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

# FORM 10-Q
**(Mark One)**

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

For the quarterly period ended March 31, 2025

**or**

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

For the transition period from __________ to __________

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)** | **(I.R.S. Employer Identification No.)** |
| 477 South Rosemary Avenue<br>Suite 224<br>West Palm Beach, FL | 33401 |
| **(Address of principal executive offices)** | **(Zip Code)** |

(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** | **FOXO** | **NYSE American** |

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 an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer, "smaller reporting company" and "emerging growth company" in Rule 12b-2.

| | | | |
|---|---|---|---|
| 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 16, 2025, there were 6,609,643 shares of Class A common stock, par value $0.0001 per share (the "Class A Common Stock") of the registrant issued and outstanding.

**FOXO TECHNOLOGIES INC.**
**FORM 10-Q FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2025**

**TABLE OF CONTENTS**

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

*This Quarterly Report on Form 10-Q, or this 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, realization of the value of other aspects of our business identified in this 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 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. 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," in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the U.S. Securities and Exchange Commission (the "SEC") on April 15, 2025.*

Unless expressly indicated or the context requires otherwise, the terms "FOXO," the "Company," "we," "us" or "our" in this Quarterly Report refer to FOXO Technologies Inc., a Delaware corporation, and, where appropriate, its subsidiaries.

PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**FOXO TECHNOLOGIES INC. AND SUBSIDIARIES**

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| **Assets** | | |
| Current assets | | |
| Cash and cash equivalents | $ 16,907 | $ 68,268 |
| Accounts receivable, net | 2,654,901 | 2,270,957 |
| Supplies | 188,387 | 161,466 |
| Prepaid expenses | 188,866 | 291,011 |
| Other current assets | 145,630 | 89,564 |
| **Total current assets** | **3,194,691** | **2,881,266** |
| Property and equipment, net | 328,030 | 364,481 |
| Intangible assets, net | 9,011,897 | 9,015,556 |
| Goodwill | 25,463,948 | 25,463,948 |
| Right-of-use assets | 3,879,886 | 3,982,820 |
| **Total assets** | **$ 41,878,452** | **$ 41,708,071** |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities | | |
| Accounts payable | $ 7,315,741 | $ 6,677,281 |
| Accrued expenses | 13,101,897 | 13,521,416 |
| Notes payable | 2,945,950 | 7,279,724 |
| Related parties' notes payable | 2,587,513 | 2,671,924 |
| Related parties' payables and accrued expenses | 1,841,883 | 1,941,385 |
| Other loans | 467,458 | 268,257 |
| Right-of-use lease obligations | 397,223 | 367,474 |
| **Total current liabilities** | **28,657,665** | **32,727,461** |
| Warrant liabilities | 9,652 | 41,246 |
| Right-of-use lease obligations, non-current | 3,558,289 | 3,667,553 |
| **Total liabilities** | **32,225,606** | **36,436,260** |
| Commitments and contingencies (Note 14) | | |
| **Stockholders' equity** | | |
| Series A Preferred Stock, $0.0001 par value and $1,000 stated value per share; 35,000 shares authorized, 22,232 and 22,540 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively | 2 | 2 |
| Series B Preferred Stock, $0.0001 par value and $1,000 stated value per share; 7,500 shares authorized, 3,308 and 0 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively | - | - |
| Series C Preferred Stock, $0.0001 par value and $1,000 stated value per share; 5,000 shares authorized, 405 and 120 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively | - | - |
| Series D Preferred Stock, $0.0001 par value and $1,000 stated value per share; 10,000 shares authorized, 4,312 and 4,312 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively | 1 | 1 |
| Class A Common Stock, $0.0001 par value, 500,000,000 shares authorized, 3,423,457 and 2,356,044 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively | 343 | 236 |
| Additional paid-in capital | 201,038,441 | 195,864,580 |
| Accumulated deficit | (191,329,650) | (190,541,067) |
| Total FOXO stockholders' equity | 9,709,137 | 5,323,752 |
| Noncontrolling interest | (56,291) | (51,941) |
| **Total stockholders' equity** | **9,652,846** | **5,271,811** |
| **Total liabilities and stockholders' equity** | **$ 41,878,452** | **$ 41,708,071** |

*See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements*

**FOXO TECHNOLOGIES INC. AND SUBSIDIARIES**
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three Months Ended March 31, | |
|---|---|---|
| | **2025** | **2024** |
| **Net revenues** | **$ 3,169,920** | **$ 7,180** |
| **Operating expenses:** | | |
| Direct costs of revenue | 1,903,936 | - |
| Research and development | 30,000 | 165,360 |
| Management contingent share plan | 18,878 | 32,551 |
| Selling, general and administrative | 2,764,086 | 987,937 |
| Total operating expenses | 4,716,900 | 1,185,848 |
| **Loss from operations** | **(1,546,980)** | **(1,178,668)** |
| Change in fair value of warrant liabilities | 31,594 | 9,090 |
| Interest expense | (889,792) | (301,912) |
| Gain from extinguishment of Senior PIK Notes | 1,863,834 | - |
| Other non-operating expense, net | (79,464) | (32,500) |
| Total non-operating income (expense), net | 926,172 | (325,322) |
| **Loss before income taxes** | **(620,808)** | **(1,503,990)** |
| Provision for income taxes | - | - |
| Net loss, including noncontrolling interest | **(620,808)** | **(1,503,990)** |
| Noncontrolling interest | **4,350** | **-** |
| **Net loss attributable to FOXO** | **(616,458)** | **(1,503,990)** |
| Deemed dividends from the issuances of preferred stock and the triggers of down round provisions and extension of Assumed Warrants | (172,125) | (656,164) |
| **Net loss to common stockholders** | (788,583) | (2,160,154) |
| Preferred stock dividends – undeclared | (314,909) | - |
| **Net loss to common stockholders, net of preferred stock dividends – undeclared** | **$ (1,103,492)** | **$ (2,160,154)** |
| Net loss per share of Class A Common Stock, basic and diluted | $ (0.37) | $ (2.42) |
| Weighted average number of shares of Class A Common Stock, basic and diluted | 2,998,849 | 891,753 |

*See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements*

**FOXO TECHNOLOGIES INC. AND SUBSIDIARIES**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

| | Preferred Stock | | Class A Common Stock | | Additional Paid-In-Capital | Accumulated Deficit | Total FOXO Stockholders' Equity | Noncontrolling Interest | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| | **Shares** | **Amount** | **Shares** | **Amount** | | | | | |
| **Balance, December 31, 2024** | **26,972** | **$ 3** | **2,356,044** | **$ 236** | **$ 195,864,580** | **$ (190,541,067)** | **$ 5,323,752** | **$ (51,941)** | **$ 5,271,811** |
| **Net loss to common stockholders** | **-** | **-** | **-** | **-** | **-** | **(788,583)** | **(788,583)** | **-** | **(788,583)** |
| **Noncontrolling interest** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **(4,350)** | **(4,350)** |
| **Stock-based compensation** | **-** | **-** | **-** | **-** | **27,716** | **-** | **27,716** | **-** | **27,716** |
| **Common stock issued for conversions of Series A Preferred Stock** | **(308)** | **-** | **146,015** | **15** | **(15)** | **-** | **-** | **-** | **-** |
| **Issuances of Series B Preferred Stock in exchange for Senior PIK Notes, net of finder's fees** | **3,457** | **-** | **-** | **-** | **3,282,500** | **-** | **3,282,500** | **-** | **3,282,500** |
| **Issuance of Series C Preferred Stock for cash investment, net of finder's fees** | **60** | **-** | **-** | **-** | **44,825** | **-** | **44,825** | **-** | **44,825** |
| **Exchanges of Series B Preferred Stock for Series C Preferred Stock** | **75** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Common stock issued for conversions and exchanges of notes payable** | **-** | **-** | **432,431** | **43** | **828,431** | **-** | **828,474** | **-** | **828,474** |
| **Common stock issued under terms of notes payable** | **-** | **-** | **61,196** | **6** | **38,244** | **-** | **38,250** | **-** | **38,250** |
| **Common stock issuable under terms of notes payable** | **-** | **-** | **-** | **-** | **68,225** | **-** | **68,225** | **-** | **68,225** |
| **Common stock issued and issuable for finder's fees** | **-** | **-** | **22,873** | **2** | **141,188** | **-** | **141,190** | **-** | **141,190** |
| **Shares issued under Corporate Development and Advisory Agreement** | **-** | **-** | **76,395** | **8** | **(8)** | **-** | **-** | **-** | **-** |
| **Common stock issued for legal settlement** | **-** | **-** | **328,503** | **33** | **570,630** | **-** | **570,663** | **-** | **570,663** |
| **Deemed dividends from issuances of preferred stock and triggers of down round provisions of Assumed Warrants** | **-** | **-** | **-** | **-** | **172,125** | **-** | **172,125** | **-** | **172,125** |
| **Balance, March 31, 2025** | **30,256** | **$ 3** | **3,423,457** | **$ 343** | **$ 201,038,441** | **$ (191,329,650)** | **$ 9,709,137** | **$ (56,291)** | **$ 9,652,846** |

| | Preferred Stock | | Common Stock (Class A) | | Additional Paid-In-Capital | Accumulated Deficit | Noncontrolling Interest | Total |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | | | | |
| Balance, December 31, 2023 | - | $ - | 764,603 | $ 76 | $ 162,960,400 | $ (177,060,285) | $ - | $ (14,099,809) |
| Net loss to common stockholders | - | - | - | - | - | (2,160,154) | - | (2,160,154) |
| Stock-based compensation | - | - | (67) | - | 102,533 | - | - | 102,533 |
| Common Stock issued to KR8 under License Agreement | - | - | 130,000 | 13 | 378,027 | - | - | 378,040 |
| Common Stock issued under Corporate Development and Advisory Agreement | - | - | 45,000 | 5 | 152,995 | - | - | 153,000 |
| Common Stock issued to MSK under Shares for Services Agreement | - | - | 51,103 | 5 | 46 | - | - | 51 |
| Common Stock Issued to employee | - | - | 5,321 | 1 | 15,693 | - | - | 15,694 |
| Warrants issued for finder's fee | - | - | - | - | 17,147 | - | - | 17,147 |
| Deemed dividends from trigger of down round provisions and extension of Assumed Warrants | - | - | - | - | 656,164 | - | - | 656,164 |
| Balance, March 31, 2024 | - | $ - | 995,960 | $ 100 | $ 164,283,005 | $ (179,220,439) | $ - | $ (14,937,334) |

*See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements*

**FOXO TECHNOLOGIES INC. AND SUBSIDIARIES**
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Three Months Ended March 31, | |
|---|---|---|
| | **2025** | **2024** |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net loss, including noncontrolling interest | $ (620,808) | $ (1,503,990) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 143,044 | 260,324 |
| Gain from extinguishment of Senior PIK Notes | (1,863,834) | - |
| Equity-based compensation, net of forfeitures | 27,716 | 118,222 |
| Amortization of consulting fees paid in common stock | 96,904 | 25,500 |
| Change in fair value of warrants | (31,594) | (8,091) |
| Senior PIK Notes interest | 70,593 | 258,263 |
| Amortization of debt discounts and debt issuance costs | 353,157 | 32,575 |
| Non-cash interest expense on right-of-use lease obligations | 220,486 | - |
| Non-cash interest on other loans | 141,000 | - |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (383,944) | - |
| Supplies | (26,921) | - |
| Prepaid expenses | 5,241 | 58,574 |
| Other current assets | (56,066) | 5,132 |
| Accounts payable | 638,460 | 982,533 |
| Accrued and other liabilities, including related parties' payables | 239,476 | (635,344) |
| Other liabilities | 9,500 | - |
| Right-of-use lease obligations | (300,001) | - |
| **Net cash used in operating activities** | **(1,337,591)** | **(406,302)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| **Net cash from investing activities** | - | - |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from issuances of notes payable, net of issuance costs | 965,000 | 370,720 |
| Proceeds from other loans | 279,000 | - |
| Borrowings under note payable to RHI | 274,026 | - |
| Payments on notes payable | (46,322) | - |
| Payments on other loans | (230,299) | - |
| Proceeds from issuance of Series C Preferred Stock, net of issuance costs | 44,825 | - |
| **Net cash provided by financing activities** | **1,286,230** | **370,720** |
| **Net change in cash and cash equivalents** | **(51,361)** | **(35,582)** |
| Cash and cash equivalents at beginning of period | 68,268 | 38,116 |
| **Cash and cash equivalents at end of period** | **$ 16,907** | **$ 2,534** |

*See Accompanying Notes to Unaudited Condensed 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").

## 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 three months ended March 31, 2025 and 2024, the Company incurred a net loss to common stockholders of $0.8 million and $2.2 million, respectively. As of March 31, 2025, the Company had a working capital deficit of $25.5 million. Cash used in operating activities for the three months ended March 31, 2025 and 2024 was $1.3 million and $0.4 million, respectively. As of March 31, 2025, the Company had $16,907 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 equity, principally preferred stock, and debt financings.

See Note 9 for information on promissory notes issued and outstanding during the three months ended March 31, 2025, Note 12 for information on preferred stock and common stock issued and outstanding during the three months ended March 31, 2025 and Note 16 for financing transactions entered into subsequent to March 31, 2025.

On September 20, 2022, the Company issued to certain investors 15% Senior Promissory Notes (the "Senior PIK Notes") in an aggregate principal amount of $3.5 million, each with a maturity date of April 1, 2024 (the "Maturity Date"). The Senior PIK Notes are more fully discussed in Note 9. 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 had 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 3,457.5 shares of the Company's newly designated Series B Cumulative Convertible Redeemable Preferred Stock (the "Series B Preferred Stock") with a stated value of $1,000 per share. The Company recorded a gain from the extinguishment from the Senior PIK Notes of $1.9 million as a result of the exchange. The exchange and the Series B Preferred Stock are more fully discussed in Notes 9 and 12.

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 external sources of financing to fund its operations. There can be no assurances that such 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 unaudited condensed 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 unaudited condensed 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 unaudited condensed consolidated financial statements were prepared using generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Regulation S-X. Accordingly, these financial statements do not include all information or notes required by generally accepted accounting principles for annual financial statements and should be read in conjunction with the consolidated financial statements as filed in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. In the opinion of management, the unaudited condensed consolidated financial statements included herein contain all adjustments necessary to present fairly the Company's consolidated financial position as of March 31, 2025, and the results of its operations and changes in stockholders' equity (deficit) for the three months ended March 31, 2025 and 2024 and its cash flows for the three months ended March 31, 2025 and 2024. Such adjustments are of a normal recurring nature. The results of operations for the three months ended March 31, 2025 may not be indicative of results for the year ending December 31, 2025.

The unaudited condensed 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 unaudited condensed 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 three months ended March 31, 2025 and 2024, comprehensive loss was equal to the net loss to common stockholders amounts presented in the unaudited condensed consolidated statements of operations.

RECLASSIFICATIONS

The purchase of the intangible asset under the KR8 Agreement, which is defined and discussed in Note 10, was previously reflected as a use of cash in the investing activities section of the cash flow statement with the corresponding accrued liability reflected in the operating activities section of the cash flow statement for the three months ended March 31, 2024. This amount has been reclassified to the supplemental cash flow information presented in Note 15. The following table presents the effects of the reclassification for the three months ended March 31, 2024:

| | Three Months Ended March 31, 2024 | | |
|---|---|---|---|
| | **As Previously Presented** | **Adjusted** | **As Revised** |
| Net cash provided by (used in) operating activities | $ 1,715,788 | $ (2,122,090) | $ (406,302) |
| Net cash used in investing activities | (2,122,090) | 2,122,090 | - |
| Net change in cash | $ (406,302) | $ - | $ (406,302) |
| Non-cash related party payable for purchase of intangible asset | $ - | $ 2,122,090 | $ 2,122,090 |

REVERSE STOCK SPLIT

On April 17, 2025, the Company's board of directors (pursuant to a previously-obtained shareholder approval) approved an amendment to its Second Amended and Restated Certificate of Incorporation, as amended (the "**Charter Amendment**"), to implement a 1-for-10 reverse stock split, such that every 10 shares of Common Stock will be combined into one issued and outstanding share of Common Stock, with no change in the $0.0001 par value per share (the "**Reverse Stock Split**").

The Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on April 28, 2025. Trading reopened on April 29, 2025, which is when our 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.

USE OF ESTIMATES

The preparation of 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, long-lived assets, the valuation allowance relating to the Company's deferred tax assets, the valuations of goodwill, intangible assets, equity and derivative instruments, deemed dividends, litigation and related reserves, among others. It is reasonably possible that actual experience could differ from the estimates and assumptions utilized and would impact future results of operations and cash flows. All revisions to accounting estimates are recognized in the period in which the estimates are revised. A description of each critical estimate is incorporated within the discussion of the related accounting policies which follow.

CASH AND CASH EQUIVALENTS

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

IMPAIRMENT OF GOODWILL, INTANGIBLE ASSETS AND CLOUD COMPUTING ARRANGEMENTS

The Company reviews its goodwill and intangible assets to determine potential impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be fully recoverable. 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. At March 31, 2025 and December 31, 2024, the Company had intangible assets and goodwill resulting from the acquisitions of Myrtle and RCHI, which more fully discussed in Note 5. No impairments of intangible assets and goodwill were recorded in the three months ended March 31, 2025 and 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 11.

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 March 31, 2025 and December 31, 2024, \$2.0 million and \$2.1 million, respectively, of Medicare cost report settlement reserves were recorded in accrued expenses on the unaudited condensed consolidated balance sheets, as presented in Note 8.

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 three months ended March 31, 2025 and 2024. 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 three months ended March 31, 2025, estimated contractual allowances and implicit price concessions of $17.5 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 three months ended March 31, 2025, the Company recorded healthcare net revenues of $3.2 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 three months ended March 31, 2024. The Company continues to review the provisions for contractual allowances and implicit price concessions. See Note 6.

EQUITY-BASED COMPENSATION

In 2022, we offered equity-based compensation to employees and non-employees in the form of stock options and restricted stock. We measure and recognize all equity-based payments to employees, service providers and board members at fair value. The cost of services received from employees and non-employees in exchange for awards of equity instruments is recognized in the consolidated statements of operations based on the estimated fair value of those awards on the grant date or reporting date, if required to be remeasured, and amortized on a straight-line basis over the requisite service period. We recognize forfeitures as incurred. We utilize a Black-Scholes valuation model to estimate the fair value of stock options and this model requires the input of assumptions, including the exercise price, volatility, expected term, discount rate, and the fair value of the underlying 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 three months ended March 31, 2025 and 2024 however, we had forfeitures during the three months ended March 31, 2024. We also had forfeitures of restricted stock awards during the three months ended March 31, 2024.

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.

The Company has not provided income tax benefits for the losses that it incurred in the three months ended March 31, 2025 and 2024. The Company incurred a pre-tax loss for the year ended December 31, 2024. In addition, the Company believes that its available net operating loss carryforwards would offset future taxable income, in any, for the year ended December 31, 2025. Therefore, its effective tax rates were zero for the periods presented and it has provided a full valuation allowance for its net deferred tax assets.

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 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 adopted ASU 2023-09 effective January 1, 2025 and will apply a retrospective approach to all prior periods presented in its annual financial statements. The Company does not expect the adoption of this new standard to have a material effect on its disclosures in its annual financial statements.

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 333 and 1,500 shares related to the Management Contingent Share Plan outstanding and not vested as of March 31, 2025 and 2024, respectively, from the computation of basic and diluted net loss per share for the three months ended March 31, 2025 and 2024, as the conditions to trigger the vesting of the such shares had not been satisfied as of March 31, 2025 and 2024. The Management Contingent Share Plan is more fully described in Note 14 to the Company's consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2024.

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 three months ended March 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Net loss attributable to FOXO | $ (616,458) | $ (1,503,990) |
| Deemed dividends from the issuances of preferred stock and the triggers of down round provisions and extension of Assumed Warrants | (172,125) | (656,164) |
| Net loss to common stockholders | (788,583) | (2,160,154) |
| Preferred stock dividends – undeclared | (314,909) | - |
| Net loss to common stockholders, net of preferred stock dividends – undeclared | $ (1,103,492) | $ (2,160,154) |
| Basic and diluted weighted average number of shares of Class A Common Stock | 2,998,849 | 891,753 |
| Basic and diluted net loss per share available to Class A Common Stock | $ (0.37) | $ (2.42) |

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 share of Class A Common Stock:

| | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Preferred stock | 23,429,639 | - |
| Public and private warrants | 103,788 | 103,788 |
| Assumed Warrants | - | 331,523 |
| Convertible notes payable | 2,466,440 | - |
| Finder's warrants | - | 7,450 |
| Stock options | 10,476 | 11,313 |
| **Total antidilutive shares** | **26,010,343** | **454,074** |

At March 31, 2025, in addition to the common stock equivalents listed in the table above, the Company has agreed to issue: (i) up to 656,352 additional shares of its Class A Common Stock under the terms of a legal settlement as more fully discussed in Notes 14 and 16, (ii) an aggregate of 50,910 shares of its Class A Common Stock under the terms of outstanding notes payable, which are discussed in Note 9, and (iii) 123,711 shares of its Class A Common Stock for finder's fees, which are discussed in Notes 9 and 12. See Note 16 regarding the Company's Class A Common Stock and common stock equivalents issued and issuable subsequent to March 31, 2025.

## Note 5 ACQUISITIONS AND STOCK EXCHANGE AGREEMENTS

On June 10, 2024, the Company entered into two stock exchange agreements, each with 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 102,363 shares of its Class A Common Stock to RHI on July 17, 2024. The number of shares of the Company's Class A Common Stock issuable to RHI was determined by dividing $0.2 million by the volume weighted average price of the Company's Class A Common Stock on the day prior to closing, which was $2.30 per share. In addition to the $0.3 million promissory note issued to RHI for a portion of the purchase price of Myrtle, Myrtle issued a promissory note payable to RHI dated June 13, 2024, in the original principal amount of $1.6 million, which represented the amount owed to RHI by Myrtle at the time of the sale of Myrtle to the Company. The $0.3 million note and the $1.6 million note are more fully discussed in Note 9.

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 Cumulative Convertible Redeemable Preferred Stock ("the Series A Preferred Stock"). Closing of the RCHI Agreement was subject to a number of conditions. On September 10, 2024, the parties to the RCHI Agreement entered into an Amended and Restated Securities Exchange Agreement (the "RCHI SEA"), which revised the consideration payable to RHI from shares of FOXO Series A Preferred Stock to $100. In addition, RCHI issued to RHI a senior secured note in the principal amount of $22.0 million (subject to adjustment as described below) (the "RCHI Note"). The RCHI Note had a maturity date of September 10, 2026 and accrued interest on any outstanding principal amount at the rate of 8% per annum for the first six months, increasing to 12% per annum thereafter and accrued at 20% per annum in the event of certain defaults as described in the agreement. After maturity, interest accrued at a rate of 20% per annum. The RCHI Note required principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI and SCCH. In the event that FOXO, at any time after June 30, 2024 and during the twelve months thereafter, enters into any agreement or settlement agreement with any pre-existing holder of debt or other liability owed by FOXO in excess of $5.0 million (cumulative) then the consideration payable shall increase on a dollar for dollar basis for the aggregate settlement amount above $5.0 million.

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 12. 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 9.

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.

*Appointment of Members of the Board of Directors, Chief Executive Officer and Chairman 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 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 11.

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) | $ (1,590,078) |
| 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, 2024.

| | **Three Months Ended March 31, 2024** |
|---|---|
| Net revenues | $ 3,383,457 |
| | |
| Net loss, attributable to FOXO | $ (2,148,791) |
| Deemed dividends | (656,164) |
| Net loss to common stockholders | (2,804,955) |
| Preferred stock dividends - undeclared | (262,500) |
| Net loss to common stockholders, net of preferred stock dividends - undeclared | $ (3,067,455) |
| | |
| Net loss per share: | |
| Basic and diluted net loss per share available to Class A Common Stock | $ (3.09) |
| Basic and diluted weighted average number of shares of Class A Common Stock | 994,116 |

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, 2024 or to project potential operating results as of any future date or for any future periods.

**Note 6 ACCOUNTS RECEIVABLE, NET**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Accounts receivable, gross | $ 15,739,334 | $ 12,200,256 |
| Less: | | |
| Allowance for contractual obligations | (12,044,229) | (8,967,362) |
| Allowance for doubtful accounts | (1,040,204) | (961,937) |
| Accounts receivable, net | $ 2,654,901 | $ 2,270,957 |

**Note 7 INTANGIBLE ASSETS, NET AND GOODWILL**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Tradenames | $ 1,582,734 | $ 1,582,734 |
| Licenses and permits | 7,396,848 | 7,396,848 |
| Customer relationships | 43,900 | 43,900 |
| Epigenetic APP | - | - |
| Less: accumulated amortization | (11,585) | (7,926) |
| Intangible assets, net | $ 9,011,897 | $ 9,015,556 |

The tradenames, licenses and permits and customer relationships intangible assets resulted from the acquisitions of Myrtle and RCHI, which are more fully discussed in Note 5. The tradenames and licenses and permits assets have indefinite lives and the customer relationships is being amortized over three years.

The Company recognized amortization expense on its intangible assets of $3,659 and $257,674 in the three months ended March 31, 2025 and 2024, respectively. Included in the amortization expense in the three ended March 31, 2024 was $0.2 million of expense for an Epigenetic APP that was acquired from Kr8 ai Inc., a Nevada corporation controlled by one of the Company's directors and the current interim CFO ("**KR8**"), as more fully discussed in Note 10 and $49,341 for a methylation pipeline asset. During the year ended December 31, 2024, the Company recorded an impairment loss of $1.6 million for the Epigenetic APP and an impairment loss of $0.2 million for its methylation pipeline asset as the timeline for projected cash flows could no longer support these assets. The Company continues to believe that its Epigenetic APP 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 believed that it was appropriate to impair the value of the asset in its records in the year ended December 31, 2024.

*Goodwill*

Goodwill was $25.5 million and $25.5 million as of March 31, 2025 and December 31, 2024, respectively. The goodwill resulted from the acquisitions of Myrtle and RCHI, which are more fully discussed in Note 5.

**Note 8 ACCRUED EXPENSES**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Accrued payroll and related liabilities | $ 6,433,094 | $ 6,024,516 |
| Accrued severance | 2,174,035 | 2,174,035 |
| Accrued interest | 328,029 | 651,664 |
| Accrued legal expenses and settlements | 786,294 | 1,356,957 |
| Medicare cost report settlement reserves | 1,990,937 | 2,147,581 |
| Other accrued expenses | 1,389,508 | 1,166,663 |
| **Accrued expenses** | $ 13,101,897 | $ 13,521,416 |

Included in accrued payroll and related liabilities totaling $6.4 million and $6.0 million at March 31, 2025 and December 31, 2024, respectively, was approximately $5.4 million and $5.2 million, respectively, for past due payroll taxes and associated penalties and interest.

Related parties' payables and accrued expenses are presented in Note 10.

**Note 9 DEBT**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Notes payable – third parties | $ 2,587,513 | $ 7,279,724 |
| Notes payable – related parties | 2,945,950 | 2,671,924 |
| Other loans | 467,458 | 268,257 |
| Total debt | 6,000,921 | 10,219,905 |
| Less current portion of debt | (6,000,921) | (10,219,905) |
| **Total debt, net of current portion** | **$ -** | **$ -** |

**Notes Payable – Third Parties**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Senior PIK Notes in the aggregate principal amount of $0 and $3,457,500, including interest of $0 and $1,793,241 at March 31, 2025 and December 31, 2024, respectively | $ - | $ 5,250,741 |
| Silverback/Western Note Payable | 972,357 | 623,832 |
| ClearThink Notes in the aggregate principal amount of $861,750 and $1,166,750 net of unamortized discounts of $233,904 and $257,290 at March 31, 2025 and December 31, 2024, respectively | 627,846 | 909,460 |
| LGH notes payable in the aggregate principal amount of $220,000 and $222,000, net of unamortized discounts of $84,804 and $126,511 at March 31, 2025 and December 31, 2024, respectively | 135,196 | 95,489 |
| IG notes payable in the aggregate principal amount of $230,000 and $120,000, net of unamortized discounts of $91,200 and $68,739 at March 31, 2025 and December 31, 2024, respectively | 138,800 | 51,267 |
| 1800 Diagonal notes payable in the aggregate principal amount of $345,130 and $264,308, net of unamortized discounts of $111,470 and $57,672 at March 31, 2025 and December 31, 2024, respectively | 233,660 | 206,636 |
| Red Road note payable in the principal amount of $44,698 and $91,019, net of unamortized discounts of $24,208 and $35,556 at March 31, 2025 and December 31, 2024, respectively | 20,490 | 55,463 |
| Lucas Ventures notes payable in the aggregate principal amount of $275,000 and $220,000, net of unamortized discounts of $113,585 and $133,164 at March 31, 2025 and December 31, 2024, respectively | 161,415 | 86,836 |
| JSC notes payable in the aggregate principal amount of $425,150 and $0, net of unamortized discounts of $164,570 and $0 at March 31, 2025 and December 31, 2024, respectively | 260,580 | - |
| Vista Capital note payable in the principal amount of $55,000 and $0, net of unamortized discounts of $17,831 and $0 at March 31, 2025 and December 31, 2024, respectively | 37,169 | - |
| Total third-party notes payable | 2,587,513 | 7,279,724 |
| Less current portion of third-party notes payable | (2,587,513) | (7,279,724) |
| **Total third-party notes payable, net of current portion** | **$ -** | **$ -** |

*15% Senior PIK Notes*

On September 20, 2022, the Company entered into separate Securities Purchase Agreements with accredited investors pursuant to which the Company issued its Senior PIK Notes in the aggregate principal amount of $3.5 million. The Company received net proceeds of $2.9 million, after deducting fees and expenses of approximately $0.6 million.

The Senior PIK Notes bore interest at 15% per annum, paid in arrears quarterly by payment in kind through the issuance of additional Senior PIK Notes ("PIK Interest"). The Senior PIK Notes matured on April 1, 2024 (the "Maturity Date"). Commencing November 1, 2023, the Company was required to pay the holders of the Senior PIK Notes and on each one-month anniversary thereof an equal amount until the outstanding principal balance has been paid in full on the Maturity Date. If the Senior PIK Notes were repaid in the first year, the Company was required to pay the holders the outstanding principal balance, excluding any increases as a result of PIK Interest, multiplied by 1.15. Payment of the Senior PIK Notes was past due on December 31, 2024, as more fully discussed below. The Company failed to make the payments due on November 1, 2023 and on each one-month anniversary thereof, which constituted an event of default under the Senior PIK Notes. As a result of the event of default, the interest rate of the Senior PIK Notes increased from 15% per annum (compounded quarterly on each December 20, March 20, June 20 and September 20) to 22% per annum (compounded annually and computed on the basis of a 360-day year). In addition, the holders of the Senior PIK Notes had the right, among other remedies, to accelerate the Maturity Date and declare all indebtedness under the Senior PIK Notes due and payable at 130% of the outstanding principal balance.

As noted, as of December 31, 2024, the Senior PIK Notes were in default and the Company did not have the financial ability to correct this default. To resolve the default of the Senior PIK Notes and transition the Senior PIK Note from debt to equity, the Company asked the Senior PIK Note holders to consider certain amendments to their Notes. On October 18, 2024, the Company received the approval of over 50.01% of the holders of the Senior PIK Notes based on the Aggregate Original Principal Amount (as defined in the Senior PIK Notes) to enter into the 2024 PIK Notes Amendment, under which the Senior PIK Notes would be exchanged for the Company's Series B Preferred Stock. Under the 2024 PIK Notes Amendment, the Senior PIK Notes (not including accrued and unpaid Interest (as defined in the Senior PIK Notes) which was waived as part of the automatic exchange) were automatically exchanged into a number of shares of Series B Preferred Stock equal to the Original Principal Amount (as defined in the Senior PIK Notes) divided by the Stated Value ($1,000) of Series B Preferred Stock, or 3,457.5 shares of Series B Preferred Stock Upon the automatic exchange, all Senior PIK Notes (including all accrued and unpaid interest) (which total value was $5.4 million on the date of the exchange) were exchanged into Series B Preferred Stock, cancelled and satisfied in full. The Series B Preferred Stock is more fully discussed in Note 12.

As a result of the automatic exchange, during the three months ended March 31, 2025, the Company recorded a gain from extinguishment of Senior PIK Notes of $1.9 million, which represented the accrued and unpaid interest, which was waived per the terms of the automatic exchange. During the three months ended March 31, 2025 and 2024, the Company recognized $0.1 million and $0.3 million, respectively, of contractual interest expense on the Senior PIK Notes.

*Silverback/Western Note Payable*

The Company assumed a promissory note payable to Western Healthcare, LLC (the “Western Note Payable”) that was owed by SCCH at the time of the acquisition of RCHI. The acquisition is discussed in Note 5. As of December 31, 2024, the principal balance owed was $0.6 million. The note bore interest at a default rate of 18% per annum and payments consisting of principal and interest were due no later than August 30, 2022. SCCH did not make all of the monthly installments due under the note and it was past due.

In February 2025, the Western Note Payable was sold to a new holder, Silverback Capital Corporation (“Silverback”) and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which includes previously accrued interest expense, was $1.1 million, and the maturity date is February 26, 2026. The non-interest bearing 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, which was $1.308 per share on March 31, 2025. During the three months ended March 31, 2025, $108,000 of principal balance of the note was converted into 100,000 shares of the Company’s Class A Common Stock.

*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 32,475 shares of the Company’s Class A Common Stock.

On January 30, 2024, the Company issued ClearThink a promissory note in the principal amount of up to $0.8 million, of which $0.6 million was issued. The note was issued with a $0.2 million original issue discount and matured on January 30, 2025. In January 2025, $450,000 principal balance of the note was exchanged for 176,974 shares of the Company’s Class A Common Stock, leaving a principal balance on March 31, 2025 of $162,000 and accrued interest of $76,355.

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 20,000 shares of the Company’s Class A Common Stock as an inducement valued at $58,000 and the note matured on August 14, 2024. On August 16, 2024, the May 15, 2024 note was extended until September 30, 2024. Under the August 16, 2024 extension, the Company issued ClearThink 10,000 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 20,000 shares of its Class A Common stock valued at $34,800. On several dates during the fourth quarter of 2024, the entire principal balance of the May 15, 2024 note and associated accrued interest totaling $0.4 million was converted into 130,582 shares of the Company’s Class A Common Stock.

On August 16, 2024, the Company issued ClearThink a promissory note in the principal amount of $39,750, which matured on November 16, 2024 and 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 $220,000 and each with a $20,000 original issue discount. The November 20, 2024 note, which matures on August 20, 2025, was issued with 12,500 inducement shares of the Company’s Class A Common Stock valued at $82,500 and per the terms of the December 31, 2024 note, which matures on September 30, 2025, 12,500 inducement shares valued at $36,375 are issuable as of March 31, 2025.

During the three months ended March 31, 2025, the Company issued two additional promissory notes to Clear Think. On January 28, 2025 and March 7, 2025, the Company issued ClearThink promissory notes each in the principal amount of $110,000 and each with a $10,000 original issue discount. Per the terms of the January 28, 2025 note, which matures on October 28, 2025, 6,250 inducement shares of the Company’s Class A Common Stock valued at $15,375 are issuable as of March 31, 2025. and per the terms of the March 7, 2025 note, which matures on December 7, 2025, 10,000 inducement shares valued at $16,000 are issuable as of March 31, 2025.

The January 30, 2024 and August 16, 2024 notes have interest rates of 12% per annum (22 – 24% per annum after the occurrence of an Event of Default, as defined in the notes). The January 3, 2024 note had an interest rate of 22% per annum as a result of the payment default and the May 15, 2024 note originally did not bear interest but as amended had an interest rate of 22% per annum as discussed above. The November 20, 2024, December 31, 2024, January 28, 2025 and March 7, 2025 notes each bore a one-time 10% interest charge upon issuance, which was recorded as additional debt discount, and upon an event of default, as that term is defined in the notes, the outstanding balances 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 12, must be directed toward repayment of the ClearThink notes until they are paid in full. As a result of anti-dilution provisions in the notes, the November 20, 2024, December 31, 2024, January 28, 2025 and March 7, 2025 notes are each convertible into shares of the Company's Class A Common Stock at a conversion price equal to the higher of $1.00 per share and a 10% discount to the lowest volume weighted average price of the Company's Class A Common Stock for the five days prior to conversion, which price was $1.191 per share on March 31, 2025.

During the three months ended March 31, 2025 and 2024, the Company received net cash proceeds from the ClearThink notes of $200,000 and $370,720, respectively, and the Company recorded interest expense of $142,732 and $42,197 respectively, including amortization of debt discounts of $125,361 and $32,575 respectively. As a result of the issuances of ClearThink notes, the Company incurred finder's fees due in cash, common stock warrants and common stock pursuant to finder's fee agreements, which are more fully discussed below. During the three months ended March 31, 2025 and 2024, the Company recorded approximately $28,000 and $34,562 of finder's fees, respectively, as debt discounts on the issuances of 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 20,000 shares of its Class A Common Stock as inducement shares to LGH. The note was convertible into shares of the Company's Class A Common Stock at a conversion price of $3.00 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 20,000 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 36,000 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, 2025, the remaining principal balance of the note and accrued interest was converted into 4,333 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 the Company issued 12,500 shares of its Class A Common Stock as inducement shares to LGH. 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 12,500 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 payable in cash and common stock as additional debt discount.

During the three months ended March 31, 2025, the Company recorded $41,707 of amortization of debt discount as interest expense on the November 15, 2024 LGH note. As a result of the anti-dilution provisions of the November 15, 2024 note, it is convertible into shares of the Company's Class A Common Stock at a conversion price equal to the higher of $1.00 per share and a 10% discount to the lowest volume weighted average price of the Company's Class A Common Stock for the five days prior to conversion, which price was $1.191 per share on March 31, 2025.

*Securities Purchase Agreements Dated April 30, 2024, December 24, 2024 and March 4, 2025 with IG Holdings, Inc.*

On April 30, 2024, the Company entered into a Securities Purchase Agreement with IG Holdings, Inc., an Arizona corporation (“IG”), pursuant to which the Company issued IG a promissory note in the principal amount of $150,000 and received cash proceeds of $100,000 and the Company issued 10,000 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 5,000 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 10,000 inducement shares that were issued to IG per the original terms of the note and the 5,000 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, of $14,000, as additional debt discount. During November 2024, the full $175,000 principal balance of the note and the $20,000 of accrued interest were converted into 41,500 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 issued 10,000 shares of its Class A Common Stock as inducement shares to IG. 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 10,000 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.

On March 4, 2025, the Company entered into a third Securities Purchase Agreement with IG pursuant to which the Company issued to IG a third convertible promissory note in the principal amount of $110,000 and received cash proceeds of $100,000. Per the terms of the note, 10,000 shares of the Company’s Class A Common Stock are issuable as inducement shares. The note, which matures on December 4, 2025, was issued with a $20,000 original issue discount and a one-time 10% interest charge of $11,000. The value of the 10,000 inducement shares that are issuable of $15,700 was recorded as additional debt discount. In addition, the Company recorded finder’s fees of $14,000 payable in shares of the Company’s Class A Common Stock as additional debt discount.

During the three months ended March 31, 2025, $28,233 of amortization of debt discount was recorded as interest expense on the IG notes. As a result of the anti-dilution provisions of the December 24, 2024 and March 4, 2025 notes, they are each convertible into shares of the Company’s Class A Common Stock at a conversion price equal to the higher of $1.00 per share and a 10% discount to the lowest volume weighted average price of the Company’s Class A Common Stock for the five days prior to conversion, which price was $1.191 per share on March 31, 2025.

*1800 Diagonal Lending LLC Notes Payable Dated July 22, 2024 and Security Purchase Agreements Dated November 18, 2024, January 21, 2025 and February 24, 2025*

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% per annum 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 of $21,091 each were due. In January 2025, the Company issued 118,649 shares of its Class A Common Stock upon conversion in full of the outstanding principal balance and accrued interest totaling $173,228.

On November 18, 2024, the Company entered into a Securities Purchase Agreement with 1800 Diagonal pursuant to which 1800 Diagonal agreed to purchase a second promissory note dated November 18, 2024, which is discussed below, as well as additional tranches of financings of up to $750,000 in the aggregate during the next twelve (12) months subject to further agreement by and between the Company and 1800 Diagonal.

On November 18, 2024, the Company issued to 1800 Diagonal a promissory note in the principal amount of $95,580, with an original issue discount of $14,580 plus a one-time interest amount of $11,470 (12% of the original principal amount of $95,580) that was recorded as additional debt discount. The Company received cash proceeds of $81,000 and it paid legal fees of $6,000. In addition, the Company recorded finder's fees of $8,100 payable in shares of the Company's 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 Class A 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% per annum upon an Event of Default.

On January 21, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of $150,650, with an original issue discount of $19,650, plus a one-time interest amount of $18,078 $ (12% of the original principal amount of $150,650) that was recorded as additional debt discount. The Company received cash proceeds of $131,000 and it paid legal fees of $6,000. In addition, the Company recorded finder's fees of $18,340 payable in shares of the Company's Class A common stock as additional debt discount. The note matures on November 30, 2025. Repayment of the 1800 Diagonal note is due in five monthly payments. The first monthly payment is due on July 30, 2025 in the amount of $84,364 and the four subsequent monthly payments due are $21,091 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 Class A common stock, but only in the Event of a Default. Upon an Event of Default, 150% of all amounts owed will be immediately due and payable and the note bears interest at a rate of 22% per annum upon an Event of Default.

On February 24, 2025, the Company issued to 1800 Diagonal a promissory note in the principal amount of $98,900, with an original issue discount of $12,900, plus a one-time interest amount of $13,846 (14% of the original principal amount of $98,900) that was recorded as additional debt discount. The Company received cash proceeds of $86,000 and it paid legal fees of $6,000. In addition, the Company recorded finder's fees of $12,040 payable in shares of the Company's common stock as additional debt discount. The note matures on November 30, 2025. Repayment of the 1800 Diagonal note is due in nine monthly payments of $12,527 beginning on March 30, 2025. Upon an Event of Default, 150% of all amounts owed will be immediately due and payable and the note bears interest at a rate of 22% per annum upon an Event of Default.

During the three months ended March 31, 2025, interest expense on the 1800 Diagonal notes, including amortization of the debt discounts, totaled $57,556.

*Securities Purchase Agreement with Red Road Holdings Corporation Dated October 7, 2024*

On October 7, 2024, pursuant to a Securities Purchase Agreement, the Company issued a promissory note to Red Road Holdings Corporation ("Red Road") in the principal amount of $121,900, and a one-time interest amount of $17,066 (14% of the original principal amount of $121,900), which was recorded as additional debt discount, and the Company received cash of $106,000 and paid legal fees of $6,000. The note was issued with a $15,900 original issue discount and it 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 Class A 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% per annum 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 three months ended March 31, 2025, $46,322 of principal was paid and $11,347 of amortization of debt discount was recorded as interest expense on the Red Road note.

*Securities Purchases Agreements with Lucas Ventures Dated November 18, 2024 and February 14, 2025*

On November 18, 2024, the Company entered into a Securities Purchase Agreement with Lucas Ventures LLC, ("Lucas Ventures") pursuant to which the Company issued to Lucas Ventures a convertible promissory note in the principal amount of $220,000 and received cash proceeds of $200,000 and it agreed to issue 12,500 shares of its Class A Common Stock as inducement shares to Lucas Ventures. 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 12,500 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 three months ended March 31, 2025, amortization of debt discount of $43,900 was recorded as interest expense on the note. On February 14, 2025, the Company entered into a second Securities Purchase Agreement with Lucas Ventures pursuant to which the Company issued to Lucas Ventures a convertible promissory note in the principal amount of $55,000 and received cash proceeds of $50,000 and it issued 5,000 shares of its Class A Common Stock as inducement shares to Lucas Ventures. The note, which matures on November 14, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of $5,500. The value of the 5,000 inducement shares of $11,750 was recorded as an additional debt discount. In addition, the Company recorded finder's fees of $7,000 payable in shares of the Company's Class A Common Stock, as additional debt discount. During the three months ended March 31, 2025, $4,929 of amortization of debt discount was recorded as interest expense on the note. As a result of the anti-dilution provisions, the November 18, 2924 and February 14, 2025 notes are convertible into shares of the Company's Class A Common Stock at a conversion price equal to the higher of $1.00 per share and a 10% discount to the lowest volume weighted average price of the Company's Class A Common Stock for the five days prior to conversion, which price was $1.191 per share on March 31, 2025.

*Convertible Promissory Notes with Jefferson Street Capital LLC Under January 7, 2025 Securities Purchase Agreements*

On January 7, 2025, the Company entered into a Securities Purchase Agreement with Jefferson Street Capital LLC ("JSC") pursuant to which the Company agreed to issue to JSC convertible promissory notes in the principal amount of up to $1,650,000 and up to a total number of shares of the Company's Class A Common Stock as a commitment fee equal to 10% of the purchase price of each of the notes divided by the average VWAP of the Class A Common Stock during the five Trading Days (as defined in the notes) prior to the issuance date of the respective notes. 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) $1.00 or (ii) the 90% of the lowest daily VWAP on any trading day during the five trading days prior to the respective conversion date.

Pursuant to the Securities Purchase Agreement discussed above, on January 7, 2025, the Company issued to JSC a convertible promissory note in the principal amount of $291,500 and 8,696 commitment shares of the Company's Class A Common Stock valued at $26,500. The Company received $265,000 in cash from the issuance and paid issuance fees of $20,000. The note was issued with a $26,500 original issue discount and a one-time interest amount of $29,150 (10% of the original principal amount of $291,500), which was recorded as additional debt discount. The note matures on January 7, 2026. The Company recorded finder's fees of $37,100 payable in shares of the Company's common stock as additional debt discount.

Pursuant to the Securities Purchase Agreement discussed above, on March 6, 2025, the Company issued to JSC a second convertible promissory note in the principal amount of $133,650 and received cash proceeds of $121,500 and it agreed to issue 7,160 commitment shares of the Company's Class A Common Stock valued at $12,150. The note was issued with a $12,650 original issue discount and a one-time interest amount of $13,365 (10% of the original principal amount of $133,650), which was recorded as additional debt discount. The note matures on March 6, 2026. The Company recorded finder's fees of $17,010 payable in shares of the Company's common stock as additional debt discount.

During the three months ended March 31, 2025, $35,855 of amortization of debt discount was recorded as interest expense on the two JSC notes.

*Securities Purchase Agreement with Vista Capital Investment, LLC*

On February 27, 2025, the Company entered into a Securities Purchase Agreement with Vista Capital Investment, LLC, ("Vista Capital") pursuant to which the Company issued to Vista Capital a convertible promissory note in the principal amount of $55,000 and received cash proceeds of $50,000 and it agreed to issue 5,000 shares of its Class A Common Stock as inducement shares to Vista Capital. The note, which matures on November 27, 2025, was issued with a 10% original issue discount and a one-time 10% interest charge of $5,500. The value of the 5,000 inducement shares of $8,400 was recorded as an additional debt discount. In addition, the Company recorded finder's fees of $7,700 payable in shares of the Company's Class A Common Stock as additional debt discount. During the three months ended March 31, 2025, $8,769 of amortization of debt discount was recorded as interest expense on the note. As a result of the anti-dilution provisions, the note is convertible into shares of the Company's Class A Common Stock at a conversion price equal to the higher of $1.00 per share and a 10% discount to the lowest volume weighted average price of the Company's Class A Common Stock for the five days prior to conversion, which price was $1.191 per share on March 31, 2025.

*Finder's Fee Agreement*

Under the terms of a Finder's Fee Agreement dated October 9, 2023, the Company was obligated to pay the finder a cash fee equal to 3 to 7% of the gross proceeds received by the Company from the ClearThink notes payable issued prior to August 22, 2024, the April 28, 2024 LGH note payable and the April 30, 2024 IG note payable and to issue to the finder 5-year warrants to purchase shares of the Company's Class A Common Stock equal to 7% warrant coverage based on the gross proceeds received by the Company from third-party investors introduced to the Company by the finder with an exercise price per share equal to 110% of the gross proceeds (as defined in the Finder's Fee Agreement) or the public market closing price of the Company's Class A Common Stock on the date of the funding, whichever is lower, subject to anti-dilutive price protection and participating registration rights. As a result of the issuances of the ClearThink notes issued prior to August 22, 2024, the April 28, 2024 LGH note payable and the April 30, 2024 IG note payable, the Company was obligated to issue warrants as finder's fees. The warrants are more fully discussed in Note 12. The Finder's Fee Agreement was amended on August 22, 2024 as more fully discussed in Note 12.

**Notes Payable – Related Parties**

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| 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 | 264,565 |
| Note payable to RHI in connection with the acquisition of Myrtle in the original principal amount of $1,610,671 | 891,652 | 617,626 |
| New RCHI Note for the acquisition of RCHI | 1,000,000 | 1,000,000 |
| Total related parties' notes payable | 2,945,950 | 2,671,924 |
| Less current portion of related parties' notes payable | (2,945,950) | (2,671,924) |
| **Total related parties' notes payable, net of current portion** | **$ -** | **$ -** |

*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 was 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"), the proceeds of which was used to pay for the legal fees of Mitchell Silberberg & Knupp LLP, a service provider ("MSK"), through October 2023. The Additional Poole Note accrues interest in arrears at a rate of 13.25% per annum. The Additional Poole Note 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.

*Sponsor Loan*

In order to finance transaction costs in connection with a business combination effective on September 15, 2022, a sponsor or an affiliate of the sponsor loaned Delwinds (a predecessor of the Company) funds for working capital.

*Note Payable to RHI for the Acquisition of Myrtle*

Pursuant to the acquisition of Myrtle as more fully discussed in Note 5, the Company issued a non-interest bearing note payable to RHI in the amount of $0.3 million. The note is due on demand.

*Note Payable to RHI In Connection with Myrtle Acquisition*

The note payable to RHI dated June 13, 2024, in the original principal amount of $1.6 million represented amounts owed by Myrtle to RHI at the time of the acquisition of Myrtle. The acquisition is more fully discussed in Note 5. The note is non-interest bearing, except if not paid by the maturity date of December 31, 2024, in which case the note bears interest at 18% per annum. The note may be increased for any subsequent borrowings made by Myrtle from RHI. During the three months ended March 31, 2025, the Company borrowed $0.3 million under the note and during the year ended December 31, 2024, the Company repaid $1.0 million of the note leaving a principal balance of $0.9 million and $0.6 million on March 31, 2025 and December 31, 2024, respectively. At March 31, 2025, the note is in default and 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 three months ended March 31, 2025, the Company recorded a total of $50,000 of interest expense on the New RCHI Note, as the Company is accruing interest at the default rate. As of March 31, 2025, the Company owes RHI a total of $1.0 million of accrued interest on the RCHI Note and the New RCHI Note.

**Other Loans**

At March 31, 2025 and December 31, 2024, the Company had outstanding $0.5 million and $0.3 million of other loans. These loans were issued under accounts receivable sales agreements. During the three months ended March 31, 2025, the Company entered into an additional other loan in the amount was $0.4 million. The Company received cash of $0.3 million as the loan was issued with a $0.1 million discount. The Company repaid $0.1 million of the loan during the three months ended March 31, 2025. Loan payments of $35,000 per week were due under the loan and all of the weekly payments have not been made as required. Also, when the Company acquired RCHI on September 10, 2024 as more fully discussed in Note 5, it assumed four loans under accounts receivable sales agreements totaling $0.5 million. During the three months ended March 31, 2025, the Company paid in full one of the loans in the amount of $0.1 million and in the year ended December 31, 2024, the Company repaid in full one of the loans. The remaining three loans outstanding at March 31, 2025 are in payment default.

**Note 10 RELATED PARTY TRANSACTIONS**

At March 31, 2025 and December 31, 2024, related parties' payable and accrued expenses consisted of the following:

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Accounts payable to Andrew Poole | 204,774 | 204,774 |
| Accounts payable to InnovaQor | 208,557 | 138,188 |
| Rent payable to a subsidiary of RHI | 338,458 | 648,333 |
| Accounts payable to RHI | 52,226 | - |
| Accrued interest on related parties' notes payable (Note 9) | 952,868 | 900,090 |
| Director fees payable | 85,000 | 50,000 |
| **Related parties' payables and accrued expenses** | $ 1,841,883 | $ 1,941,385 |

In addition to the transactions discussed in Notes 5, 9, 11 and 12, the Company had the following related party activity during the three months ended March 31, 2025 and 2024:

*Management, License and Maintenance Fees Under the KR8 Agreement*

On October 29, 2023, the Company entered into a Letter Agreement with KR8 to develop a Direct-to-Consumer APP (iOS and Android) combining its AI Machine Learning technology to provide a commercial application of FOXO's epigenetic biomarker technology as a subscription consumer engagement platform. Effective January 12, 2024, the Letter Agreement was replaced with the Master Software and Services Agreement between the Licensor and the Company (the "KR8 Agreement"). The Company's Director, Mark White, and 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 were restricted by the terms of a legal settlement agreement, which is more fully discussed in Note 14 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 three months ended March 31, 2024, under the terms of the KR8 Agreement, the Company issued 130,000 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 three months ended March 31, 2024, the Company recorded $250,000 for maintenance fees and minimum royalties under the KR8 Agreement. As of December 5, 2024, the Company had a total of $3.0 million accrued for the initial license and development fees, minimum royalties, maintenance fees, management fees and reimbursable expenses under the KR8 Agreement.

On December 6, 2024, the Company entered into a termination agreement (the "KR8 Termination Agreement") with KR8 pursuant to which 3,000 shares of the Company's Series D Cumulative Convertible Redeemable Preferred Stock (the "Series D Preferred Stock') with a stated value of $1,000 per share were issued to KR8 as full and final satisfaction of the $3.0 million owed to KR8 and the KR8 Agreement was terminated. The 3,000 shares of Series D Preferred Stock also satisfied $0.1 million owed to Mr. White under the Services Agreement discussed below. Effective December 6, 2025, the Company and KR8 entered into Amendment No. 1 to the KR8 Termination Agreement, which clarified that the KR8 Termination Agreement did not terminate the use of the Licensor Products. Certain rights of the License agreement were retained and assigned to the Company's wholly owned subsidiary, FOXO Labs, Inc., that will develop and operate the business associated with epigenetics. The Series D Preferred Stock is more fully discussed in Note 12.

*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.

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.

During the three months ended March 31, 2025, the Company paid $4,951 for a car lease and accrued $30,000 of compensation expense.

*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 during the three months ended March 31, 2025 and they owe InnovaQor $0.2 million as of March 31, 2025. RHI holds preferred stock in InnovaQor and Mr. Lagan is the controlling shareholder of InnovaQor. As of March 31, 2025, SCCH and Myrtle owed $0.3 million to a subsidiary of RHI for rent under facility leases that are more fully discussed in Notes 5 and 11.

**Note 11 RIGHT-OF-USE LEASE ASSETS AND LIABILITIES**

As discussed in Note 5, 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 March 31, 2025 and December 31, 2024:

| | Balance Sheet Classification | March 31, 2025 | December 31, 2024 |
|---|---|---|---|
| Assets: | | | |
| Operating leases | Right-of-use lease assets | $ 3,879,886 | $ 3,982,820 |
| Liabilities: | | | |
| Current: | | | |
| Operating leases | Right-of-use lease liabilities | $ 397,223 | $ 367,474 |
| Noncurrent: | | | |
| Operating leases | Right-of-use lease liabilities | 3,558,289 | 3,667,553 |
| Total right-of-use lease liabilities | | $ 3,955,512 | $ 4,035,027 |
| Weighted average remaining term of operating leases, including option periods expected to renew | | 5.25 years | 5.50 years |
| Discount rate | | 22.0% | 22.0% |

The following table presents certain information related to lease expense for the right-of-use operating leases for the three months ended March 31, 2025 and 2024:

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 |
|---|---|---|
| Right-of-use operating leases amortization [1] | $ 102,934 | $ - |
| Right-of-use operating leases interest expense [2] | $ 220,486 | - |

(1) Expense is included in selling, general and administrative expenses in the unaudited condensed consolidated statement of operations.
(2) Expense is included in interest expense in the unaudited condensed consolidated statements of operations.

The following table presents supplemental cash flow information for the three months ended March 31, 2025 and 2024:

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 |
|---|---|---|
| Operating cash flows for right-of-use operating leases | $ 368,555 | $ - |

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

| | Right-of-Use Operating Leases |
|---|---|
| Twelve months ending: | |
| March 31, 2026 | $ 1,229,545 |
| March 31, 2027 | 1,266,431 |
| March 31, 2028 | 1,304,424 |
| March 31, 2029 | 1,343,557 |
| March 31, 2030 | 1,383,864 |
| Thereafter | 249,437 |
| Total | 6,777,258 |
| | |
| Less interest | (2,821,746) |
| **Present value of minimum lease payments** | 3,955,512 |
| | |
| Less current portion of right-of-use lease liabilities | (397,223) |
| **Right-of-use lease liabilities, net of current portion** | $ 3,558,289 |

## Note 12 STOCKHOLDERS' EQUITY

### 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 March 31, 2025, the Company had outstanding shares of preferred stock consisting of 22,232 shares of its Series A Preferred Stock, 3,307.5 shares of its Series B Preferred Stock, 405 shares of its Series C Cumulative Convertible Redeemable Preferred Stock (the "Series C Preferred Stock") and 4,311.7 shares of its Series D Preferred Stock The Company's outstanding shares of preferred stock do not contain mandatory redemption or other features that would require them to be presented on the balance sheet outside of equity and, therefore, they qualify for equity accounting treatment. See Note 16 Subsequent Events.

*Conversions of Series A Preferred Stock*

No shares of Series A Preferred Stock were issued during the three months ended March 31, 2025. During the three months ended March 31, 2025, the Company issued 146,015 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.

During the three months ended March 31, 2025, the Company recorded $279,395 of undeclared dividends on its Series A Preferred Stock and the total accumulated undeclared dividends were $360,404 as of March 31, 2025. The total stated value and the undeclared dividends of the Series A Preferred Stock at March 31, 2025, of $22.6 million, were convertible into approximately 17.3 million shares of the Company's Class A Common Stock at an assumed conversion price of $1.308 per share.

*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 January 22, 2025, the Company issued 3,457.5 shares of its Series B Preferred Stock under the automatic exchange of its Senior PIK Notes, as more fully discussed in Note 9. The Company recorded a finder's fee of $175,000 in connection with the automatic exchange. Finder's fee agreements are more fully discussed below. During the three months ended March 31, 2025, two holders of Series B Preferred Stock exchanged at total of 150 shares of their Series B Preferred Stock for 225 shares of Series C Preferred Stock, as more fully discussed below, leaving a balance of 3,307.5 shares of Series B Preferred Stock outstanding on March 31, 2025. During the three months ended March 31, 2025, the Company recorded $31,988 of undeclared dividends on its Series B Preferred Stock. The total stated value and the undeclared dividends of the Series B Preferred Stock at March 31, 2025, of $3.3 million, were convertible into approximately 2.6 million shares of the Company's Class A Common Stock at an assumed conversion price of $1.308 per share.

*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 $0.50 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. 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. See Note 16 Subsequent Events.

*Series C Preferred Stock*

During the three months ended March 31, 2025, the Company issued 60 shares of its Series C Preferred Stock to an investor for net cash proceeds of $44,825. Per the terms of this issuance and an issuance to an investor of 120 shares of the Company's Series C Preferred Stock for cash in the fourth quarter of 2024, these investors, who were also holder's of Series B Preferred Stock could exchange their Series B Preferred Stock for shares of Series C Preferred Stock at a premium. The two investors elected to make the exchange. As a result, during the three months ended March 31, 2025, the Company exchanged 150 shares of its Series B Preferred Stock for 225 shares of its Series C Preferred Stock. The Company recorded deemed dividends of $75,000 for the issuances, which represented the difference between the $225,000 stated value of the Series C Preferred Stock issued and the $150,000 stated value of the Series B Preferred Stock exchanged. During the three months ended March 31, 2025, the Company recorded $3,526 of undeclared dividends on its Series C Preferred Stock and the total accumulated undeclared dividends were $3,843 as of March 31, 2025. The total stated value and the accumulated undeclared dividends of the Series C Preferred Stock at March 31, 2025, of $0.4 million, were convertible into approximately 0.3 million shares of the Company's Class A Common Stock at an assumed conversion price of $1.308 per share.

*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 $0.30 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. See Note 16 Subsequent Events.

*Series D Preferred Stock*

No shares of Series D Preferred Stock were issued or converted during the three months ended March 31, 2025 and as noted below, there are no dividends on the Series D Preferred Stock. As of March 31, 2025, the total stated value of the Series D Preferred Stock of $4.3 million was convertible into 3.3 million shares of the Company's Class A Common Stock at an assumed conversion price of $1.308 per share.

*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 $0.30 per share or 90% of the average VWAP for the five trading days prior to the date of the conversion notice, among other terms.

**Class A Common Stock**

As of March 31, 2025 and December 31, 2024, there were 3,423,457 and 2,356,044 shares of the Company's Class A Common Stock issued and outstanding, respectively.

*Common Stock Issued to KR8 under KR8 Agreement*

During the three months ended March 31, 2024, the Company issued 130,000 shares of its Class A Common Stock pursuant to the KR8 Agreement, which is more fully discussed in Note 10.

*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. No shares of the Company's Class A Common Stock were issued under the terms of the Strata Purchase Agreement, as amended, during the three months ended March 21, 2025 and 2024. See Note 16 Subsequent Events.

*Common Stock Issued to MSK Under Shares for Services Agreement*

On September 19, 2023, the Company entered into a Shares for Services Agreement with Mitchell Silberberg & Knupp LLP, a service provider ("MSK"). Pursuant to the Shares for Services Agreement, during the three months ended March 31, 2024, the Company issued MSK 51,103 shares of its Class A Common Stock in full satisfaction of its obligation to MSK under the Shares for Services Agreement.

*Common Stock Issued Under Corporate Development Advisory Agreements*

On March 5, 2024, the Company issued 45,000 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 was providing strategic, financing, capital structure and other guidance and expertise to the Company's management.

*Common Stock Issued/Issuable in Connection with Notes Payable*

During the three months ended March 31, 2025, the Company issued 432,431 shares of its Class A Common Stock for conversions and exchanges of $828,474 of promissory notes payable and related accrued interest. In addition, during the three months ended March 31, 2025, the Company issued 61,196 shares of its Class A Common Stock as inducements and commitment shares under the terms of various promissory notes and it agreed to issue an additional 51,910 shares of its common stock as inducements and commitment shares under the terms of promissory notes. The value of the shares issued and issuable under the terms of and conversions and exchanges of promissory notes are more fully discussed in Note 9.

*Common Stock Issued to Smithline*

During the three months ended March 31, 2025, the Company issued 328,503 shares of its Class A Common Stock in connection with a legal settlement, which is more fully discussed in Note 14 under the heading, *"Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes."*

*Common Stock Issued to J.H. Darbie & Co., Inc.*

During the three months ended March 31, 2025, the Company issued 76,395 shares of its Class A Common Stock to J.H. Darbie & Co., Inc. ("J.H. Darbie") for advisory services and private placement engagement as follows:

Advisory Services

On July 25, 2024, FOXO entered into the advisory agreement with J.H. Darbie pursuant to which J.H. Darbie was engaged as nonexclusive financial adviser. The term of the agreement was six months. As compensation for the services performed under the agreement, the Company issued J.H. Darbie 62,500 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 13,895 shares of its Class A Common Stock effective in January 2025. As additional compensation for the services to be rendered by J.H. Darbie under the Engagement, FOXO agreed to (i) pay a cash fee to J.H. Darbie equal to 3% of the principal amount of the securities to be exchanged and 5% of gross proceeds raised from the sale of the securities to customers of J.H. Darbie; and (ii) issue to J.H. Darbie warrants to purchase a number of shares of the Company's Class A Common Stock equal to the cash fee.

On November 7, 2024, FOXO and J.H. Darbie entered into an amendment to the Engagement pursuant to which the compensation for the services to be rendered by J.H. Darbie was revised to a cash fee equal to $175,000 for advising, 10% of gross proceeds raised from the sale of the securities to customers of J.H. Darbie, and common stock equal to 5% of the cash fee. The common stock issued will have piggyback rights and be priced at the closing price the date the offering closes. Again, on November 22, 2024, FOXO and J.H. Darbie entered into an amendment to the Engagement pursuant to which the scope of the engagement was revised to an exchange of debt from existing lenders of FOXO to equity. Therefore, during the three months ended March 31, 2025, the Company accrued a cash fee of $175,000 in connection with the issuance of its Series B Preferred Stock in exchange for the Senior PIK Notes as more fully discussed above and in Notes 2 and 9. During the three months ended March 31, 2025, 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 9.

*Finder's Warrants Amendment to Finder's Agreement*

Pursuant to the terms of the Finder's Agreement, discussed above, and in connection with a private placement of the Company's Class A Common Stock under the Strata Purchase Agreement during the three months ended December 31, 2023, the Company issued or was obligated to issue to the Finder 2,568 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 $13.24 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 9, the Company was obligated to issue 19,118 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 $3.24 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 44,672 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 44,672 shares of the Company's Class A Common Stock noted above, the Company owed the finder 29,645 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 74,317 shares of its Class A Common Stock as of December 31, 2024. As a result of the notes payable entered into during the three months ended March 31, 2025, the Company is obligated to issue an additional 69,155 shares of its Class A Common Stock to the finder. During the three months ended March 31, 2025, the Company issued 21,286 shares of its Class A Common Stock to the finder leaving a balance of 122,186 finder's fee shares owed and issuable to the finder as of March 31, 2025. The finder's fees owed in connection with notes payable are more fully discussed in Note 9.

**Warrants**

*Public Warrants and Private Placement Warrants*

As of March 31, 2025 and December 31, 2024, the Company had outstanding 100,625 Public Warrants and 3,163 Private Placement Warrants each with an exercise price of $1,150.00 per share and each expiring on September 15, 2027 or earlier upon redemption or liquidation. The Public Warrants and Private Placement Warrants are more fully described in Note 13 to the Company's consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2024. At March 31, 2025 and December 31, 2024, the fair values of the Public Warrants and Private Placement warrants were $9,652 and $41,246, respectively.

*Assumed Warrants*

Effective September 15, 2022, the Company consummated a business combination. At the closing of the business combination, the Company assumed warrants, referred to as the Assumed Warrants. The Assumed Warrants included down round provisions that should the Company issue common stock or common stock equivalents, excluding certain exempt issuances, for consideration of less than the then exercise price per share, then the exercise price of the Assumed Warrants shall be lowered to the new consideration amount on a per share basis with a simultaneous and corresponding increase in the number of warrants. As a result of a triggering event in 2023, as of December 31, 2023, 200,785 Assumed Warrants were outstanding with an exercise price of $8.00 per share.

On February 23, 2024, 59,888 Assumed Warrants expired by their terms and on February 24, 2024, and Assumed Warrants exercisable into 140,897 shares of the Company's Common Stock were extended until February 23, 2025, in connection a legal settlement as more fully discussed in Note 14 under the heading, "*Smithline Family Trust II vs. FOXO Technologies Inc. and Jon Sabes.*"). On February 24, 2024, the Company issued its Class A Common Stock to Tysadco Partners, as more fully discussed above, which triggered the down round provisions of the Assumed Warrants. As a result, as of March 31, 2024, the Assumed Warrants were exercisable into 331,523 shares of the Company's Common Stock with an exercise price of $3.40 per share. The incremental value of the modifications to the Assumed Warrants as a result of the trigger of the down round provisions and the extension of the expiration date was $0.7 million and was recorded as a deemed dividend in the three months ended March 31, 2024. The incremental value was measured using the Black Scholes valuation model with following assumptions: risk free rate of 4.74%, volatility of 158.57%, term of 1 year and expected dividend yield of $0.

As a result of two additional triggers of the down round provisions during the remainder of 2024, as of December 31, 2024, the Assumed Warrants were exercisable into 472,651 shares of the Company's Class A Common Stock with an exercise price of $2.16 per share. Partially offsetting the increase in the number of outstanding Assumed Warrants on December 31, 2024, was the exchange of 31,250 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 14.

During February 2025, three additional triggers of the down round provisions of the Assumed Warrants occurred as a result of two conversions of Series A Preferred Stock into the Company's Class A Common Stock and the conversion prices of the Company's preferred stock on February 23, 2025. The incremental value of the modifications to the Assumed Warrants as a result of the triggers of the down round provisions during February 2025 resulted in deemed dividends of $0.1 million in the three months ended March 31, 2025. The incremental values were measured using the Black Scholes valuation model with the following assumptions: risk free rates ranging from 4.24% to 4.25%, volatility ranging from 3.47% to 67.32%, terms of 1 to 18 days and expected dividend yield of $0. On February 23, 2025, the 527,148 Assumed Warrants with an exercise price of $1.937 per share expired per their terms.

## Note 13 BUSINESS SEGMENTS

The Company manages and classifies 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. The Company's innovative biomarker technology enables the adoption of new saliva-based health and wellness biomarker solutions. The Company's research demonstrates that epigenetic biomarkers, collected from saliva, provide measures of individual health and wellness for the factors used in life insurance underwriting traditionally obtained through blood and urine specimens.

The primary income measure used for assessing segment performance and making operating decisions is income (losses) before interest, income taxes, and depreciation and amortization 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, our Chief Operating Decision Maker ("CODM") begun to consider segment assets when making decisions and allocating resources. Assets by segment as of March 31, 2025 and December 31, 2024 were as follows:

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Healthcare | $ 41,657,632 | $ 41,399,346 |
| Labs and Life | 16,503 | 26,646 |
| Corporate and other | 204,317 | 282,079 |
| Total assets | $ 41,878,452 | $ 41,708,071 |

Summarized below is information about the Company's operations for the three months ended March 31, 2025 and 2024 by business segment:

| | Revenues | | Earnings/(Losses) | |
|---|---|---|---|---|
| | **Three Months Ended March 31, 2025** | **Three Months Ended March 31, 2024** | **Three Months Ended March 31, 2025** | **Three Months Ended March 31, 2024** |
| Healthcare | $ 3,161,431 | $ - | $ (844,598) | $ - |
| Labs and Life | 8,489 | 7,180 | (23,005) | (159,450) |
| | | | **(867,603)** | **(159,450)** |
| Corporate and other (a) | - | - | 1,140,937 | (1,042,628) |
| Interest expense | - | - | (889,792) | (301,912) |
| **Total** | **$ 3,169,920** | **$ 7,180** | **$ (616,458)** | **$ (1,503,990)** |

(a) For the three months ended March 31, 2025, Corporate and other includes a $1.9 million gain from extinguishment of Senior PIK Notes, stock-based compensation, including amortization of consulting fees paid in stock, of $0.1 million and depreciation and amortization expense of $2,257. For the three months ended March 31, 2024, Corporate and other includes stock-based compensation, including amortization of consulting fees paid in stock, of $0.1 million and depreciation and amortization expense of $0.3 million.

## Note 14 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 condensed consolidated statements of operations during the period of the change and appropriately reflected in the condensed consolidated balance sheets.

*Legal Proceedings*

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

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

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

On May 28, 2024, the Company, entered into an Exchange Agreement, as amended, with Smithline, terminating on February 23, 2025, pursuant to which Smithline exchanged Assumed Warrants to purchase up to 31,250 shares, as adjusted, of the Company's Common Stock, for the right to receive up to 1,308,751 shares of the Company's Class A Common Stock (the "Rights Shares"), subject to a 4.99% beneficial ownership limitation and issued without any restrictive legends. The Assumed Warrants, which are more fully discussed in Note 12, expired on February 23, 2025. As of March 31, 2025, the Company issued 652,400 Rights Shares to Smithline, including 328,503 shares that were issued in the three months ended March 31, 2025. Although Smithline has continued to convert debt to equity under the Exchange Agreement and has reduced the liability from $2.3 million on May 28, 2024 to $0.8 million at March 31, 2025, 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 balance remaining outstanding to Smithline at May 16, 2025 is $526,332.

*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.

*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 March 31, 2025 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 15 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

The supplemental cash flow information for the three months ended March 31, 2025 and 2024 is as follows:

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 |
|---|---|---|
| **Non-cash investing and financing activities:** | | |
| Related party payable for purchase of intangible asset | $ - | $ 2,122,090 |
| Class A Common Stock issued to KR8 for purchase of intangible asset under KR8 Agreement | $ - | $ 378,040 |
| Series B Preferred Stock issued in exchange for note payable, net of finder's fees | $ 3,282,500 | $ - |
| Deemed dividends from issuances of preferred stock and triggers of down round provisions and extension of Assumed Warrants | $ 172,125 | $ 656,164 |
| Preferred stock dividends – undeclared | $ 314,909 | $ - |
| Warrants issuable for finder's fees in connection with promissory notes | $ - | $ 17,147 |
| Class A Common Stock issued for legal settlement | $ 570,663 | $ - |
| Class A Common Stock issued for conversions and exchanges of notes payable | $ 828,474 | $ - |
| Class A Common Stock issued/issuable under the terms of notes payable | $ 106,475 | $ - |
| Common stock issuable to finder for finder's fees | $ 141,190 | $ - |

**Note 16 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.

*Smithline Share Issuances*

The Company continues to issue shares of its Class A Common Stock to Smithline under the Exchange Agreement, as amended, which is fully described in Note 14. The Company issued 354,841 shares of its Class A Common Stock to Smithline during the period April 1, 2025 to May 16, 2025, for a $264,928 reduction of the amount owed to Smithline. The balance remaining to be paid to Smithline at May 16, 2025 was $526,332.

*Issuances of Series A Preferred Stock to Institutional Investor*

Subsequent to March 31, 2025, pursuant to Securities Purchase Agreements, the Company issued shares of its Series A Preferred Stock, which are more fully discussed in Note 12, as follows:

- On April 4, 2025, the Company issued 375 shares of its Series A Preferred Stock to an institutional investor and received gross cash proceeds of $325,000;
- On April 15, 2025, the Company issued 275 shares of its Series A Preferred Stock to an institutional investor and received gross cash proceeds of $275,000;
- On May 8, 2025, the Company issued 550 shares of its Series A Preferred Stock to an institutional investor and received gross cash proceeds of $550,000; and
- On May 19, 2025, the Company issued 550 shares of its Series A Preferred Stock to an institutional investor and received gross cash proceeds of $550,000.

*Amended and Restated Strata Purchase Agreement*

On May 15, 2025, the Company amended and restated the Strata Purchase Agreement that was previously entered into between the Company and ClearThink Capital Partners, LLC., to extend the maturity date to June 30, 2026 and improve and simplify the Purchase Price to define the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period.

*Amendments to Series B Preferred Stock and Series C Preferred Stock Certificates of Designation*

On May 15, 2025, the Company amended the certificates of designation of its Series B and Series C preferred stock to remove an automatic conversion at 24 months after issuance to ensure the shares are treated as equity on the Company's balance sheet.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*References to the "Company," "FOXO," "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. You should read the following discussion of our financial condition and results of operations in conjunction with the unaudited condensed consolidated financial statements and the related notes included elsewhere in this Form 10-Q and with our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC. In addition to our historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below. 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 events occur in the future.*

### *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 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 use disorder treatments and services that are provided on either an inpatient, residential basis or an outpatient basis. RCHI's hospital, SCCH, doing business as 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.

***Recent and Other Developments***

**Reverse Stock Split**

On April 17, 2025, the Company's board of directors (pursuant to a previously-obtained shareholder approval) approved an amendment to its Second Amended and Restated Certificate of Incorporation, as amended (the "**Charter Amendment**"), to implement a 1-for-10 reverse stock split, such that every 10 shares of Common Stock will be combined into one issued and outstanding share of Common Stock, with no change in the $0.0001 par value per share (the "**Reverse Stock Split**").

The Reverse Stock Split was effective at 4:01 p.m., Eastern Time, on April 28, 2025. Trading reopened on April 29, 2025, which is when our Class A Common Stock began trading on a post reverse stock split basis. All share information included in this 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 102,363 shares of its Class A Common Stock to RHI on July 17, 2024. In addition to the $0.3 million promissory note issued to RHI for a portion of the purchase price of Myrtle, Myrtle issued a promissory note payable to RHI dated June 13, 2024, in the original principal amount of $1.6 million, which represented the amount owed to RHI by Myrtle at the time of the sale of Myrtle to the Company.

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

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 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**") (subject to adjustment). The RCHI Note had a maturity date of September 10, 2026 and accrued interest on any outstanding principal amount at the rate of 8% per annum for the first six months, increasing to 12% per annum thereafter. After maturity, interest accrued at a rate of 20% per annum. The RCHI Note required principal repayments equal to 10% of the free cash flow (net cash from operations less capital expenditures) from RCHI and SCCH.

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

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, our former interim chief executive officer, (the "**Services Agreement**").

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

**KR8 Termination Agreement**

On December 6, 2024, we entered into the Termination Agreement with KR8, pursuant to which 3,000 shares 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 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 Big South Fork Medical Center **("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 concentrating our efforts on: (1) our Bioinformatics Services offering, a suite of bioinformatic tools to help researchers process, analyze, and interpret epigenetic data; and (2) research and development in the fields of health and wellness testing powered by machine learning and artificial intelligence (including a potential AI platform for the delivery of health and well-being data-driven insights to individuals, healthcare professionals and third-party service providers). To further these goals, we intend to leverage the extensive epigenetic data we have generated in our clinical trials and the expertise of our team and continue building strategic alliances with new partners in academia, business, healthcare and government. We also intend to frequently evaluate and develop commercialization opportunities for our product and service offerings and our research findings.

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. In 2023, we our Underwriting Report and Longevity Report were impaired as the projected cash flows no longer supported these intangible assets.

**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 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 use disorder treatments, including inpatient and outpatient services. Labs currently recognizes revenue from residual life commissions, providing epigenetic testing services and collecting a royalty from Illumina, Inc. related to the sales of the Infinium Mouse Methylation Array.

**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 data processing, quality checking, and data analysis services 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.

***Results of Operations***

**Three Months Ended March 31, 2025 and 2024**

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 | Change in $ | Change in % |
|---|---|---|---|---|
| Net revenues | $ 3,169,920 | $ 7,180 | $ 3,162,740 | NM% |
| Operating expenses: | | | | |
| Direct costs of revenues | 1,903,936 | - | 1,903,936 | 100.00% |
| Research and development | 30,000 | 165,360 | (135,360) | -81.86% |
| Management contingent share plan | 18,878 | 32,551 | (13,673) | -42.00% |
| Selling, general and administrative | 2,764,086 | 987,937 | 1,776,149 | 179.78% |
| Total operating expenses | 4,716,900 | 1,185,848 | 3,531,052 | 297.77% |
| Loss from operations | (1,546,980) | (1,178,668) | (368,312) | 31.25% |
| Change in fair value of warrant liabilities | 31,594 | 9,090 | 22,504 | 247.57% |
| Gain from extinguishment of Senior PIK Notes | 1,863,834 | - | 1,863,834 | 100.00% |
| Interest expense | (889,792) | (301,912) | (587,880) | 194.72% |
| Other non-operating expenses, net | (79,464) | (32,500) | (46,964) | 144.50% |
| Provision for income taxes | - | - | - | 0.00% |
| Net loss, including noncontrolling interest | (620,808) | (1,503,990) | 883,182 | -58.72% |
| Noncontrolling interest | 4,350 | - | 4,350 | 100.00% |
| Net loss attributable to FOXO | (616,458) | (1,503,990) | 887,532 | -59.01% |
| Preferred stock dividends -undeclared and deemed dividends | (487,034) | (656,164) | 169,130 | -25.78% |
| Net loss to common stockholders | $ (1,103,492) | $ (2,160,154) | $ 1,056,662 | -48.92% |

***Net revenues.*** Net revenues were $3.2 million for the three months ended March 31, 2025, compared to $7,180 for the three months ended March 31, 2024. Myrtle, acquired on June 14, 2024 and RCHI, acquired on September 10, 2024, contributed $0.5 million and $2.7 million of the net revenues, respectively. Labs and Life's net revenues were $8,489 and $7,180 for the three months ended March 31, 2025 and 2024, respectively.

***Direct Costs of Revenues.*** Direct costs of revenues were $1.9 million for the three months ended March 31, 2025. There were no direct costs of revenues for the three months ended March 31, 2024. The direct costs of revenue for the three months ended March 31, 2025 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 $30,000 for the three months March 31, 2025, compared to $0.2 million for the three months ended March 31, 2024. The decrease was due to research and development projects that are no longer ongoing.

***Management Contingent Share Plan.*** Management Contingent Share Plan expense was $18,878 for the three months ended March 31, 2025 compared to an expense of $32,551 for the three months ended March 31, 2024. The expense for the three months ended March 31, 2025 resulted from the partial vesting of the 333 Management Contingent Share Plan shares that remain outstanding under the plan. These shares fully vest on September 15, 2027. During the three months ended March 31, 2024, 1,500 shares partially vested, offset by 67 shares that were forfeited under the plan.

***Selling, General and Administrative.*** Selling, general and administrative expenses were $2.8 million for the three months ended March 31, 2025, compared to $1.0 million for the three months ended March 31, 2024. The increase of $1.8 million, or 179.78%, was primarily due to $1.6 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 Liabilities.*** The fair value of the warrant liabilities decreased by $31,594 for the three months ended March 31, 2025, compared to a decrease in fair value of $9,090 for the three months ended March 31, 2024. The change was attributable to a reduction in the quoted price of the Public Warrants at March 31 2025 versus March 31, 2024. The warrants are listed on the OTC Pink Marketplace.

***Gain from Extinguishment of Senior PIK Notes.*** During the three months ended March 31, 2025, we exchanged $5.4 million of Senior PIK Notes, which included $1.9 million of accrued interest, for $3.5 million of stated value of our Series B Preferred Stock resulting in a gain of $1.9 million.

***Interest Expense.*** Interest expense was $0.9 million for the three months ended March 31, 2025 compared to $0.3 million for the three months ended March 31, 2024. The increase was attributable to the increase in notes payable during the three months ended March 31, 2025 compared to the 2024 period.

***Other Non-Operating Expenses, Net.*** Other non-operating expenses, net were $0.1 million for the three months ended March 31, 2025, compared to other non-operating expenses, net of $32,500 for the three months ended March 31, 2024. The other non-operating expenses, net in the three months ended March 31, 2025 resulted primarily from $0.2 million of penalties and interest for nonpayment of payroll taxes, partially offset by hospital cafeteria income of $0.1 million. The other non-operating expenses, net in the three months ended March 31, 2024 were for other taxes.

***Net Loss Attributable to FOXO.*** Net loss attributable to FOXO was $0.6 million for the three months ended March 31, 2025 compared to a loss of $1.5 million for the three months ended March 31, 2024. The $0.9 million improvement was primarily due to the gain from extinguishment of Senior PIK Notes of $1.9 million, partially offset by an increase in loss from operations of $0.4 million and an increase in interest expense of $0.6 million in the three months ended March 31, 2025 compared to the three months ended March 31, 2024. Additionally, we recorded $0.5 million of undeclared and deemed dividends from the issuances of preferred stock and the triggers of the down round provisions of the Assumed Warrants in the three months ended March 31, 2025 compared to deemed dividends of $0.7 million related to the triggers of the down round provisions and extension of the Assumed Warrants during the three months ended March 31, 2024. The undeclared and deemed dividends resulted in net loss to common stockholders of $1.1 million and $2.2 million for the three months ended March 31, 2025 and 2024, respectively.

***Analysis of Segment Results:***

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

***Healthcare***

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 | Change in $ | Change in % |
|---|---|---|---|---|
| Total revenues | $ 3,161,431 | $ - | $ 3,361,431 | NM% |
| Operating expenses | (4,010,379) | - | (4,010,379) | NM% |
| Noncontrolling interest | 4,350 | - | 4,350 | NM% |
| Segment Loss | $ (844,598) | $ - | $ (844,598) | NM% |

NM = Not Meaningful

***Net revenues.*** Net revenues were $3.2 million for the three months ended March 31, 2025 and represent the net revenues of Myrtle of $0.5 million and the net revenues of RCHI of $2.7 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 $0.8 million for the three months ended March 31, 2025 and represents the losses of Myrtle and RCHI.

***Labs and Life***

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 | Change in $ | Change in % |
|---|---|---|---|---|
| Total revenues | $ 8,489 | $ 7,180 | $ 1,309 | 18.23% |
| Operating expenses | (31,494) | (166,630) | (135,136) | 81.10% |
| Segment Loss | $ (23,005) | $ (159,450) | $ (136,445) | 85.57% |

***Net revenues.*** Net revenues were $8,489 for the three months ended March 31, 2025 compared to $7,180 for the three months ended March 31, 2024, an increase of $1,309 from royalty income.

***Segment Loss.*** Segment loss decreased to $23,005 for the three months ended March 31, 2024 from $0.2 million for the three months ended March 31, 2024. The decrease was driven by research and development projects that are no longer ongoing.

***Liquidity and Capital Resources***

We had cash and cash equivalents of $16,907 and $68,268 as of March 31, 2025 and December 31, 2024, respectively. We have incurred net losses since our inception. For the three-months ended March 31, 2025 and 2024, we incurred net losses to common stockholders of $1.1 million and $2.2 million, respectively. As of March 31, 2025, we had a working capital deficit of $25.5 million. We expect to incur additional losses in future periods. Our current revenue and operating cash flow is not adequate to fund our operations in the next twelve months and requires us to fund our business through other sources until the time we achieve adequate scale. Securing additional capital is necessary to execute our business strategy.

Private Placements

During the fourth quarter of 2023, we entered into the Strata Purchase Agreement with ClearThink, as supplemented by that certain Supplement to Strata Purchase Agreement, dated as of October 13, 2023, by and between us and ClearThink. On August 13, 2024, we entered into Amendment No. 1 to the Strata Purchase Agreement pursuant to which the commitment amount was increased from $2.0 million to $5.0 million. On May 15, 2025, we amended and restated the Strata Purchase Agreement to extend the maturity date to June 30, 2026 and improve and simplify the Purchase Price to define the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period.

Third Party Promissory Notes Payable

During the year ended December 31, 2024, we issued to third parties 17 promissory notes with principal balances totaling $5.0 million and one-time interest expense totaling $0.1 million and we received net cash proceeds from the issuances totaling $4.1 million. During the year ended December 31, 2024, we exchanged $2.2 million of the promissory notes issued in 2024 for 2,464 shares of our Series A Preferred Stock with a stated value of $1,000 per share. In addition, during the year ended December 31, 2024, $0.6 million of the principal balances of three of the promissory notes issued during 2024 and $61,745 of associated accrued interest were converted into 208,082 shares of our Class A Common Stock pursuant to the conversion terms of such notes. During the three months ended March 31, 2025, $0.7 million principal balance of the third-party notes issued in 2024, including accrued interest, were converted and exchanged into 332,431 shares of our Class A Common Stock.

During the three months ended March 31, 2025, we entered into nine third party promissory notes with principal balances totaling $1.1 million and one-time interest expense totaling $0.1 million and we received net cash of $1.0 million. In addition, in February 2025, the Western Note Payable (the "**Western Note"**), which we assumed when we acquired SCCH, was sold to a new holder and it was amended and restated. Per the terms of the amendment and restatement, the principal balance of the note, which included previously accrued interest expense, totaled $1.1 million, the maturity date 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. During the three months ended March 31, 2025, we issued 100,000 shares of our Class A Common Stock upon conversion of $0.1 million principal balance of the Western Note.

At March 31, 2025, $2.8 million of the outstanding principal balance and $0.2 million of associated one-time accrued interest of 13 third-party promissory notes were convertible into 2.5 million shares of our Class A Common Stock per the conversion terms the notes. Three other promissory notes outstanding at March 31, 2025, were convertible but only in the event of an event of default as that term is defined in the applicable agreements and three other outstanding third party promissory notes are not convertible. As of March 31, 2025, the total principal balance of third-party promissory notes payable as presented on the accompanying unaudited condensed consolidated balance sheet was $2.6 million, which was net of $0.8 million of debt discounts. In addition, $0.3 million of accrued interest was owed on these notes. Each of these notes is more fully discussed in the footnotes to the accompanying unaudited condensed consolidated financial statements.

Related Party Promissory Notes Payable

On September 10, 2024, we issued a note payable that had a maturity date of September 10, 2026 to RHI in the principal amount of $22.0 million for the purchase of RCHI. During December, 2024, we exchanged $21.0 million of the promissory note owed to RHI for 21,000 shares of our Series A Preferred Stock with a stated value of $1,000 per share and we issued to RHI a new promissory note in the principal amount of $1.0 million due on June 5, 2025.

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 in the original amount of $1.6 million, which was the amount owed by Myrtle to RHI on the date that we acquired Myrtle, which balance has been reduced to $0.9 million as of March 31, 2025, and we have outstanding at March 31, 2025, 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 accompanying unaudited condensed consolidated financial statements.

Preferred Stock

In addition to the issuances of shares of Series A Preferred Stock for the exchange of third party and RHI notes payable as discussed above, during the year ended December 31, 2024, we issued 120 shares of our Series C Preferred Stock with a stated value of $1,000 per share for net cash proceeds of $0.1 million and we issued 4,311.7 shares of our Series D Preferred Stock with a stated value of $1,000 per share for $4.2 million of accounts payable and accrued expenses. During December 2024, 924 shares of our Series A Preferred Stock were converted into 357,330 shares of our Class A Common Stock and during the three months ended March 31, 2025, 308 shares of our Series A Preferred Stock were converted into 146,015 shares of our Class A Common Stock.

On February 28, 2025, an investor purchased 60 shares of Series C Preferred Stock for net cash proceeds of $44,825 and in doing so exchanged 50 shares of Series B Preferred Stock for 75 shares of Series C Preferred Stock.

On April 12, 2025, we issued 375 shares of Series A Preferred Stock to an institutional investor in return for gross proceeds of $325,000. On April 15, 2025, we issued an additional 275 shares of Series A Preferred Stock to the institutional investor for gross proceeds of $275,000, on May 8, 2025, we issued an additional 550 shares of Series A Preferred Stock to the institutional investor for gross proceeds of $550,000 and on May 19, 2025, we issued an additional 550 shares of Series A Preferred Stock to the institutional investor for gross proceeds of $550,000.

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 March 31, 2025, 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 unaudited condensed consolidated financial statements 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 March 31, 2025 and December 31, 2024:

| | March 31, 2025 | December 31, 2024 | Change |
|---|---|---|---|
| Cash | $ 16,907 | $ 68,268 | $ (51,361) |
| Working capital deficit | (25,462,974) | (29,846,195) | 4,383,223 |
| Total debt, net of discounts of $841,572 and $678,925 | 6,000,921 | 10,219,905 | (4,218,985) |
| Total stockholders' equity | 9,652,846 | 5,271,811 | 4,381,035 |

***Cash Flows***

The following table summarizes our cash flow data for the three months ended March 31, 2025 and 2024:

| | Cash Provided by/ (Used in) | |
|---|---|---|
| **Three Months Ended March 31,** | **2025** | **2024** |
| Operating Activities | $ (1,337,591) | $ (406,302) |
| Investing Activities | $ - | $ - |
| Financing Activities | $ 1,286,230 | $ 370,720 |

*Operating Activities*

The net cash used in operations in the three months ended March 31, 2025 was $1.3 million, or $0.9 million more than the $0.4 million of cash used in operations during the three months ended March 31, 2024. While the net loss, including noncontrolling interest, improved to $0.6 million in the three months ended March 31, 2025 compared to a net loss, including noncontrolling interest of $1.5 million for the three months ended March 31, 2024, $1.9 million of the improvement was due to the noncash gain from extinguishment of the Senior PIK Notes. Excluding the noncash gain from extinguishment of the Senior PIK Notes, the net loss, including noncontrolling interest, was $2.5 million or $1.0 million more than the comparable 2024 period resulting in more cash used in operations in the three months ended March 31, 2025.

*Investing Activities*

We did not have cash flows from investing activities in the three months ended March 31, 2025 and March 31, 2024.

*Financing Activities*

Net cash provided by financing activities for three months ended March 31, 2025 was $1.3 million compared to $0.4 million for the three months ended March 31, 2024. Net cash provided by financing activities for the three months ended March 31, 2025, included $1.0 million and $0.3 million from the issuances of third party notes payable and borrowings under a related party note payable, respectively, $0.3 million from other loans and $44,825 from the issuance of shares of preferred stock, partially offset by $0.2 million of payments on other loans and $46,322 of payments of a note payable. Net cash provided by financing activities for the three months ended March 31, 2024, included $0.4 million from promissory notes.

***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 1. Financial Statements*" and related disclosures in conformity with U.S. GAAP. The preparation of these unaudited condensed 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 three months ended March 31, 2025, estimated contractual allowances and implicit price concessions of $17.5 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 three months ended March 31, 2025, the Company recorded healthcare net revenues of $3.2 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 three months ended March 31, 2024.

The Company has recorded minor amounts of revenues from its Labs and Life segment during the three months ended March 31, 2025 and 2024. 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 non-employees in the form of stock options and restricted stock. We measure and recognize all equity-based payments to employees, service providers and board members at fair value. The cost of services received from employees and non-employees in exchange for awards of equity instruments is recognized in the consolidated statements of operations based on the estimated fair value of those awards on the grant date or reporting date, if required to be remeasured, and amortized on a straight-line basis over the requisite service period. We recognize forfeitures as incurred. We utilize a Black-Scholes valuation model to estimate the fair value of stock options and this model requires the input of assumptions, including the exercise price, volatility, expected term, discount rate, and the fair value of the underlying 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 three months ended March 31, 2025 and 2024 however, we had forfeitures during the three months ended March 31, 2024. We also had forfeitures of restricted stock awards during the three months ended March 31, 2024.

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 adopted ASU 2023-09 effective January 1, 2025 and will apply a retrospective approach to all prior periods presented in our annual financial statements for the year ended December 31, 2025. 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, 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 and cyber security risks. 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 3. 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 4. CONTROLS AND PROCEDURES

***Evaluation of Disclosure Controls and Procedures***

Disclosure controls and procedures are controls and other procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our principal executive officer and our principal financial and accounting officer (the "**Certifying Officers**"), or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

In our Annual Report on Form 10-K for the year ended December 31, 2024, we identified material weaknesses in our internal control over financial reporting. Insufficient staffing, accounting processes and procedures led to a lack of contemporaneous documentation supporting the accounting for certain transactions. There are risks related to the timing and accuracy of the integration of information from our various accounting systems. Based on these material weaknesses in internal control over financial reporting, management concluded the Company did not maintain effective internal control over financial reporting as of December 31, 2024. As of March 31, 2025, we concluded that these material weaknesses continued to exist.

Under the supervision and with the participation of our management, including our Certifying Officers, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on the foregoing, our Certifying Officers concluded that our disclosure controls and procedures were not effective as of March 31, 2025.

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

***Changes in Internal Control over Financial Reporting***

There have been no changes in the Company's internal control over financial reporting, as defined in Rules 13a-15(f) of the Exchange Act, during the Company's quarter ended March 31, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

***Limitations on Effectiveness of Controls and Procedures***

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

## PART II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

From time-to-time, the Company may be involved in a variety of claims, lawsuits, investigations and proceedings related to contractual disputes, employment matters, regulatory and compliance matters, intellectual property rights and other litigation arising in the ordinary course of business. The Company operates in a highly regulated industry which may inherently lend itself to legal matters. Management is aware that litigation has associated costs and that results of adverse litigation verdicts could have a material effect on the Company's financial position or results of operations. Management, in consultation with legal counsel, has addressed known assertions and predicted unasserted claims, which are presented in Note 14 to the accompanying unaudited condensed consolidated financial statements.

### ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, Item 1A of our 2024 Form 10-K, which could materially affect our business, financial condition, or future results. There have been no material changes to the risk factors previously disclosed in our 2024 Form 10-K.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

*Shares Issued Under Smithline Exchange Agreement*

The Company issued 119,103 shares of Class A Common Stock in January 2025, 75,350 shares of Class A Common Stock in February 2025, and 134,050 shares of Class A Common Stock in March 2025 pursuant to the Exchange Agreement dated May 28, 2024 with Smithline Family Trust II.

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

*Convertible Promissory Notes and Commitment Shares*

On January 21, 2025, we entered into a Securities Purchase Agreement with 1800 Diagonal, pursuant to which we issued to 1800 Diagonal a convertible promissory note in the initial principal amount of $168,728. The note has a beneficial ownership limitation of 4.99%.

On January 28, 2025, we entered into a Securities Purchase Agreement with ClearThink, pursuant to which we issued to ClearThink a convertible promissory note in the initial principal amount of $121,000 and 6,250 shares of Class A Common Stock are issuable as inducement shares to ClearThink. The note has a beneficial ownership limitation of 4.99%.

On February 24, 2025, we entered into a Securities Purchase Agreement with 1800 Diagonal, pursuant to which we issued to 1800 Diagonal a convertible promissory note in the initial principal amount of $112,746. The note has a beneficial ownership limitation of 4.99%.

On January 7, 2025, we 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 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 8,696 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 7,160 commitment shares of the Company's Class A Common Stock were issued pursuant to this issuance.

The securities issued above were made in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D under the Securities Act, based in part on the representations of the investors. There were no sales commissions paid pursuant to these transactions.

*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.

Three notes were issued on February 27, March 4, and March 7, 2025, respectively, pursuant to this totalling $302,500 and 25,000 commitment shares of the Company's Class A Common Stock are issuable pursuant to these note issuances.

The securities issued above were made in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D under the Securities Act, based in part on the representations of the investors.

*Shares Issued Pursuant to Note Conversions*

On January 2, 2025, ClearThink was issued 65,248 shares of Class A Common Stock pursuant to a note conversion.

On January 15, 2025, we issued 4,334 shares of our Class A Common Stock in exchange for the balance of our promissory note issued to LGH Investments on April 3, 2024.

In January 2025, we issued 118,650 shares of our Class A Common Stock in exchange for the balance of our promissory note issued to 1800 Diagonal on July 22, 2024.

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

*Shares Issued Pursuant to Finder's Fee Agreement*

On January 13, 2025, we issued to J.H. Darbie & Co., Inc. 21,286 shares of Class A Common Stock pursuant to the Finder's Fee Agreement and 1,587 share of Class A Common Stock were issued for services provided under a placement agreement.

The securities issued above were made in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D under the Securities Act, based in part on the representations of the investor. There were no sales commissions paid pursuant to this transaction.

*Shares Issued Pursuant to Exchange Agreements*

On January 3, 2024, we issued to ClearThink a promissory note in the principal amount of $75,000. On January 3, 2025, we entered into an Exchange Agreement with ClearThink pursuant to which the note was exchanged for 32,475 shares of Class A Common Stock.

On January 30, 2024, we issued to ClearThink a promissory note in the principal amount of up to $750,000 ($408,000 of which funded). On January 10, 2025, we entered into an Exchange Agreement with ClearThink pursuant to which $200,000 owing under the note was exchanged for 77,322 shares of Class A Common Stock. On January 27, 2025, we entered into an Exchange Agreement with ClearThink pursuant to which $250,000 owing under the note was exchanged for 96,652 shares of Class A Common Stock. On March 18, 2025, we entered into an Exchange Agreement with ClearThink pursuant to which the remaining $241,380 owing under the note was exchanged for 160,920 shares of Class A Common Stock.

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

*Shares Issued Pursuant to Silverback Note*

On August 10, 2021, SCCH and RHI issued a convertible promissory note to Western Healthcare, LLC in the principal amount of $1,583,007. On February 26, 2025, the outstanding balance of the note was assigned/sold by Western Healthcare, LLC to Silverback Capital Corporation. We have assumed all obligations and liabilities under the note by issuing the Amended and Restated Convertible Promissory Note in the principal amount of $1,080,357 issued to the Silverback (the "**Silverback Note**"). The Silverback Note is convertible, in whole or in part, into shares of Common Stock, at 90% (representing a discount rate of 10%) multiplied by the average VWAP of the five trading days immediately prior to the date the Conversion Notice is tendered by the holder. The Silverback Note shall bear no interest and the principal will be due and payable on February 26, 2026.

As of May 15, 2025, we had issued an aggregate of 633,160 shares of Common Stock to Silverback pursuant to conversions of the Silverback Note and a balance of $496,662.01 remains outstanding.

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

*Shares Issued Pursuant to Series A Conversions*

On January 2, 2025, a holder of Series A Preferred Stock was issued 104,831 shares of Class A Common Stock pursuant to the conversion of 271.1535 shares of Series A Preferred Stock.

In February 2025, a holder of Series A Preferred Stock was issued 146,015 shares of Class A Common Stock pursuant to the conversions of 308 shares of Series A Preferred Stock.

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

*Series B Preferred Stock Issuances*

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 of Senior PIK Notes. Effective as of 5:00 pm Eastern Time on January 22, 2025, 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 securities issued above were made in reliance upon the exemption from securities registration afforded by Section 3(a)(9) of the Securities Act.

*Series C Preferred Stock Issuances*

On February 28, 2025 a previous holder of Senior PIK Notes purchased 60 shares of Series C Preferred Stock for $50,000 and, in doing so, exchanged 50 shares of Series B Preferred Stock for 75 shares of Series C Preferred Stock.

The securities issued above were made in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D under the Securities Act and Section and 3(a)(9) of the Securities Act, based in part on the representations of the investors.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 5. OTHER INFORMATION**

***Amended and Restated Strata Purchase Agreement***

On May 15, 2025, we entered into the Amended and Restated Strata Purchase Agreement with ClearThink. The agreement amends and restates the Strata Purchase Agreement dated October 13, 2023, as amended, with ClearThink. Pursuant to the agreement, the definition of “Purchase Price” was amended to “the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period (in each case, to be appropriately adjusted for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction that occurs on or after the date of this Agreement).” The definition of “Maturity Date” was also amended to June 30, 2026. A copy of the agreement is attached hereto as Exhibit 10.1.

***Amended Certificate of Designation***

On May 16, 2025, we filed an amendment to our Certificate of Incorporation (the “**Certificate of Incorporation**”), in the form of Amendments to the Certificates of Designation (the “**Amended Designations**”) of our previously designated “Series B Cumulative Convertible Redeemable Preferred Stock” (the “**Series B Preferred Stock**”) and “Series C Cumulative Convertible Redeemable Preferred Stock” (the “**Series C Preferred Stock**”). The Amended Designations remove Section 6(e), which was the right to an automatic conversion at the two-year anniversary from issuance, which, if retained, could mean the value issued being treated as a liability on our balance sheet. Removing this automatic conversion right means we will treat the issued shares as equity.

Copies of the Amended Designations are attached hereto as Exhibits 3.1 and 3.2.

***Rule 10b5-1 Arrangements***

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

**ITEM 6. EXHIBITS**

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report.

| Exhibit No. | Description | Included | Form | Referenced Exhibit | Filing Date |
|---|---|---|---|---|---|
| **3.1** | Amendment to the Certificate of Designation (Series B Preferred Stock) filed with the Delaware Secretary of State on May 16, 2025 | Filed Herewith | | | |
| **3.2** | Amendment to the Certificate of Designation (Series C Preferred Stock) filed with the Delaware Secretary of State on May 16, 2025 | Filed Herewith | | | |
| **10.1** | Amended and Restated Strata Purchase Agreement dated May 15, 2025 | Filed Herewith | | | |
| **31.1** | Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | Filed Herewith | | | |
| **31.2** | Certification of the Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | Filed Herewith | | | |
| **32.1#** | Certification of the Company’s Principal Executive Officer and Principal Financial and Accounting Officer pursuant to 18 U.S.C. Section 1350. | Furnished Herewith | | | |
| **101.INS** | Inline XBRL Instance Document. | Filed Herewith | | | |
| **101.SCH** | Inline XBRL Taxonomy Extension Schema Document. | 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 (formatted as Inline XBRL and contained in Exhibit 101). | Filed Herewith |

# This certification is deemed not filed for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**FOXO TECHNOLOGIES INC.**

Date: May 20, 2025

*/s/ Seamus Lagan*

Name: Seamus Lagan
Title: Chief Executive Officer
(Principal Executive Officer)

Date: May 20, 2025

*/s/ Martin Ward*

Name: Martin Ward
Title: Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 3.1**

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:37 AM 05/16/2025
FILED 10:37 AM 05/16/2025
SR 20252360668 - File Number 7949696

# CERTIFICATE OF AMENDMENT TO CERTIFICATE OF DESIGNATION OF PREFERENCES AND RIGHTS OF SERIES B CUMULATIVE CONVERTIBLE REDEEMABLE PREFERRED STOCK OF FOXO TECHNOLOGIES INC.

FOXO Technologies Inc., a corporation organized under and existing under the laws of the State of Delaware (the "**Corporation**"), certifies that:

FIRST: The name of the Corporation is FOXO Technologies Inc. The Corporation was originally incorporated under the name "Delwinds Insurance Acquisition Corp."

SECOND: The Corporation's Certificate of Designation of Preferences and Rights of Series B Cumulative Convertible Redeemable Preferred Stock (the "**Series B Preferred Stock**") was filed with the Secretary of State of the State of Delaware on November 27, 2024.

THIRD: The Board of Directors of the Corporation, acting in accordance with the provision of Sections 141 and 242 of the Delaware General Corporation Law (the "**DGCL**") adopted resolutions to eliminate Section 6(e) of the Certificate of Designation of Preferences and Rights of Series B Preferred Stock in its entirety and renumber all subsections contained in Section 6 thereof accordingly.

FOURTH: This Certificate of Amendment to the Certificate of Designation of Preferences and Rights of Series B Preferred Stock was duly adopted by the Corporation's directors and stockholders in accordance with the applicable provisions of Sections 242 of the DGCL.

**IN WITNESS WHEREOF,** the Corporation has caused this Certificate of Amendment to the Certificate of Designation of Preferences and Rights of Series B Preferred Stock to be signed and attested this 15th day of May 2025.

FOXO TECHNOLOGIES INC.

Seamus Lagan

Seamus Lagan
Chief Executive Officer

Exhibit 3.2

# CERTIFICATE OF AMENDMENT
# TO
# CERTIFICATE OF DESIGNATION OF
# PREFERENCES AND RIGHTS OF
# SERIES C CUMULATIVE CONVERTIBLE REDEEMABLE PREFERRED STOCK
# OF
# FOXO TECHNOLOGIES INC.

FOXO Technologies Inc., a corporation organized under and existing under the laws of the State of Delaware (the "**Corporation**"), certifies that:

FIRST: The name of the Corporation is FOXO Technologies Inc. The Corporation was originally incorporated under the name "Delwinds Insurance Acquisition Corp."

SECOND: The Corporation's Certificate of Designation of Preferences and Rights of Series C Cumulative Convertible Redeemable Preferred Stock (the "**Series C Preferred Stock**") was filed with the Secretary of State of the State of Delaware on November 27, 2024.

THIRD: The Board of Directors of the Corporation, acting in accordance with the provision of Sections 141 and 242 of the Delaware General Corporation Law (the "**DGCL**") adopted resolutions to eliminate Section 6(e) of the Certificate of Designation of Preferences and Rights of Series C Preferred Stock in its entirety and renumber all subsections contained in Section 6 thereof accordingly.

FOURTH: This Certificate of Amendment to the Certificate of Designation of Preferences and Rights of Series C Preferred Stock was duly adopted by the Corporation's directors and stockholders in accordance with the applicable provisions of Sections 242 of the DGCL.

**IN WITNESS WHEREOF,** the Corporation has caused this Certificate of Amendment to the Certificate of Designation of Preferences and Rights of Series C Preferred Stock to be signed and attested this 15th day of May 2025.

FOXO TECHNOLOGIES INC.

Seamus Lagan

Seamus Lagan
Chief Executive Officer

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:37 AM 05/16/2025
FILED 10:37 AM 05/16/2025
SR 20252360963 - File Number 7949696

**Exhibit 10.1**

**AMENDED AND RESTATED**

**STRATA PURCHASE AGREEMENT**

**THIS AMENDED AND RESTATED STRATA PURCHASE AGREEMENT** (the "Agreement"), dated as of May 15, 2025, by and between **FOXO TECHNOLOGIES, INC.**, a Delaware corporation (the "Company"), and **CLEARTHINK CAPITAL PARTNERS**, **LLC**, a Delaware limited liability company (the "Investor").

WHEREAS:

On October 13, 2023, the Company and the Investor entered into a Strata Purchase Agreement, as amended (the "Strata"), which is being amended and restated by this Agreement. This Agreement shall supersede and replace the Strata and all prior amendments thereto.

Subject to the terms, conditions and limitations on the number of shares which may be sold set forth in this Agreement, the Company wishes to sell to the Investor, and the Investor wishes to purchase from the Company, up to Five Million Dollars ($5,000,000) of the Company's Class A common stock, par value $0.0001 per share (the "Common Stock"). The shares of Common Stock to be purchased hereunder are referred to herein as the "Purchase Shares."

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Investor hereby agree as follows:

**1. CERTAIN DEFINITIONS.**

For purposes of this Agreement, the following terms shall have the following meanings:

(a) "Average Price" means a price per Purchase Share (rounded to the nearest tenth of a cent) equal to the quotient obtained by dividing (i) the aggregate gross purchase price paid by the Investor for all Purchase Shares purchased pursuant to this Agreement, by (ii) the aggregate number of Purchase Shares issued pursuant to this Agreement.

(b) "Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state law for the relief of debtors.

(c) "Business Day" means any day on which the Principal Market is open for trading, including any day on which the Principal Market is open for trading for a period of time less than the customary time.

(d) "Closing Sale Price" means, for any security as of any date, the last closing sale price for such security on the Principal Market as reported by the Principal Market.

(e) "Closings" shall occur upon the settlement of the trades of the Purchase Share Amount associated with a Request (or sooner as directed by the Investor).

(f) "Commitment Amount" means, initially, Five Million Dollars ($5,000,000) in the aggregate, which has been reduced by $256,140 as of the date hereof, which amount shall be reduced by the amount paid by the Investor each time the Investor purchases shares of Common Stock pursuant to Section 2 hereof.

(g) "Commitment Fee" means the 10,000 restricted shares of Common Stock (the "Commitment Shares"), as adjusted for all reverse stock splits effected prior to the date of this Agreement, issued to Investor in connection with the entry into the Agreement on October 13, 2023.

(h) Reserved

(i) "Confidential Information" means any information disclosed by either party to the other party or any of their respective affiliates, either directly or indirectly, electronically, in writing, orally or by inspection of tangible objects (including, without limitation, documents, prototypes, samples, plant and equipment), regardless of whether or not such information, documentation or data is marked or otherwise identified as "confidential", "proprietary" or a similar designation. Confidential Information will also include information disclosed to a disclosing party by third parties where such parties have an obligation of confidentiality with respect to such information. Confidential Information shall not, however, include any information which (i) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing party; (ii) becomes publicly known and made generally available after disclosure by the disclosing party to the receiving party other than as a result of a disclosure in violation of this Agreement; (iii) is already in the possession of the receiving party without confidential restriction at the time of disclosure by the disclosing party as shown by the receiving party's files and records immediately prior to the time of disclosure; (iv) is obtained by the receiving party from a third party without a breach of such third party's obligations of confidentiality; (v) is independently developed by the receiving party without use of or reference to the disclosing party's Confidential Information, as shown by documents and other competent evidence in the receiving party's possession; or (vi) is required by law to be disclosed by the receiving party, provided that the receiving party gives the disclosing party prompt written notice of such requirement prior to such disclosure and assistance in obtaining an order protecting the information from public disclosure.

(j) "Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

(k) "DTC" means The Depository Trust Company, or any successor performing substantially the same function for the Company.

(l) "DWAC Shares" means shares of Common Stock that are (i) issued in electronic form, (ii) freely tradable and transferable and without restriction on resale and (iii) timely credited by the Company to the Investor's or its designee's specified Deposit/Withdrawal at Custodian (DWAC) account with DTC under its Fast Automated Securities Transfer (FAST) Program, or any similar program hereafter adopted by DTC performing substantially the same function.

(m) "Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(n) "Fully Adjusted Regular Purchase Share Limit" means, with respect to any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction from and after the date of this Agreement, the Purchase Share Limit (as defined in Section 2(a) hereof) in effect on the applicable date of determination, after giving effect to the full proportionate adjustment thereto made pursuant to Section 2(a) hereof for or in respect of such reorganization, recapitalization, non-cash dividend, stock split or other similar transaction.

(o) "Material Adverse Effect" means any material adverse effect on the business, operations, assets, financial condition or prospects of the Company or its Subsidiaries, if any, taken as a whole, or on the ability to consummate the transactions contemplated hereby or by the agreements or instruments to be entered into in connection herewith, *provided*, *however*, that "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Company operates; (iii) any changes in financial or securities markets in general; (iv) any action required or permitted by this Agreement; (vi) any changes in applicable laws or accounting policies; or (vii) the public announcement, pendency or completion of the transactions contemplated by this Agreement by the agreements or instruments to be entered into in connection herewith.

(p) "Maturity Date" means June 30, 2026.

(q) "Person" means an individual or entity including but not limited to any limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

(r) "Principal Market" means The NYSE American (or any nationally recognized successor thereto); provided, however, that in the event the Company's Common Stock is ever listed or traded on The Nasdaq Global Market, The Nasdaq Global Select Market, the New York Stock Exchange, the NYSE American, the NYSE Arca, the OTC Bulletin Board, the OTCQX operated by the OTC Markets Group, Inc. or the OTCQB operated by the OTC Markets Group, Inc. (or any nationally recognized successor to any of the foregoing), then the "Principal Market" shall mean such other market or exchange on which the Company's Common Stock is then listed or traded.

(s) "Purchase Date" means, with respect to any purchase made pursuant to Section 2(a) hereof, the Business Day on which the Investor receives by 6:00 p.m., Eastern time, of such Business Day a valid Request Notice that the Investor is to purchase such applicable number of Purchase Shares pursuant to Section 2(a) hereof.

(t) "Purchase Price", with respect to any purchase made pursuant to Section 2(a) hereof, the price per share of Common Stock purchased shall equal 90% of the average of the two (2) lowest daily VWAP during the Valuation Period (in each case, to be appropriately adjusted for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction that occurs on or after the date of this Agreement).

(u) "Purchase Share Amount" means the number of shares of Common Stock the Company is requiring the Investor to purchase.

(v) "Registration Rights Agreement" means that certain Registration Rights Agreement entered into in October 2023 between the Company and the Investor.

(w) "Request" means the Company may draw upon the Commitment Amount periodically during the Term by the Company's delivery to the Investor of a written Purchase Notice requiring the Investor to purchase a number of shares of Common Stock.

(x) "Request Limits" means the number of shares of Common Stock the Company is requiring the Investor to purchase to be limited to the lesser of $1,000,000 or 300% of the average number of shares traded for the 10 trading days prior to the Closing Request Date. No Purchase Notices are allowed until the shares have been registered. Minimum Purchase Notice allowable is $25,000. Purchase Notices must be at least 10 business days apart. In no event may the shares issuable pursuant to a Purchase Notice, when aggregated with the shares then held by the Investor on the date of the Purchase Notice, exceed 9.99% of the Company's outstanding Common Stock. Request Limits are further limited by the provisions of Section 2(c) hereof.

(y) "Request Notice" means, with respect to any Request made pursuant to Section 2(b) hereof, an irrevocable written notice from the Company to the Investor directing the Investor to purchase a specified number of shares of Common Stock on the applicable Purchase Date pursuant to Section 2(b) hereof at the applicable Purchase Price.

(z) "Sale Price" means any trade price for the shares of Common Stock on the Principal Market as reported by the Principal Market.

(aa) "SEC" means the U.S. Securities and Exchange Commission.

(bb) "Securities" means, collectively, the Purchase Shares and the Commitment Shares

(cc) "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(dd) "Subsidiary" means any Person the Company wholly-owns or controls, or in which the Company, directly or indirectly, owns a majority of the voting stock or similar voting interest, in each case that would be disclosable pursuant to Item 601(b)(21) of Regulation S-K promulgated under the Securities Act.

(ee) "Transaction Documents" means, collectively, this Agreement and the schedules and exhibits hereto, the Registration Rights Agreement and the schedules and exhibits thereto, and each of the other agreements, documents, certificates and instruments entered into or furnished by the parties hereto in connection with the transactions contemplated hereby and thereby.

(ff) "Transfer Agent" means Continental Stock Transfer, or such other Person who is then serving as the transfer agent for the Company in respect of the Common Stock.

(gg) "Valuation Period" means five (5) Business Days preceding the Purchase Date with respect to a Request Notice.

## 2. PURCHASE OF COMMON STOCK.

Subject to the terms and conditions set forth in this Agreement, the Company has the right to sell to the Investor, and the Investor has the obligation to purchase from the Company, Purchase Shares as follows:

(a) Commencement of Sales of Common Stock. Upon the satisfaction of the conditions set forth in Sections 7 and 8 hereof (the "Commencement" and the date of satisfaction of such conditions the "Commencement Date") and thereafter, the Company shall have the right, but not the obligation, to direct the Investor, by its delivery to the Investor of a Request Notice from time to time, to purchase shares of Common Stock ("Purchase Shares"), subject to adjustment as set forth below in this Section 2(a), up to the Request Limit, at the Purchase Price on the Purchase Date. If the Company delivers any Request Notice for a Purchase Share Amount in excess of the Request Limits, such Request Notice shall be void *ab initio* to the extent of the number by which the number of Purchase Shares set forth in such Request Notice exceeds the number of Purchase Shares which the Company is permitted to include in such Request Notice in accordance herewith, and the Investor shall have no obligation to purchase such excess Purchase Shares in respect of such Request Notice; provided that the Investor shall remain obligated to purchase the number of Purchase Shares which the Company is permitted to include in such Request Notice. The Company may deliver Request Notices to the Investor as often as every ten (10) Business Days, so long as the Company has not failed to deliver Purchase Shares for all prior Purchase Share Amounts, including, without limitation, those that have been effected on the same Business Day as the applicable Purchase Date, have theretofore been received by the Investor as DWAC Shares in accordance with this Agreement.

(b) Payment for Purchase Shares. For each Purchase, the Investor shall pay to the Company an amount equal to the product of the Purchase Shares Amount and the Purchase Price with respect to such Purchase as full payment for such Purchase Shares via wire transfer of immediately available funds on the Business Day that the Investor receives settlement of the trades of such Purchase Shares but in no event later than seven trading days after the date of the Purchase Notice. All payments made under this Agreement shall be made in lawful money of the United States of America or wire transfer of immediately available funds to such account as the Company may from time to time designate by written notice in accordance with the provisions of this Agreement. Whenever any amount expressed to be due by the terms of this Agreement is due on any day that is not a Business Day, the same shall instead be due on the next succeeding day that is a Business Day.

(c) Beneficial Ownership Limitation. Notwithstanding anything to the contrary contained in this Agreement, the Company shall not issue or sell, and the Investor shall not purchase or acquire, any shares of Common Stock under this Agreement which, when aggregated with all other shares of Common Stock then beneficially owned by the Investor and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder), would result in the beneficial ownership by the Investor and its affiliates of more than 9.99% of the then issued and outstanding shares of Common Stock.

Upon the written or oral request of the Investor, the Company shall promptly confirm orally or in writing to the Investor the number of shares of Common Stock then outstanding. The Investor and the Company shall each cooperate in good faith in the determinations required hereby and the application hereof. The Investor's written certification to the Company of the applicability of the beneficial ownership limitation, and the resulting effect thereof hereunder at any time, shall be conclusive with respect to the applicability thereof and such result absent manifest error.

(d) Compliance with Principal Market Rules; Exchange Cap. The Company shall not issue any Securities pursuant to this Agreement if (I) such issuance would reasonably be expected to cause the aggregate number of shares of Common Stock issued pursuant to such agreements to exceed 19.99% of the outstanding shares of Common Stock immediately prior to the date hereof unless shareholder approval pursuant to the rules and regulations of the Principal Market has been obtained or (II) otherwise cause the Company to breach any of the rules or regulations of the Principal Exchange. Furthermore, the Company agrees that it shall not issue any Securities pursuant to this Agreement if, at the time of such issuance (Y) the effectiveness of the Registration Statement registering the Securities has lapsed for any reason (including, without limitation, the issuance of a stop order or similar order) or (Z) the Registration Statement is unavailable for the sale by the Company to the Investor (or the resale by the Investor, as the case may be) of any or all of the Securities to be issued to the Investor under the Transaction Documents. The provisions of this Section 2(d) shall be implemented in a manner otherwise than in strict conformity with the terms hereof only if necessary to ensure compliance with the Securities Act and the rules and regulations of the Principal Market.

(e) Issuance of the Commitment Shares. The Commitment Shares were issued to the Investor on or about October 13, 2023.

## 3. INVESTOR'S REPRESENTATIONS AND WARRANTIES.

The Investor represents and warrants to the Company that as of the date of the Strata and as of the Commencement Date:

(a) Investment Purpose. The Investor is acquiring the Securities as principal for its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Securities in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other Persons to distribute or regarding the distribution of such Securities in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting the Investor's right to sell the Securities at any time pursuant to the Registration Statement described herein or otherwise in compliance with applicable federal and state securities laws). The Investor is acquiring the Securities hereunder in the ordinary course of its business.

(b) Accredited Investor Status. The Investor is an "accredited investor" as that term is defined in Rule 501(a)(3) of Regulation D promulgated under the Securities Act.

(c) Reliance on Exemptions. The Investor understands that the Securities may be offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Investor's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Investor set forth herein in order to determine the availability of such exemptions and the eligibility of the Investor to acquire the Securities.

(d) [Reserved]

(e) Good Standing. The Investor is a limited liability company, duly organized, validly existing and in good standing in the State of Delaware.

(f) Information. The Investor understands that its investment in the Securities involves a high degree of risk. The Investor (i) is able to bear the economic risk of an investment in the Securities including a total loss thereof, (ii) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the proposed investment in the Securities and (iii) has had an opportunity to ask questions of and receive answers from the officers of the Company concerning the financial condition and business of the Company and other matters related to an investment in the Securities. Neither such inquiries nor any other due diligence investigations conducted by the Investor or its representatives shall modify, amend or affect the Investor's right to rely on the Company's representations and warranties contained in Section 4 below. The Investor has sought such accounting, legal and tax advice from its own independent advisor as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities and is not relying on any such advice or similar advice from the Company, its officers, directors, representatives, or advisors.

(g) No Governmental Review. The Investor understands that no U.S. federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Securities or the fairness or suitability of an investment in the Securities nor have such authorities passed upon or endorsed the merits of the offering of the Securities.

(h) Transfer or Sale. The Investor understands that (i) the Securities may not be offered for sale, sold, assigned or transferred unless (A) registered pursuant to the Securities Act or (B) an exemption exists permitting such Securities to be sold, assigned or transferred without such registration; (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder.

(i) Validity; Enforcement. This Agreement has been duly and validly authorized, executed and delivered on behalf of the Investor and is a valid and binding agreement of the Investor enforceable against the Investor in accordance with its terms, subject as to enforceability to general principles of equity and to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(j) Residency. The Investor is a resident of the State of New York.

(k) No Short Selling. The Investor represents and warrants to the Company that at no time prior to the date of this Agreement has any of the Investor, its agents, representatives or affiliates engaged in or effected, in any manner whatsoever, directly or indirectly, any (i) "short sale" (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of the Common Stock or (ii) hedging transaction, which establishes a net short position with respect to the Common Stock.

**4. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.**

The Company represents and warrants to the Investor that as of the date of the Strata and as of the Commencement Date:

(a) Organization and Qualification. The Company and each of its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite corporate power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any of its Subsidiaries is in violation or default of any of the provisions of its respective articles or certificate of incorporation, bylaws or other organizational or charter documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in a Material Adverse Effect and no proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification. The Company has no Subsidiaries other than as disclosed in the SEC Documents.

(b) Authorization; Enforcement; Validity. (i) The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and each of the other Transaction Documents, and to issue the Securities in accordance with the terms hereof and thereof, (ii) the execution and delivery of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby, including without limitation, the issuance of the Commitment Shares and the reservation for issuance and the issuance of the Purchase Shares issuable under this Agreement, have been duly authorized by the Company's Board of Directors and no further consent or authorization is required by the Company, its Board of Directors or its stockholders, (iii) this Agreement has been, and each other Transaction Document shall be on the Commencement Date, duly executed and delivered by the Company and (iv) this Agreement constitutes, and each other Transaction Document upon its execution on behalf of the Company, shall constitute, the valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors' rights and remedies. The Board of Directors of the Company has approved the resolutions (the "Signing Resolutions") to authorize this Agreement and the transactions contemplated hereby. The Signing Resolutions are valid, in full force and effect and have not been modified or supplemented in any respect. The Company has delivered to the Investor a true and correct copy of a unanimous written consent adopting the Signing Resolutions executed by all of the members of the Board of Directors of the Company or minutes of a meeting of the Board of Directors of the Company approving the Signing Resolutions. Except as set forth in this Agreement, no other approvals or consents of the Company's Board of Directors, any authorized committee thereof, and/or stockholders is necessary under applicable laws and the Certificate of Incorporation and/or Bylaws to authorize the execution and delivery of this Agreement or any of the transactions contemplated hereby, including, but not limited to, the issuance of the Commitment Shares and the issuance of the Purchase Shares.

(c) Capitalization. The authorized and issued capital stock of the Company is as set forth in the SEC Documents. Except as disclosed in the SEC Documents (as defined below), (i) no shares of the Company's capital stock are subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company, (ii) there are no outstanding debt securities, (iii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, any shares of capital stock of the Company or any of its Subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its Subsidiaries or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, any shares of capital stock of the Company or any of its Subsidiaries, (iv) there are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of their securities under the Securities Act (except the Registration Rights Agreement), (v) there are no outstanding securities or instruments of the Company or any of its Subsidiaries which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to redeem a security of the Company or any of its Subsidiaries, (vi) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Securities as described in this Agreement and (vii) the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement.

(d) Issuance of Securities. Upon issuance and payment therefor in accordance with the terms and conditions of this Agreement, the Commitment Shares and Purchase Shares shall be validly issued, fully paid and nonassessable and free from all taxes, liens, charges, restrictions, rights of first refusal and preemptive rights with respect to the issue thereof, with the holders being entitled to all rights accorded to a holder of Common Stock.

(e) No Conflicts. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the reservation for issuance and issuance of the Purchase Shares and the Commitment Shares) will not (i) result in a violation of the Certificate of Incorporation, any Certificate of Designations, Preferences and Rights of any outstanding series of preferred stock of the Company or the Bylaws or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, or result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations and the rules and regulations of the Principal Market applicable to the Company or any of its Subsidiaries) or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, except in the case of conflicts, defaults, terminations, amendments, accelerations, cancellations and violations under clause (ii), which could not reasonably be expected to result in a Material Adverse Effect. Neither the Company nor its Subsidiaries is in violation of any term of or in default under its certificate of incorporation, any certificate of designation, preferences and rights of any outstanding series of preferred stock of the Company or Bylaws or their organizational charter or bylaws, respectively. Except as disclosed in the SEC Documents, neither the Company nor any of its Subsidiaries is in violation of any term of or is in default under any material contract, agreement, mortgage, indebtedness, indenture, instrument, judgment, decree or order or any statute, rule or regulation applicable to the Company or its Subsidiaries, except for possible conflicts, defaults, terminations or amendments that could not reasonably be expected to have a Material Adverse Effect. The business of the Company and its Subsidiaries is not being conducted, and shall not be conducted, in violation of any law, ordinance, regulation of any governmental entity, except for possible violations, the sanctions for which either individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. Except as specifically contemplated by this Agreement and the related documents and as required under the Securities Act or applicable state securities laws and the rules and regulations of the Principal Market, the Company is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency or any regulatory or self-regulatory agency in order for it to execute, deliver or perform any of its obligations under or contemplated by the Transaction Documents in accordance with the terms hereof or thereof. Except as set forth elsewhere in this Agreement, all consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence shall be obtained or effected on or prior to the Commencement Date. Except as set forth in the SEC Documents, since one year prior to the date hereof, the Company has not received nor delivered any notices or correspondence from or to the Principal Market. Except as set forth in the SEC Documents, to the Company's knowledge, the Principal Market has not commenced any delisting proceedings against the Company.

(f) SEC Documents; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the 24 months preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Documents") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Documents prior to the expiration of any such extension. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable. None of the SEC Documents, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Documents comply in all material respects with applicable accounting requirements and the rules and regulations of the SEC with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved ("GAAP"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments. The SEC has not commenced any enforcement proceedings against the Company or any of its Subsidiaries.

(g) Absence of Certain Changes. Except as disclosed in the SEC Documents, since December 31, 2024, there has been no material adverse change in the business, properties, operations, financial condition or results of operations of the Company or its Subsidiaries. The Company has not taken any steps, and does not currently expect to take any steps, to seek protection pursuant to any Bankruptcy Law nor does the Company or any of its Subsidiaries have any knowledge or reason to believe that its creditors intend to initiate involuntary bankruptcy or insolvency proceedings.

(h) Absence of Litigation. Except as set forth in the SEC Documents, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the Company or any of its Subsidiaries, threatened against or affecting the Company, the Common Stock or any of the Company's or its Subsidiaries' officers or directors in their capacities as such, which could reasonably be expected to have a Material Adverse Effect.

(i) Acknowledgment Regarding Investor's Status. The Company acknowledges and agrees that the Investor is acting solely in the capacity of arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby. The Company further acknowledges that the Investor is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby and any advice given by the Investor or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to the Investor's purchase of the Securities. The Company further represents to the Investor that the Company's decision to enter into the Transaction Documents has been based solely on the independent evaluation by the Company and its representatives and advisors.

(j) No General Solicitation; No Aggregated or Integrated Offering. Neither the Company, its Subsidiaries, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Securities. Neither the Company, its Subsidiaries, nor or any of its affiliates, nor any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to purchase any security, under circumstances that would require registration of the offer and sale of any of the Securities under the Securities Act, whether through aggregation or integration with prior offerings or otherwise, or cause this offering of the Securities to be aggregated or integrated with prior offerings by the Company in a manner that would require stockholder approval pursuant to the rules of the Principal Market on which any of the securities of the Company are listed or designated. The issuance and sale of the Securities hereunder, as of the date of this Agreement, does not contravene the rules and regulations of the Principal Market.

(k) Intellectual Property Rights. The Company and its Subsidiaries own or possess adequate rights or licenses to use all material trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and rights necessary to conduct their respective businesses as now conducted. Except as set forth in the SEC Documents, none of the Company's material trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, government authorizations, trade secrets or other intellectual property rights have expired or terminated, or, by the terms and conditions thereof, could expire or terminate within two years from the date of this Agreement. The Company and its Subsidiaries do not have any knowledge of any infringement by the Company or its Subsidiaries of any material trademark, trade name rights, patents, patent rights, copyrights, inventions, licenses, service names, service marks, service mark registrations, trade secret or other similar rights of others, or of any such development of similar or identical trade secrets or technical information by others, and there is no claim, action or proceeding being made or brought against, or to the Company's knowledge, being threatened against, the Company or its Subsidiaries regarding trademark, trade name, patents, patent rights, invention, copyright, license, service names, service marks, service mark registrations, trade secret or other infringement, which could reasonably be expected to have a Material Adverse Effect.

(l) Environmental Laws. To the Company's best knowledge, the Company and its Subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where, in each of the three foregoing clauses, the failure to so comply could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(m) Title. Except as disclosed in the SEC Documents, the Company and its Subsidiaries have good and marketable title in fee simple to all real property owned by them and good and marketable title in all personal property owned by them that is material to the business of the Company and its Subsidiaries, in each case free and clear of all liens, encumbrances and defects ("Liens") and, except for such Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its Subsidiaries and Liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and its Subsidiaries are in compliance with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its Subsidiaries.

(n) Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has been refused any insurance coverage sought or applied for and neither the Company nor any such Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not materially and adversely affect the condition, financial or otherwise, or the earnings, business or operations of the Company and its Subsidiaries, taken as a whole.

(o) Regulatory Permits. The Company and its Subsidiaries possess all material certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, and neither the Company nor any such Subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit.

(p) Tax Status. The Company and each of its Subsidiaries has made or filed all federal and state income and all other material tax returns, reports and declarations required by any jurisdiction to which it is subject (unless and only to the extent that the Company and each of its Subsidiaries has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes other than those being disputed) and has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim.

(q) Transactions With Affiliates. Except as set forth in the SEC Documents, to the Company's best knowledge, none of the officers or directors of the Company, the Company's stockholders, the officers or directors of any stockholder of the Company, or any family member or affiliate of any of the foregoing, has either directly or indirectly any interest in, or is a party to, any transaction that would be required to be disclosed as a related party transaction pursuant to Rule 404 of Regulation S-K promulgated under the Securities Act.

(r) Application of Takeover Protections. The Company and its Board of Directors have taken or will take prior to the Commencement Date all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Certificate of Incorporation or the laws of the state of its incorporation which is or could become applicable to the Investor as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Securities and the Investor's ownership of the Securities.

(s) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents that will be timely publicly disclosed by the Company, the Company confirms that neither it nor any other Person acting on its behalf has provided the Investor or its agents or counsel with any information that it believes constitutes or might constitute material, non-public information which is not otherwise disclosed in the Registration Statement or the SEC Documents. The Company understands and confirms that the Investor will rely on the foregoing representation in effecting purchases and sales of securities of the Company. All of the disclosure furnished by or on behalf of the Company to the Investor regarding the Company, its business and the transactions contemplated hereby, including the disclosure schedules to this Agreement, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The press releases disseminated by the Company during the twelve (12) months preceding the date of this Agreement taken as a whole do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not misleading. The Company acknowledges and agrees that the Investor neither makes nor has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3 hereof.

(t) Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any agent or other Person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any Person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

(u) DTC Eligibility. The Company, through the Transfer Agent, currently participates in the DTC Fast Automated Securities Transfer (FAST) Program and the Common Stock can be transferred electronically to third parties via the DTC Fast Automated Securities Transfer (FAST) Program.

(v) Sarbanes-Oxley. Except as disclosed in the SEC Documents, including the weakness in internal controls, the Company is in compliance with all material provisions of the Sarbanes-Oxley Act of 2002, as amended, which are applicable to it as of the date hereof.

(w) Certain Fees. The Investor shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees that may be due in connection with the transactions contemplated by the Transaction Documents.

(x) Investment Company. The Company is not, and immediately after receipt of payment for the Securities will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(y) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock pursuant to the Exchange Act nor has the Company received any notification that the SEC is currently contemplating terminating such registration. Except as disclosed in the SEC Documents, the Company has not, in the twelve (12) months preceding the date hereof, received any notice from any Person to the effect that the Company is not in compliance with the listing or maintenance requirements of the Principal Market.

(z) Auditors. The Company's auditors are set forth in the SEC Documents and, to the knowledge of the Company, such auditors are an independent registered public accounting firm as required by the Securities Act.

(aa) No Market Manipulation. The Company has not, and to its knowledge, no Person acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(bb) Shell Company Status. The Company is not currently an issuer identified in Rule 144(i)(1) under the Securities Act and has filed all "Form 10 information" required by Rule 144(i)(1) under the Securities Act with the SEC as of December 31, 2024.

(cc) No Disqualification Events. None of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering contemplated hereby, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under the Securities Act. The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event.

**5. COVENANTS.**

(a) Filing of Current Report and Registration Statement. The Company agrees that it shall, within the time required under the Exchange Act, file with the SEC a report on Form 8-K relating to the transactions contemplated by, and describing the material terms and conditions of, the Transaction Documents (the "Current Report").

(b) Blue Sky. The Company shall take all commercially reasonable action, if any, as is reasonably necessary in order to obtain an exemption for or to register or qualify (i) the issuance of the Commitment Shares and the sale of the Purchase Shares to the Investor under this Agreement and (ii) any subsequent resale of all Commitment Shares and all Purchase Shares by the Investor, in each case, under applicable securities or "Blue Sky" laws of the states of the United States in such states as is reasonably requested by the Investor from time to time, and shall provide evidence of any such action so taken to the Investor.

(c) Listing/DTC. The Company shall as soon as practicable secure the listing of all of the Purchase Shares and Commitment Shares to be issued to the Investor hereunder on the Principal Market (subject to official notice of issuance) and upon each other national securities exchange or automated quotation system, if any, upon which the Common Stock is then listed, and shall use commercially reasonable efforts to maintain, so long as any shares of Common Stock shall be so listed, such listing of all such Securities from time to time issuable hereunder. The Company shall use commercially reasonable efforts to maintain the listing of the Common Stock on the Principal Market and shall comply in all respects with the Company's reporting, filing and other obligations under the bylaws or rules and regulations of the Principal Market. Neither the Company nor any of its Subsidiaries shall take any action that would reasonably be expected to result in the delisting or suspension of the Common Stock on the Principal Market. The Company shall promptly, and in no event later than four (4) Business Days, provide to the Investor copies of any notices it receives from any Person regarding the continued eligibility of the Common Stock for listing on the Principal Market; provided, however, that the Company shall not provide the Investor copies of any such notice that the Company reasonably believes constitutes material non-public information, and the Company would not be required to publicly disclose such notice in any report or statement filed with the SEC under the Exchange Act (including on Form 8-K) or the Securities Act. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 5(c). The Company shall take all action necessary to ensure that its Common Stock can be transferred electronically as DWAC Shares.

(d) Prohibition of Short Sales and Hedging Transactions. The Investor agrees that beginning on the date of this Agreement and ending on the date of termination of this Agreement as provided in Section 12, the Investor and its agents, representatives and affiliates shall not in any manner whatsoever enter into or effect, directly or indirectly, any (i) "short sale" (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of the Common Stock or (ii) hedging transaction, which establishes a net short position with respect to the Common Stock.

(e) Taxes. The Company shall pay any and all transfer, stamp or similar taxes that may be payable with respect to the issuance and delivery of any shares of Common Stock to the Investor made under this Agreement.

(f) Aggregation. From and after the date of this Agreement, neither the Company, nor or any of its affiliates will, and the Company shall use its reasonable best efforts to ensure that no Person acting on their behalf will, directly or indirectly, make any offers or sales of any security or solicit any offers to purchase any security, under circumstances that would cause this offering of the Securities by the Company to the Investor to be aggregated with other offerings by the Company in a manner that would require stockholder approval pursuant to the rules of the Principal Market on which any of the securities of the Company are listed or designated, unless stockholder approval is obtained before the closing of such subsequent transaction in accordance with the rules of such Principal Market.

(g) Use of Proceeds. The Company will use the net proceeds from the offering for any corporate purpose at the sole discretion of the Company.

(h) Other Transactions. During the term of this Agreement, the Company shall not enter into, announce or recommend to its stockholders any agreement, plan, arrangement or transaction in or of which the terms thereof would restrict, materially delay, conflict with or impair the ability or right of the Company to perform its obligations under the Transaction Documents, including, without limitation, the obligation of the Company to deliver the Purchase Shares and the Commitment Shares to the Investor in accordance with the terms of the Transaction Documents.

(i) Integration. From and after the date of this Agreement, neither the Company, nor or any of its affiliates will, and the Company shall use its reasonable best efforts to ensure that no Person acting on their behalf will, directly or indirectly, make any offers or sales of any security or solicit any offers to purchase any security, under circumstances that would require registration of the offer and sale of any of the Securities under the Securities Act.

(j) Exclusivity Investor Right. Until the Maturity Date or the termination of the Agreement, the Investor shall maintain the exclusive right to such an equity line of credit structure and the Investor shall hold the right of first refusal for an additional equity line of credit; given three (3) day notice, if the Investor does not respond, then such right will be forfeited..

**6. TRANSFER AGENT INSTRUCTIONS.**

On the Commencement Date, the Company shall issue to the Transfer Agent, and any subsequent transfer agent, (i) irrevocable instructions in the form substantially similar to those used by the Investor in substantially similar transactions (the "Commencement Irrevocable Transfer Agent Instructions") and (ii) the notice of effectiveness of the Registration Statement in the form attached as an exhibit to the Registration Rights Agreement (the "Notice of Effectiveness of Registration Statement"), in each case to issue the Purchase Shares in accordance with the terms of this Agreement and the Registration Rights Agreement. All Purchase Shares to be issued from and after Commencement to or for the benefit of the Investor pursuant to this Agreement shall be issued only as DWAC Shares. The Company represents and warrants to the Investor that, while this Agreement is effective, no instruction other than the Commencement Irrevocable Transfer Agent Instructions and the Notice of Effectiveness of Registration Statement referred to in this Section 6(b) will be given by the Company to the Transfer Agent with respect to the Purchase Shares from and after Commencement, and the Purchase Shares covered by the Registration Statement shall otherwise be freely transferable on the books and records of the Company. The Company agrees that if the Company fails to fully comply with the provisions of this Section 6(b) within five (5) Business Days of the Investor providing the deliveries referred to above, the Company shall, at the Investor's written instruction, purchase such shares of Common Stock containing the Restrictive Legend from the Investor at the greater of the (i) Purchase Price paid for such shares of Common Stock (as applicable) and (ii) the Closing Sale Price of the Common Stock on the date of the Investor's written instruction.

**7. CONDITIONS TO THE COMPANY'S RIGHT TO COMMENCE SALES OF SHARES OF COMMON STOCK.**

The right of the Company hereunder to commence sales of the Purchase Shares as of the Commencement Date is subject to the satisfaction of each of the following conditions:

(a) The Investor shall have executed each of the Transaction Documents and delivered the same to the Company;

(b) The Registration Statement covering the resale of the Purchase Shares shall have been declared effective under the Securities Act by the SEC and no stop order with respect to the Registration Statement shall be pending or threatened by the SEC;

(c) All Securities to be issued by the Company to the Investor under the Transaction Documents shall have been approved for listing on the Principal Market in accordance with the applicable rules and regulations of the Principal Market, subject only to official notice of issuance; and

(d) The representations and warranties of the Investor shall be true and correct in all material respects as of the date hereof and as of the Commencement Date as though made at that time.

**8. CONDITIONS TO THE INVESTOR'S OBLIGATION TO PURCHASE SHARES OF COMMON STOCK.**

The obligation of the Investor to buy Purchase Shares under this Agreement is subject to the satisfaction of each of the following conditions on or prior to the Commencement Date and, once such conditions have been initially satisfied, there shall not be any ongoing obligation to satisfy such conditions after the Commencement has occurred:

The Company shall have executed each of the Transaction Documents and delivered the same to the Investor;

(a) The Company shall have issued or caused to be issued to the Investor (i) one or more certificates or book entry statements representing the Commitment Shares as of the date of the Strata or (ii) a number of shares of Common Stock equal to the number of Commitment Shares as DWAC Shares, in accordance with Section 6 as of the date of the Strata;

(b) The Common Stock shall be listed or quoted on the Principal Market, trading in the Common Stock shall not have been suspended by the SEC or the Principal Market within the last 365 days, and all Securities to be issued by the Company to the Investor pursuant to this Agreement shall have been approved for listing or quotation on the Principal Market in accordance with the applicable rules and regulations of the Principal Market, as then in effect, subject only to official notice of issuance;

(c) The representations and warranties of the Company shall be true and correct in all material respects (except to the extent that any of such representations and warranties is already qualified as to materiality in Section 4 above, in which case, such representations and warranties shall be true and correct without further qualification) as of the date hereof and as of the Commencement Date as though made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the Company shall have performed, satisfied and complied with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by the Company at or prior to the Commencement Date. The Investor shall have received a certificate, executed by the CEO, President or CFO of the Company, dated as of the Commencement Date, to the foregoing effect in the form attached hereto as **Exhibit A**;

(d) The Board of Directors of the Company shall have adopted resolutions in the form previously provided to the Investor which shall be in full force and effect without any amendment or supplement thereto as of the Commencement Date;

(e) The Commencement Irrevocable Transfer Agent Instructions and the Notice of Effectiveness of Registration Statement each shall have been delivered to and acknowledged in writing by the Company and the Company's Transfer Agent (or any successor transfer agent);

(h) The Company shall have delivered to the Investor a secretary's certificate executed by the Secretary of the Company, dated as of the Commencement Date, in the form attached hereto as **Exhibit B**;

(i) The Registration Statement covering the resale of Purchase Shares shall have been declared effective under the Securities Act by the SEC and no stop order with respect to the Registration Statement shall be pending or threatened by the SEC. The Company shall have prepared and filed with the SEC, not later than two (2) Business Days after the effective date of the Registration Statement, a final and complete prospectus (the preliminary form of which shall be included in the Registration Statement) and shall have delivered to the Investor a true and complete copy thereof. Such prospectus shall be current and available for the resale by the Investor of all of the Securities covered thereby. The Current Report shall have been filed with the SEC, as required pursuant to Section 5(a). All reports, schedules, registrations, forms, statements, information and other documents required to have been filed by the Company with the SEC at or prior to the Commencement Date pursuant to the reporting requirements of the Exchange Act shall have been filed with the SEC within the applicable time periods prescribed for such filings under the Exchange Act;

(j) No Event of Default has occurred, or any event which, after notice and/or lapse of time, would become an Event of Default has occurred;

(k) All federal, state and local governmental laws, rules and regulations applicable to the transactions contemplated by the Transaction Documents and necessary for the execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated thereby in accordance with the terms thereof shall have been complied with, and all consents, authorizations and orders of, and all filings and registrations with, all federal, state and local courts or governmental agencies and all federal, state and local regulatory or self-regulatory agencies necessary for the execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated thereby in accordance with the terms thereof shall have been obtained or made, including, without limitation, in each case those required under the Securities Act, the Exchange Act, applicable state securities or "Blue Sky" laws or applicable rules and regulations of the Principal Market, or otherwise required by the SEC, the Principal Market or any state securities regulators;

(l) No statute, regulation, order, decree, writ, ruling or injunction shall have been enacted, entered, promulgated, threatened or endorsed by any federal, state, local or foreign court or governmental authority of competent jurisdiction which prohibits the consummation of or which would materially modify or delay any of the transactions contemplated by the Transaction Documents; and

(m) No action, suit or proceeding before any federal, state, local or foreign arbitrator or any court or governmental authority of competent jurisdiction shall have been commenced or threatened, and no inquiry or investigation by any federal, state, local or foreign governmental authority of competent jurisdiction shall have been commenced or threatened, against the Company, or any of the officers, directors or affiliates of the Company, seeking to restrain, prevent or change the transactions contemplated by the Transaction Documents, or seeking material damages in connection with such transactions.

## 9. INDEMNIFICATION.

In consideration of the Investor's execution and delivery of the Transaction Documents and acquiring the Securities hereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless the Investor and all of its affiliates, stockholders, officers, directors, members, managers, employees and direct or indirect investors and any of the foregoing Person's agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Company in the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby, (b) any breach of any covenant, agreement or obligation of the Company contained in the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby, or (c) any cause of action, suit or claim brought or made against such Indemnitee and arising out of or resulting from the execution, delivery, performance or enforcement of the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby, other than, in the case of clause (c), with respect to Indemnified Liabilities which directly and primarily result from the fraud, gross negligence or willful misconduct of an Indemnitee. The indemnity in this Section 10 shall not apply to amounts paid in settlement of any claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. To the extent that the foregoing undertaking by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. Payment under this indemnification shall be made within thirty (30) days from the date the Investor makes written request for it. A certificate containing reasonable detail as to the amount of such indemnification submitted to the Company by the Investor shall be conclusive evidence, absent manifest error, of the amount due from the Company to the Investor. If any action shall be brought against any Indemnitee in respect of which indemnity may be sought pursuant to this Agreement, such Indemnitee shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Indemnitee. Any Indemnitee shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee, except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of such separate counsel, a material conflict on any material issue between the position of the Company and the position of such Indemnitee, in the case of clauses (i),(ii) and (iii) the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel.

## 10. EVENTS OF DEFAULT.

An "Event of Default" shall be deemed to have occurred at any time as any of the following events occurs:

(a) the effectiveness of a registration statement registering the resale of the Securities lapses for any reason (including, without limitation, the issuance of a stop order or similar order) or such registration statement (or the prospectus forming a part thereof) is unavailable to the Investor for resale of any or all of the Securities to be issued to the Investor under the Transaction Documents, and such lapse or unavailability continues for a period of ten (10) consecutive Business Days or for more than an aggregate of thirty (30) Business Days in any 365-day period, but excluding a lapse or unavailability where (i) the Company terminates a registration statement after the Investor has confirmed in writing that all of the Securities covered thereby have been resold or (ii) the Company supersedes one registration statement with another registration statement, including (without limitation) by terminating a prior registration statement when it is effectively replaced with a new registration statement covering Securities (provided in the case of this clause (ii) that all of the Securities covered by the superseded (or terminated) registration statement that have not theretofore been resold are included in the superseding (or new) registration statement);

(b) the suspension of the Common Stock from trading on the Principal Market for a period of one (1) Business Day, provided that the Company may not direct the Investor to purchase any shares of Common Stock during any such suspension;

(c) the delisting of the Common Stock from The NYSE American, provided, however, that the Common Stock is not immediately thereafter trading on the New York Stock Exchange, The Nasdaq Global Market, The Nasdaq Global Select Market, the NYSE Arca, the OTC Bulletin Board, the OTCQX operated by the OTC Markets Group, Inc., the OTCQB operated by the OTC Markets Group, Inc. or such other nationally recognized trading market (or nationally recognized successor to any of the foregoing);

(d) If at any time after the Commencement Date, the Exchange Cap is reached unless and until stockholder approval is obtained pursuant to the terms hereof. The Exchange Cap shall be deemed to be reached at such time if, upon submission of a Purchase Notice under this Agreement, the issuance of such shares of Common Stock would exceed that number of shares of Common Stock which the Company may issue without breaching the Company's obligations under the rules or regulations of the Principal Market;

(e) the failure for any reason by the Transfer Agent to issue Purchase Shares to the Investor within three (3) Business Days after the applicable Purchase Date on which the Investor is entitled to receive such Purchase Shares;

(f) the Company breaches any representation, warranty, covenant or other term or condition under any Transaction Document if such breach could have a Material Adverse Effect and except, in the case of a breach of a covenant which is reasonably curable, only if such breach continues for a period of at least five (5) Business Days;

(g) if any Person commences a proceeding against the Company pursuant to or within the meaning of any Bankruptcy Law;

(h) if the Company, pursuant to or within the meaning of any Bankruptcy Law, (i) commences a voluntary case, (ii) consents to the entry of an order for relief against it in an involuntary case, (iii) consents to the appointment of a Custodian of it or for all or substantially all of its property, or (iv) makes a general assignment for the benefit of its creditors or is generally unable to pay its debts as the same become due;

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against the Company in an involuntary case, (ii) appoints a Custodian of the Company or for all or substantially all of its property, or (iii) orders the liquidation of the Company or any Subsidiary; or

(j) if at any time the Company is not eligible to transfer its Common Stock electronically as DWAC Shares.

So long as an Event of Default has occurred and is continuing, or if any event which, after notice and/or lapse of time, would become an Event of Default, has occurred and is continuing, the Company shall not deliver to the Investor any Purchase Notice.

## 11. TERMINATION

This Agreement may be terminated only as follows:

(a) If pursuant to or within the meaning of any Bankruptcy Law, the Company commences a voluntary case or any Person commences a proceeding against the Company, a Custodian is appointed for the Company or for all or substantially all of its property, or the Company makes a general assignment for the benefit of its creditors (any of which would be an Event of Default as described in Sections 10(g), 10(h) and 10(i) hereof), this Agreement shall automatically terminate without any liability or payment to the Company (except as set forth below) without further action or notice by any Person.

(b) In the event that the Commencement shall not have occurred on or before October 31, 2025, due to the failure to satisfy the conditions set forth in Sections 7 and 8 above with respect to the Commencement, either the Company or the Investor shall have the option to terminate this Agreement at the close of business on such date or thereafter without liability of any party to any other party (except as set forth below); provided, however, that the right to terminate this Agreement under this Section 11(b) shall not be available to any party if such party is then in breach of any covenant or agreement contained in this Agreement or any representation or warranty of such party contained in this Agreement fails to be true and correct such that the conditions set forth in Section 7(d) or Section 8(e), as applicable, could not then be satisfied.

(c) At any time after the Commencement Date, the Company shall have the option to terminate this Agreement for any reason or for no reason by delivering notice (a "Company Termination Notice") to the Investor electing to terminate this Agreement without any liability whatsoever of any party to any other party under this Agreement (except as set forth below). The Company Termination Notice shall not be effective until one (1) Business Day after it has been received by the Investor.

(d) This Agreement shall automatically terminate on the date that the Company sells and the Investor purchases the full Available Amount as provided herein, without any action or notice on the part of any party and without any liability whatsoever of any party to any other party under this Agreement (except as set forth below).

(e) If, for any reason or for no reason, the full Available Amount has not been purchased in accordance with Section 2 of this Agreement by the Maturity Date, this Agreement shall automatically terminate on the Maturity Date, without any action or notice on the part of any party and without any liability whatsoever of any party to any other party under this Agreement (except as set forth below).

Except as set forth in Sections 11(a) (in respect of an Event of Default under Sections 10(g), 10(h) and 10(i)), 11(d) and 11(e), any termination of this Agreement pursuant to this Section 11 shall be effected by written notice from the Company to the Investor, or the Investor to the Company, as the case may be, setting forth the basis for the termination hereof. The representations and warranties and covenants of the Company and the Investor contained in Sections 3, 4, 5, and 6 hereof, the indemnification provisions set forth in Section 9 hereof and the agreements and covenants set forth in Sections 10, 11 and 12 shall survive the Commencement and any termination of this Agreement. No termination of this Agreement shall (i) affect the Company's or the Investor's rights or obligations under (A) this Agreement with respect to pending Purchases and the Company and the Investor shall complete their respective obligations with respect to any pending Purchases under this Agreement and (B) the Registration Rights Agreement, which shall survive any such termination, or (ii) be deemed to release the Company or the Investor from any liability for intentional misrepresentation or willful breach of any of the Transaction Documents.

**12. MISCELLANEOUS.**

(a) Governing Law; Jurisdiction; Jury Trial. The corporate laws of the State of Delaware shall govern all issues concerning the relative rights of the Company and its stockholders. All other questions concerning the construction, validity, enforcement and interpretation of this Agreement and the other Transaction Documents shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the State of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or under the other Transaction Documents or in connection herewith or therewith, or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE**, **AND AGREES NOT TO REQUEST**, **A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY**.

(b) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile signature or signature delivered by e-mail in a ".pdf" format data file shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original signature.

(c) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(d) Severability. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.

(e) Entire Agreement. The Transaction Documents supersede all other prior oral or written agreements between the Investor, the Company, their affiliates and Persons acting on their behalf with respect to the subject matter thereof, and this Agreement, the other Transaction Documents and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Investor makes any representation, warranty, covenant or undertaking with respect to such matters. The Company acknowledges and agrees that is has not relied on, in any manner whatsoever, any representations or statements, written or oral, other than as expressly set forth in the Transaction Documents.

(f) Notices. Any notices, consents or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt when delivered personally; (ii) upon receipt when sent by facsimile or email (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses for such communications shall be:

If to the Company:

FOXO Technologies Inc.
477 South Rosemary Avenue
Suite 224
West Palm Beach, FL 33401

Tel: 612-800-0059
Email: slagan@foxotechnologies.com

With an electronic copy to (which shall not constitute notice or service of process):

Business Legal Advisors, LLC

Email: brian@businesslegaladvisors.com

If to the Investor:

ClearThink Capital Partners, LLC
10 Times Square, 5th FL
New York, NY 10018

Tel: 646-431-6980
E-mail: nyc@clearthink.capital

If to the Transfer Agent:

Continental Stock Transfer
1 State Street, 30th FL
New York, NY 10004

Tel: 212-509-4000
Email: cstmail@continentalstock.com

or at such other address and/or facsimile number and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent or other communication, (B) mechanically or electronically generated by the sender's facsimile machine or email account containing the time, date, and recipient facsimile number or email address, as applicable, and an image of the first page of such transmission or (C) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile, email or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Investor, including by merger or consolidation. The Investor may not assign its rights or obligations under this Agreement.

(h) No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

(i) Publicity. The Company shall afford the Investor and its counsel with the opportunity to review and comment upon, shall consult with the Investor and its counsel on the form and substance of, and shall give due consideration to all such comments from the Investor or its counsel on, any press release, SEC filing or any other public disclosure by or on behalf of the Company relating to the Investor, its purchases hereunder or any aspect of the Transaction Documents or the transactions contemplated thereby, not less than 24 hours prior to the issuance, filing or public disclosure thereof. The Investor must be provided with a final version of any such press release, SEC filing or other public disclosure at least 24 hours prior to any release, filing or use by the Company thereof; provided however, that the Company's obligations pursuant to this Section 12(i) shall not apply if the form and substance of such press release, SEC filing, or other public disclosure relating to the Investor, its purchases hereunder or any aspect of the Transaction Documents or the transactions contemplated thereby previously have been publicly disclosed by the Company in compliance with this Section 12(i). The Company agrees and acknowledges that its failure to fully comply with this provision constitutes a Material Adverse Effect.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to consummate and make effective, as soon as reasonably possible, the Commencement, and to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) No Financial Advisor, Placement Agent, Broker or Finder. The Company represents and warrants to the Investor that it has not engaged any financial advisor, placement agent, broker or finder in connection with the transactions contemplated hereby. The Investor represents and warrants to the Company that it has not engaged any financial advisor, placement agent, broker or finder in connection with the transactions contemplated hereby. The Company shall be responsible for the payment of any fees or commissions, if any, of any financial advisor, placement agent, broker or finder relating to or arising out of the transactions contemplated hereby. The Company shall pay, and hold the Investor harmless against, any liability, loss or expense (including, without limitation, attorneys' fees and out of pocket expenses) arising in connection with any such claim.

(l) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

(m) Remedies, Other Obligations, Breaches and Injunctive Relief. The Investor's remedies provided in this Agreement, including, without limitation, the Investor's remedies provided in Section 9, shall be cumulative and in addition to all other remedies available to the Investor under this Agreement, at law or in equity (including a decree of specific performance and/or other injunctive relief), no remedy of the Investor contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy and nothing herein shall limit the Investor's right to pursue actual damages for any failure by the Company to comply with the terms of this Agreement. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Investor and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Investor shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.

(n) Enforcement Costs. If: (i) this Agreement is placed by the Investor in the hands of an attorney for enforcement or is enforced by the Investor through any legal proceeding; (ii) an attorney is retained to represent the Investor in any bankruptcy, reorganization, receivership or other proceedings affecting creditors' rights and involving a claim under this Agreement; or (iii) an attorney is retained to represent the Investor in any other proceedings whatsoever in connection with this Agreement, then the Company shall pay to the Investor, as incurred by the Investor, all reasonable costs and expenses including attorneys' fees incurred in connection therewith, in addition to all other amounts due hereunder.

(o) Amendment and Waiver; Failure or Indulgence Not Waiver. No provision of this Agreement may be amended or waived by the parties from and after the date that is one (1) Business Day immediately preceding the filing of the Registration Statement with the SEC. Subject to the immediately preceding sentence, (i) no provision of this Agreement may be amended other than by a written instrument signed by both parties hereto and (ii) no provision of this Agreement may be waived other than in a written instrument signed by the party against whom enforcement of such waiver is sought. No failure or delay in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

(p) Adjustments for Share Splits. The parties acknowledge and agree that all share-related numbers contained in this Agreement shall be adjusted to take into account any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction effected with respect to the Common Stock except as specifically stated herein.

*** Signature Page Follows ***

**IN WITNESS WHEREOF,** the Investor and the Company have caused this Agreement to be duly executed as of the date first written above.

**THE COMPANY:**

**FOXO TECHNOLOGIES INC.**

By: */s/ Seamus Lagan*
Name: Seamus Lagan
Title: CEO

**INVESTOR:**

**CLEARTHINK CAPITAL PARTNERS, LLC**

By: */s/ Brian Loper*
Name: Brian Loper
Title: Authorized Person

**EXHIBITS**

| | |
|---|---|
| Exhibit A | Form of Officer's Certificate |
| Exhibit B | Form of Secretary's Certificate |

EXHIBIT A

FORM OF OFFICER'S CERTIFICATE

This Officer's Certificate ("**Certificate**") is being delivered pursuant to Section 8(e) of that certain Agreement, dated May 15, 2025, to the Purchase Agreement dated as of October 10, 2023, ("**Purchase Agreement**"), by and between **FOXO Technologies Inc.**, a Delaware corporation (the "**Company**"), and **CLEARTHINK CAPITAL PARTNERS, LLC** (the "**Investor**"). Terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

The undersigned, ___________, ______________ of the Company, hereby certifies, on behalf of the Company and not in his individual capacity, as follows:

1. I am the _____________ of the Company and make the statements contained in this Certificate;

2. The representations and warranties of the Company in the Purchase Agreement are true and correct in all material respects (except to the extent that any of such representations and warranties is already qualified as to materiality in Section 4 of the Purchase Agreement, in which case, such representations and warranties are true and correct without further qualification) as of the date when made and as of the Commencement Date as though made at that time (except for representations and warranties that speak as of a specific date, in which case such representations and warranties are true and correct as of such date);

3. The Company has performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by the Company at or prior to the Commencement Date.

4. The Company has not taken any steps, and does not currently expect to take any steps, to seek protection pursuant to any Bankruptcy Law nor does the Company or any of its Subsidiaries have any knowledge or reason to believe that its creditors intend to initiate involuntary bankruptcy or insolvency proceedings.

IN WITNESS WHEREOF, I have hereunder signed my name on this ___ day of ___________.

Name:
Title:

The undersigned as Secretary of **FOXO Technologies Inc.**, a Delaware corporation, hereby certifies that ___________ is the duly elected, appointed, qualified and acting ________ of _________ and that the signature appearing above is his genuine signature.

Secretary

EXHIBIT B

FORM OF SECRETARY'S CERTIFICATE

This Secretary's Certificate ("Certificate") is being delivered pursuant to Section 8(k) of that certain Agreement, dated May 15, 2025, to the Purchase Agreement dated as of October 10, 2023 ("Purchase Agreement"), by and between **FOXO Technologies Inc.**, a Delaware corporation (the "Company") and **CLEARTHINK CAPITAL PARTNERS, LLC** (the "Investor"), pursuant to which the Company may sell to the Investor up to Five Million Dollars ($5,000,000) of the Company's Common Stock, $0.0001 par value per share (the "Common Stock"). Terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

The undersigned, ____________, Secretary of the Company, hereby certifies, on behalf of the Company and not in his individual capacity, as follows:

1. I am the Secretary of the Company and make the statements contained in this Secretary's Certificate.

2. Attached hereto as Exhibit A and Exhibit B are true, correct and complete copies of the Company's Bylaws ("Bylaws") and Certificate of Incorporation ("Charter"), in each case, as amended through the date hereof, and no action has been taken by the Company, its directors, officers or stockholders, in contemplation of the filing of any further amendment relating to or affecting the Bylaws or Charter.

3. Attached hereto as Exhibit C are true, correct and complete copies of the resolutions duly adopted by the Board of Directors of the Company on _____________, at which a quorum was present and acting throughout. Such resolutions have not been amended, modified or rescinded and remain in full force and effect and such resolutions are the only resolutions adopted by the Company's Board of Directors, or any committee thereof, or the stockholders of the Company relating to or affecting (i) the entering into and performance of the Purchase Agreement, or the issuance, offering and sale of the Purchase Shares and the Commitment Shares and (ii) and the performance of the Company of its obligation under the Transaction Documents as contemplated therein.

4. As of the date hereof, the authorized, issued and reserved capital stock of the Company is as set forth on Exhibit D hereto.

**IN WITNESS WHEREOF**, I have hereunder signed my name on this ___ day of ____________.

_________________________ Secretary

The undersigned as ___________ of **FOXO Technologies Inc.**, a Delaware corporation, hereby certifies that ____________ is the duly elected, appointed, qualified and acting Secretary of _________, and that the signature appearing above is his genuine signature.

**EXHIBIT 31.1**

**CERTIFICATION OF
PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Seamus Lagan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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(s), if any, 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; and

5. The registrant's other certifying officer(s), if any, 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 the registrant's board of directors (or persons performing the equivalent function):

    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.

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

Dated: May 20, 2025

**EXHIBIT 31.2**

**CERTIFICATION OF
PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Martin Ward, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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(s), if any, 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; and

5. The registrant's other certifying officer(s), if any, 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 the registrant's board of directors (or persons performing the equivalent function):

   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.

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

Dated: May 20, 2025

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of FOXO Technologies Inc, a Delaware corporation (the "Company"), on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission (the "Report") Seamus Lagan, Chief Executive Officer and Martin Ward, Interim Chief Financial Officer of the Company, do here by certify, pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sec. 1350), that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 20, 2025

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

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