurred by the Consultant in performing its duties hereunder.

(b) The Company may terminate the Agreement at any time for Cause, provided that it gives written notice of termination to the Consultant as set forth below. If the Agreement is terminated for Cause, as defined below, the Consultant shall be entitled to:

(i) accrued and unpaid Monthly Fees through the date of such termination; and

(ii) reimbursement for any outstanding reasonable business expenses incurred in performing duties hereunder through the date of such termination.

For purposes of this Agreement, a termination for "**Cause**" shall mean: (i) the final conviction of the Consultant of, or the Consultant's plea of guilty or *nolo contendere* to, any felony or a crime involving dishonesty, fraud, or moral turpitude; (ii) the indictment of the Consultant for any felony or a crime involving dishonesty, fraud, or moral turpitude which, in the reasonable good-faith judgment of the Company, has materially damaged, or could materially damage, the reputation of the Company or would materially interfere with the performance of services by the Consultant; (iii) the willful commission of fraud, nonincidental misappropriation, embezzlement, or other dishonest act by the Consultant against the Company; (iv) the Consultant's use of illegal drugs or alcohol on the Company's premises, the Consultant's use of illegal drugs or alcohol having an adverse effect on the performance of the Consultant's duties hereunder, or Consultant's use of illegal drugs or alcohol which, in the reasonable good-faith judgment of the Company, has materially damaged, or could materially damage, the reputation of the Company; (v) the Consultant's willful failure, gross negligence, or gross misconduct in the performance of his duties to the Company; (vi) the Consultant's gross malfeasance in the performance of his duties hereunder; (vii) the Consultant's nonfeasance in the performance of his duties hereunder not cured within ten (10) business days after notice of such nonfeasance; (viii) the Consultant's failure to follow a written order which is both legal and reasonable; (ix) disloyalty by the Consultant, including, without limitation, aiding a competitor; or (x) the Consultant's breach of this Agreement not cured within ten (10) business days after notice of such breach.

If the Company exercises its right to terminate the Consultant for Cause, the Company shall: (1) give the Consultant written notice of termination at least ten (10) business days before the date of such termination specifying in detail the conduct constituting such Cause, and (2) deliver to the Consultant a copy of a resolution duly adopted by the Company, after reasonable notice to the Consultant and an opportunity for the Consultant to be heard by the Company, finding that the Consultant has engaged in such conduct.

(c) This Agreement shall terminate upon a Change of Control. If the Agreement is terminated upon Change of Control, the Consultant shall be entitled to receive from the Company the following:

(i) payment of twelve (12) months' of Monthly Fees; and

(ii) reimbursement for any outstanding reasonable business expenses incurred by the Consultant in performing its duties hereunder.

For purposes of this Agreement, a termination for "**Change of Control**" shall mean: (i) A change in control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A as in effect on the date of this Agreement pursuant to the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"); provided that, without limitation, such a change in control shall be deemed to have occurred at such time as any Acquiring Person hereafter becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of thirty percent (30%) or more of the combined voting power of Voting Securities; or (ii) during any period of twelve (12) consecutive calendar months, individuals who at the beginning of such period constitute the Board of Directors cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election, by the Company's stockholders of each new director was approved by a vote of at least a majority of the directors then in office who were directors at the beginning of the period; or (iii) there shall be consummated (1) any acquisition by the Company of stock or assets of another entity actively engaged in business, in connection with which the Company issues Voting Securities or any security, instrument or agreement exercisable for or convertible into Voting Securities, representing in the aggregate more than 100% of the Voting Securities outstanding prior to the entry into an agreement to consummate such acquisition, notwithstanding that the exercise or conversion of such security, instrument or agreement is subject to a vote of the shareholders of the Company, (2) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which Voting Securities would be converted into cash, securities, or other property, other than a merger of the Company in which the holders of Voting Securities immediately prior to the merger have the same proportionate ownership of common stock of the surviving corporation immediately after the merger, or (3) any sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or (iv) approval by the stockholders of the Company of any plan or proposal for the liquidation or dissolution of the Company.

For purposes of this Agreement, "**Acquiring Person**" means any person or related person or related persons which constitute a "group" for purposes of Section 13(d) and Rule 13d-5 under the Exchange Act, as such Section and Rule are in effect as of the date of this Agreement; provided, however, that the term Acquiring Person shall not include (i) the Company or any of its subsidiaries, (ii) any employee benefit plan of the Company or any of its subsidiaries, (iii) any entity holding voting capital stock of the Company for or pursuant to the terms of any such employee benefit plan, or (iv) any person or group solely because such person or group has voting power with respect to capital stock of the Company arising from a revocable proxy or consent given in response to a public proxy or consent solicitation made pursuant to the Exchange Act.

For purposes of this Agreement, "**Voting Securities**" means the Company's issued and outstanding securities ordinarily having the right to vote at elections for director.

(d) Upon the termination of the Agreement, upon the payment of all obligations owing to the Consultant by the Company, unless the Company shall otherwise request, the Consultant shall resign from all positions within the Company.

7. Notice. All notices and correspondence hereunder shall be in writing and sent by overnight delivery service, with all charges prepaid, to the applicable Party at the addresses set forth on the signature page hereto or by e-mail, with a copy sent by overnight delivery service. Each Party may from time-to-time designate for itself a new address to which notices hereunder shall be addressed, by notice in writing given to the other Party complying as to delivery with the terms of this Agreement. All such notices and correspondence shall be deemed given upon the earliest to occur of (i) if by e-mail, actual receipt; or (ii) if sent by overnight delivery service, when received at the above stated addresses or when delivery is refused.

8. Miscellaneous.

(a) Attorney's Fees. The Company shall reimburse the Consultant for any fees and expenses, including reasonable attorneys' fees, Consultant may incur in seeking to collect any amounts due Consultant pursuant to the terms hereof.

(b) Survival. Notwithstanding the termination of this agreement, such provisions of this agreement which by their terms survive the termination of this agreement will continue in full force and effect in accordance with their respective terms.

(c) Severability. If any provision of this letter agreement becomes unenforceable under any applicable law, then, notwithstanding such unenforceability, the remainder of this letter agreement will continue in full force and effect.

(d) Withholdings. All payments to you under this letter agreement will be subject to all applicable withholding required by federal, state or local tax laws.

(e) Counterparts. This letter agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one of the same instrument.

(f) Governing Law; Jurisdiction and Venue. This Agreement shall in all respects be construed according to the laws of the State of Delaware, notwithstanding the conflicts-of-law provisions of such state.

(g) Further Assurances. Each party shall, without further consideration, execute such additional documents as may be reasonably required in order to carry out the purposes and intents of this Agreement.

(h) Waivers. No term or condition of this Agreement will be deemed to have been waived nor shall there be any estoppel to enforce any provision hereof, except by a written instrument executed by the party charged with waiver or estoppel. A party's delay, waiver or failure to enforce any of the terms of this Agreement or any similar agreement in one instance shall not constitute a waiver of its rights hereunder with respect to other violations of this or any other agreement.

(i) Counterparts and Delivery. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Counterpart signatures delivered by facsimile or other means of electronic transmission shall be valid and binding to the same as the delivery of original ink signatures.

IN WITNESS WHEREOF, the Parties to this Consulting Agreement have hereunto set their hands the day and year first above written.

Foxo Technologies, Inc.
As the 100% shareholder of Foxo Labs, Inc.

Seamus Lagan

Mark White
Consultant

Exhibit 21.1

FOXO Technologies Inc. Material Subsidiaries

Subsidiaries	**Jurisdiction of Organization**
FOXO Labs Inc.	Delaware
Myrtle Recovery Centers, Inc.	Tennessee
Rennova Community Health, Inc.	Florida
Scott County Community Hospital, Inc.*	Tennessee

* Owned by Rennova Community Health, Inc.

Exhibit 31.1

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, 2025

/s/ Seamus Lagan
Seamus Lagan
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE EXCHANGE ACT

I, Martin C. Ward, 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, 2025

/s/ Martin C. Ward
Martin C. Ward
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

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, 2024, as filed with the Securities and Exchange Commission (the “Report”) Seamus Lagan, Chief Executive Officer, and Martin C. Ward, Interim Chief Financial Officer, of the Company, do 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, 2025

/s/ Seamus Lagan
Seamus Lagan
Chief Executive Officer
(Principal Executive Officer)

/s/ Martin C. Ward
Martin C. Ward
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)