**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10–Q**

☒   **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:** 000-55768

|  |  |  |
| --- | --- | --- |
| **HealthLynked Corp.** | | |
| (Exact name of registrant as specified in its charter) | | |
|  |  |  |
| **Nevada** |  | **47-1634127** |
| (State or other jurisdiction of incorporation or organization) |  | (I.R.S. Employer Identification No.) |
|  |  |  |
| **1265 Creekside Parkway, Suite 302, Naples FL 34108** | | |
| (Address of principal executive offices) | | |
|  | | |
| **(800) 928-7144** | | |
| (Registrant’s telephone number, including area code) | | |
|  | | |
| (Former name, former address and former fiscal year, if changed since last report) | | |

Securities registered pursuant to Section 12(b) of the Act: **None.**

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, 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 of the Exchange Act.

|  |  |  |  |
| --- | --- | --- | --- |
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☒ | Smaller reporting company | ☒ |
|  |  | Emerging growth company | ☐ |

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

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

As of May 15, 2025, there were 281,947,151 shares of the issuer's common stock, par value $0.0001, outstanding.

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**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**HEALTHLYNKED CORP.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  | *(Unaudited)* | |  |  |  | |  |
| **ASSETS** |  |  | |  |  |  | |  |
| **Current Assets** |  |  | |  |  |  | |  |
| Cash |  | $ | 22,270 |  |  | $ | 76,241 |  |
| Inventory, net |  |  | 32,259 |  |  |  | 44,686 |  |
| Prepaid expenses and other current assets |  |  | 49,506 |  |  |  | 56,719 |  |
| Contingent sale consideration receivable, current portion |  |  | 1,463,518 |  |  |  | 1,463,518 |  |
| Total Current Assets |  |  | 1,567,553 |  |  |  | 1,641,164 |  |
|  |  |  |  |  |  |  |  |  |
| Property and equipment, net of accumulated depreciation of $662,863 and $634,839 as of March 31, 2025 and December 31, 2024, respectively |  |  | 148,552 |  |  |  | 176,576 |  |
| Right of use lease assets |  |  | 297,069 |  |  |  | 361,109 |  |
| Deposits, long term portion |  |  | 44,140 |  |  |  | 44,140 |  |
|  |  |  |  |  |  |  |  |  |
| Total Assets |  | $ | 2,057,314 |  |  | $ | 2,222,989 |  |
|  |  |  |  |  |  |  |  |  |
| **LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)** |  |  |  |  |  |  |  |  |
| **Current Liabilities** |  |  |  |  |  |  |  |  |
| Accounts payable, accrued expenses and other current liabilities |  | $ | 921,395 |  |  | $ | 765,312 |  |
| Contract liabilities |  |  | 218,054 |  |  |  | 232,545 |  |
| Lease liability, current portion |  |  | 186,083 |  |  |  | 208,549 |  |
| Derivative financial instruments |  |  | 16,979 |  |  |  | — |  |
| Notes payable and other amounts due to related party, net of unamortized original issue discount of $134,681 and $494,104 as of March 31, 2025 and December 31, 2024, respectively |  |  | 3,783,866 |  |  |  | 3,212,521 |  |
| Notes payable, current portion, net of unamortized original issue discount of $156,743 and $27,414 as of March 31, 2025 and December 31, 2024, respectively |  |  | 329,342 |  |  |  | 127,095 |  |
| Indemnification liability |  |  | 143,974 |  |  |  | 143,974 |  |
| Total Current Liabilities |  |  | 5,599,693 |  |  |  | 4,689,996 |  |
|  |  |  |  |  |  |  |  |  |
| **Long-Term Liabilities** |  |  |  |  |  |  |  |  |
| Lease liability, long term portion |  |  | 111,399 |  |  |  | 153,592 |  |
| Government and other notes payable, long term portion |  |  | 483,619 |  |  |  | 508,610 |  |
|  |  |  |  |  |  |  |  |  |
| Total Liabilities |  |  | 6,194,711 |  |  |  | 5,352,198 |  |
|  |  |  |  |  |  |  |  |  |
| Commitments and contingencies (Note 14) |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| **Shareholders' Equity (Deficit)** |  |  |  |  |  |  |  |  |
| Common stock, par value $0.0001 per share, 500,000,000 shares authorized, 281,947,151 and 281,947,151 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively |  |  | 28,195 |  |  |  | 28,195 |  |
| Series B convertible preferred stock, par value $0.001 per share, 20,000,000 shares authorized, 2,750,000 and 2,750,000 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively |  |  | 2,750 |  |  |  | 2,750 |  |
| Common stock issuable, $0.0001 par value; 3,324,412 and 3,063,188 as of March 31, 2025 and December 31, 2024, respectively |  |  | 167,877 |  |  |  | 161,632 |  |
| Additional paid-in capital |  |  | 44,879,335 |  |  |  | 44,842,829 |  |
| Accumulated deficit |  |  | (49,215,554 | ) |  |  | (48,164,615 | ) |
| Total Shareholders' Deficit |  |  | (4,137,397 | ) |  |  | (3,129,209 | ) |
|  |  |  |  |  |  |  |  |  |
| Total Liabilities and Shareholders' Deficit |  | $ | 2,057,314 |  |  | $ | 2,222,989 |  |

See the accompanying notes to these Unaudited Condensed Consolidated Financial Statements

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**HEALTHLYNKED CORP.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

**(UNAUDITED)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |
| **Revenue** |  |  | |  |  |  | |  |
| Patient service revenue, net |  | $ | 752,015 |  |  | $ | 963,621 |  |
| Subscription revenue |  |  | 9,584 |  |  |  | 7,628 |  |
| Product revenue |  |  | 12,609 |  |  |  | 32,983 |  |
| Total revenue |  |  | 774,208 |  |  |  | 1,004,232 |  |
|  |  |  |  |  |  |  |  |  |
| **Operating Expenses and Costs** |  |  |  |  |  |  |  |  |
| Practice salaries and benefits |  |  | 402,366 |  |  |  | 583,156 |  |
| Other practice operating expenses |  |  | 313,976 |  |  |  | 482,583 |  |
| Cost of product revenue |  |  | 17,816 |  |  |  | 30,579 |  |
| Selling, general and administrative expenses |  |  | 629,415 |  |  |  | 999,443 |  |
| Depreciation and amortization |  |  | 28,024 |  |  |  | 86,509 |  |
| Total Operating Expenses and Costs |  |  | 1,391,597 |  |  |  | 2,182,270 |  |
|  |  |  |  |  |  |  |  |  |
| Loss from operations |  |  | (617,389 | ) |  |  | (1,178,038 | ) |
|  |  |  |  |  |  |  |  |  |
| **Other Income (Expenses)** |  |  |  |  |  |  |  |  |
| Gain (loss) on extinguishment of debt |  |  | 42,726 |  |  |  | (96,660 | ) |
| Loss on change in fair value of debt |  |  | (49,186 | ) |  |  | — |  |
| Gain on change in fair value of derivative financial instruments |  |  | 45,038 |  |  |  | — |  |
| Amortization of original issue discounts on notes payable |  |  | (405,113 | ) |  |  | (108,265 | ) |
| Interest expense and other |  |  | (67,015 | ) |  |  | (4,755 | ) |
| Total other income (expenses) |  |  | (433,550 | ) |  |  | (209,680 | ) |
|  |  |  |  |  |  |  |  |  |
| Loss before provision for income taxes |  |  | (1,050,939 | ) |  |  | (1,387,718 | ) |
|  |  |  |  |  |  |  |  |  |
| Provision for income taxes |  |  | — |  |  |  | — |  |
|  |  |  |  |  |  |  |  |  |
| Net loss |  | $ | (1,050,939 | ) |  | $ | (1,387,718 | ) |
|  |  |  |  |  |  |  |  |  |
| Net loss per share, basic and diluted: |  |  |  |  |  |  |  |  |
| Basic |  | $ | (0.00 | ) |  | $ | (0.00 | ) |
| Fully diluted |  |  | (0.00 | ) |  |  | (0.00 | ) |
|  |  |  |  |  |  |  |  |  |
| Weighted average number of common shares: |  |  |  |  |  |  |  |  |
| Basic |  |  | 281,947,151 |  |  |  | 280,484,268 |  |
| Fully diluted |  |  | 281,947,151 |  |  |  | 280,484,268 |  |

See the accompanying notes to these Unaudited Condensed Consolidated Financial Statements

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**HEALTHLYNKED CORP.**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY (DEFICIT)**

**THREE MONTHS ENDED MARCH 31, 2025 AND 2024**

**(UNAUDITED)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Number of Shares** | | | | | |  |  |  | |  |  |  | |  |  | **Common** | |  |  | **Additional** | |  |  |  | |  |  | **Total** | |  |
|  |  | **Common** | |  |  | **Preferred** | |  |  | **Common** | |  |  | **Preferred** | |  |  | **Stock** | |  |  | **Paid-in** | |  |  | **Accumulated** | |  |  | **Shareholders'** | |  |
|  |  | **Stock** | |  |  | **Stock** | |  |  | **Stock** | |  |  | **Stock** | |  |  | **Issuable** | |  |  | **Capital** | |  |  | **Deficit** | |  |  | **Equity** | |  |
|  |  | ***(#)*** | |  |  | ***(#)*** | |  |  | ***($)*** | |  |  | ***($)*** | |  |  | ***($)*** | |  |  | ***($)*** | |  |  | ***($)*** | |  |  | ***($)*** | |  |
| **Balance at December 31, 2024** |  |  | **281,947,151** |  |  |  | **2,750,000** |  |  |  | **28,195** |  |  |  | **2,750** |  |  |  | **161,632** |  |  |  | **44,842,829** |  |  |  | **(48,164,615** | **)** |  |  | **(3,129,209** | **)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Sales of common stock |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 3,245 |  |  |  | — |  |  |  | — |  |  |  | 3,245 |  |
| Fair value of warrants allocated to proceeds of common stock |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 6,755 |  |  |  | — |  |  |  | 6,755 |  |
| Stock fees related to sales of common stock |  |  | — |  |  |  | — |  |  |  | — |  |  |  |  |  |  |  | 3,000 |  |  |  | (3,000 | ) |  |  | — |  |  |  | — |  |
| Fair value of warrants to extend related party debt |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 25,625 |  |  |  | — |  |  |  | 25,625 |  |
| Shares and options issued to employees |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 7,126 |  |  |  | — |  |  |  | 7,126 |  |
| Net loss |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | (1,050,939 | ) |  |  | (1,050,939 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Balance at March 31, 2025** |  |  | **281,947,151** |  |  |  | **2,750,000** |  |  |  | **28,195** |  |  |  | **2,750** |  |  |  | **167,877** |  |  |  | **44,879,335** |  |  |  | **(49,215,554** | **)** |  |  | **(4,137,397** | **)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Balance at December 31, 2023** |  |  | **275,964,958** |  |  |  | **2,750,000** |  |  |  | **27,597** |  |  |  | **2,750** |  |  |  | **281,682** |  |  |  | **42,525,837** |  |  |  | **(42,033,136** | **)** |  |  | **804,730** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Sales of common stock |  |  | 5,100,000 |  |  |  | — |  |  |  | 510 |  |  |  |  |  |  |  | — |  |  |  | 255,413 |  |  |  | — |  |  |  | 255,923 |  |
| Fair value of warrants allocated to proceeds of common stock |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 99,077 |  |  |  | — |  |  |  | 99,077 |  |
| Fair value of warrants allocated to proceeds of related party debt |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 209,943 |  |  |  | — |  |  |  | 209,943 |  |
| Fair value of beneficial conversion feature allocated to proceeds of related party debt |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 146,405 |  |  |  | — |  |  |  | 146,405 |  |
| Consultant and director fees payable with common shares and warrants |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | 43,437 |  |  |  | — |  |  |  | — |  |  |  | 43,437 |  |
| Shares and options issued to employees |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | (270,549 | ) |  |  | 320,246 |  |  |  | — |  |  |  | 49,697 |  |
| Net loss |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | (1,387,718 | ) |  |  | (1,387,718 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Balance at March 31, 2024** |  |  | **281,064,958** |  |  |  | **2,750,000** |  |  |  | **28,107** |  |  |  | **2,750** |  |  |  | **54,570** |  |  |  | **43,556,921** |  |  |  | **(43,420,854** | **)** |  |  | **221,494** |  |

See the accompanying notes to these Unaudited Condensed Consolidated Financial Statements

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**HEALTHLYNKED CORP.**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

**(UNAUDITED)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |
| **Cash Flows from Operating Activities** |  |  | |  |  |  | |  |
| Net loss |  | $ | (1,050,939 | ) |  | $ | (1,387,718 | ) |
| Adjustments to reconcile net loss to net cash used in operating activities: |  |  |  |  |  |  |  |  |
| Depreciation and amortization |  |  | 28,024 |  |  |  | 86,509 |  |
| Stock based compensation, including amortization of deferred equity compensation |  |  | 7,126 |  |  |  | 93,133 |  |
| Gain on change in fair value of derivative financial instruments |  |  | (45,038 | ) |  |  | — |  |
| Amortization of debt discount |  |  | 405,113 |  |  |  | 108,265 |  |
| (Gain) loss on extinguishment of debt |  |  | (42,726 | ) |  |  | 96,660 |  |
| Change in fair value of debt |  |  | 49,186 |  |  |  | — |  |
| Other non-cash adjustments |  |  | — |  |  |  | (76 | ) |
| Changes in operating assets and liabilities: |  |  |  |  |  |  |  |  |
| Accounts receivable |  |  | — |  |  |  | (12,760 | ) |
| Inventory |  |  | 12,427 |  |  |  | (2,983 | ) |
| Contract assets |  |  | 6,144 |  |  |  | — |  |
| Prepaid expenses and other current assets |  |  | 1,068 |  |  |  | 15,194 |  |
| Right of use lease assets |  |  | 64,040 |  |  |  | 82,287 |  |
| Accounts payable and accrued expenses |  |  | 212,172 |  |  |  | 89,149 |  |
| Lease liability |  |  | (64,659 | ) |  |  | (82,181 | ) |
| Contract liabilities |  |  | (14,491 | ) |  |  | 59,666 |  |
| Net cash used in operating activities |  |  | (432,553 | ) |  |  | (854,855 | ) |
|  |  |  |  |  |  |  |  |  |
| **Cash Flows from Investing Activities** |  |  |  |  |  |  |  |  |
| Acquisition of property and equipment |  |  | — |  |  |  | (2,598 | ) |
| Net cash used in investing activities |  |  | — |  |  |  | (2,598 | ) |
|  |  |  |  |  |  |  |  |  |
| **Cash Flows from Financing Activities** |  |  |  |  |  |  |  |  |
| Proceeds from sale of common stock |  |  | 10,000 |  |  |  | 355,000 |  |
| Proceeds from related party notes payable |  |  | 175,000 |  |  |  | 500,000 |  |
| Proceeds from third party notes payable |  |  | 305,000 |  |  |  | — |  |
| Repayment of related party notes payable |  |  | — |  |  |  | (37,602 | ) |
| Repayment of third party notes payable |  |  | (111,418 | ) |  |  | (183,676 | ) |
| Net cash provided by financing activities |  |  | 378,582 |  |  |  | 633,722 |  |
|  |  |  |  |  |  |  |  |  |
| **Net decrease in cash** |  |  | **(53,971** | **)** |  |  | **(223,731** | **)** |
| Cash, beginning of period |  |  | 76,241 |  |  |  | 247,222 |  |
|  |  |  |  |  |  |  |  |  |
| **Cash, end of period** |  | **$** | **22,270** |  |  | **$** | **23,491** |  |
|  |  |  |  |  |  |  |  |  |
| Supplemental disclosure of cash flow information: |  |  |  |  |  |  |  |  |
| Cash paid during the period for interest |  | $ | 6,579 |  |  | $ | 6,579 |  |
| Cash paid during the period for income tax |  | $ | — |  |  | $ | — |  |
| Schedule of non-cash investing and financing activities: |  |  |  |  |  |  |  |  |
| Fair value of options issued in satisfaction of common stock issuable |  | $ | — |  |  | $ | 270,549 |  |
| Fair value of warrants allocated to proceeds of related party notes payable |  | $ | — |  |  | $ | 146,405 |  |
| Fair value of derivative financial instruments allocated to proceeds of third party notes payable |  | $ | 62,017 |  |  | $ | — |  |
| Original issue discounts allocated to proceeds of notes payable |  | $ | 113,002 |  |  | $ | — |  |
| Fair value of warrants issued to extend related party debt |  | $ | 25,625 |  |  | $ | — |  |
| Principal amount of convertible notes payable to related party refinanced |  | $ | 1,216,500 |  |  | $ | — |  |
| Principal amount of undocumented advances converted to convertible note payable to related party |  | $ | 420,000 |  |  | $ | --- |  |
| Note payable to related party balance classified as accrued interest |  | $ | 56,087 |  |  | $ | 1,875 |  |
| Incremental fair value of convertible note payable to related party resulting from refinancing |  | $ | (12,264 | ) |  | $ | 33,121 |  |
| Fair value of shares issued for equity issuance costs |  | $ | 3,000 |  |  | $ | — |  |

See the accompanying notes to these Unaudited Condensed Consolidated Financial Statements

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 1 - BUSINESS AND BUSINESS PRESENTATION**

HealthLynked Corp. (the “Company”) was incorporated in the State of Nevada on August 4, 2014. On September 2, 2014, the Company filed Amended and Restated Articles of Incorporation with the Secretary of State of Nevada setting the total number of authorized shares at 500,000,000 shares, which included up to 480,000,000 shares of common stock and 20,000,000 shares of “blank check” preferred stock. On February 5, 2018, the Company filed an Amendment to its Amended and Restated Articles of Incorporation with the Secretary of State of Nevada to increase the number of authorized shares of common stock to 500,000,000 shares.

The Company currently operates in three distinct divisions:

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|  | ● | **Health Services Division**: This division is comprised of the operations of (i) Naples Center for Functional Medicine (“NCFM”), a functional medical practice engaged in improving the health of its patients through individualized and integrative health care, (ii) Bridging the Gap Physical Therapy (“BTG”), a physical therapy practice in Bonita Springs, Florida that provides hands-on functional manual therapy techniques to speed patients’ recovery and manage pain without pain medication or surgery, (iii) Concierge Care Naples (“CCN”), a primary care providing a comprehensive range of medical services, and (iv) Aesthetic Enhancements Unlimited (“AEU”), a minimally and non-invasive cosmetic services. During 2024, the Company replaced our Naples Women’s Center (“NWC”) Obstetrics and Gynecology (OB/GYN) practice with CCN and relocated its AEU practice to the CCN office location. |

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|  | ● | **Digital Healthcare Division**: At the forefront of healthcare innovation, this division develops and manages an advanced online concierge medical service. The HealthLynked Network facilitates efficient management of medical records and care, allowing seamless patient appointment scheduling, comprehensive telemedicine services, and a cloud-based system for medical information and records management. It also supports physicians in expanding their practices and acquiring new patients through our robust online scheduling system. |

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|  | ● | **Medical Distribution Division**: MedOffice Direct LLC (“MOD”), a part of this division, operates as a virtual distributor of discounted medical supplies to consumers and medical practices nationwide, ensuring timely and cost-effective delivery. |

In a strategic restructuring, during October 2022, our Board of Directors (the “Board”) approved the divestiture of the former ACO/MSO Division, including Cura Health Management LLC (“CHM”) and its subsidiary ACO Health Partners LLC (“AHP”). CHM and AHP were involved in enhancing coordinated care through the Medicare Shared Savings Program (“MSSP”). The divestiture was completed on January 17, 2023, aligning with the Company’s focus on core growth areas. See Note 4, “Discontinued Operations,” for additional information.

These unaudited condensed consolidated financial statements reflect all adjustments including normal recurring adjustments, which, in the opinion of management, are necessary to present fairly the financial position, results of operations and cash flows for the periods presented in accordance with the accounting principles generally accepted in the United States of America (“GAAP”). These unaudited condensed consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements and notes thereto for the years ended December 31, 2024 and 2023, respectively, which are included in the Company’s Form 10-K, filed with the United States Securities and Exchange Commission (the “Commission”) on March 31, 2025. The Company assumes that the users of the interim financial information herein have read, or have access to, the audited consolidated financial statements for the preceding period, and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of results for the entire year ending December 31, 2025.

On a consolidated basis, the Company’s operations are comprised of the parent company, HealthLynked Corp., and its operating subsidiaries: NCFM, BTG, CCN (after October 1, 2024), AEU, NWC (through October 1, 2024), and MOD. Results through January 17, 2023 also include operations of AHP, which was sold, and CHM, which was discontinued, both effective as of January 17, 2023. All significant intercompany transactions and balances have been eliminated upon consolidation. In addition, certain amounts in the prior periods’ consolidated financial statements have been reclassified to conform to the current period presentation.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 1 - BUSINESS AND BUSINESS PRESENTATION (CONTINUED)**

Uncertainty Due to Geopolitical Events

Due to the Hamas-Israel, Iran-Israel and Russia-Ukraine conflicts, there has been uncertainty and disruption in the global economy. Although these events did not have a direct material adverse impact on the Company’s financial results for the three months ended March 31, 2025, at this time the Company is unable to fully assess the aggregate impact the Hamas-Israel and Russia-Ukraine conflicts will have on its business due to various uncertainties, which include, but are not limited to, the duration of the conflicts, the conflicts’ effect on the economy, the impact on the Company’s businesses and actions that may be taken by governmental authorities related to the conflicts.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the presentation of the accompanying condensed consolidated financial statements follows:

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared in conformity with GAAP. All amounts referred to in the notes to the condensed consolidated financial statements are in United States Dollars ($) unless stated otherwise.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates include assumptions about fair valuation of acquired intangible assets and derivative financial instruments; cash flow and fair value assumptions associated with measurements of contingent sale consideration receivable and impairment of intangible assets; valuation of inventory; collection of accounts receivable; the valuation and recognition of stock-based compensation expense; valuation allowance for deferred tax assets; and borrowing rate consideration for right-of-use (“ROU”) lease assets including related lease liability and useful life of fixed assets.

Revenue Recognition

*Patient service revenue*

Patient service revenue is earned for functional medicine services provided to patients by the NCFM practice, physical therapy services provided to patients by the BTG practice, aesthetics services provided by the AEU practice, and medical services provided to patients by the CCN practice (after its establishment in October 2024) and NWC practice (until its discontinuation in October 2024). Patient service revenue is reported at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing patient care. All amounts are due from patients at the time of service, with the exception of NWC billings incurred prior to October 2024 that were due from third-party payors (including health insurers and government programs) that included variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Company bills patients at the time of service and third-party payors within days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time includes revenue from NCFM annual access contracts (the Medical Membership and Concierge Program prior to October 1, 2023 and the more comprehensive Optimal Health 365 Access Plan thereafter), BTG physical therapy bundles, CCN annual and semi-annual concierge services, and NWC annual administration fees (prior to October 2024). Revenue from NCFM Medical Memberships and Concierge contracts, CCN concierge services, and NWC annual administration fees, which include bundled products and services that have substantially the same pattern of transfer to the customer, is recognized over the period of delivery, which is the same as the period of the contract (typically, six months or one year). Revenue from prepaid BTG physical therapy bundles, for which performance obligations are satisfied over time as visits are incurred, is recognized based on actual visits incurred in relation to total expected visits. At inception of such contracts, the Company recognizes contract liabilities for the value of services to be provided and, where applicable, contract assets for recoverable amounts incurred to obtain a customer contract that would not have incurred if the contract had not been obtained. The Company believes that these methods provide a faithful depiction of the transfer of services over the term of the performance obligations based on the inputs needed to satisfy the obligation.

Revenue for performance obligations satisfied at a point in time, which includes all patient service revenue other than NCFM annual access contracts, BTG physical therapy bundles, CCN concierge services, and NWC annual administration fees, is recognized when goods or services are provided at the time of the patient visit, and at which time the Company is not required to provide additional goods or services to the patient.

Patient service revenues are presented on the statement of operations net of contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Company’s policy, and/or implicit price concessions provided to uninsured patients. Estimates of contractual adjustments and discounts require significant judgment and are based on the Company’s current contractual agreements, its discount policies, and historical experience. The Company determines its estimate of implicit price concessions based on its historical collection experience with this class of patients. There were no material changes during the three months ended March 31, 2025 or 2024 to the judgments applied in determining the amount and timing of patient service revenue.

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

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|  | ● | Medicare: Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic and other factors. Certain services are paid based on cost-reimbursement methodologies subject to certain limits. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates; |

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| --- | --- | --- |
|  | ● | Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates per discharge, per occasion of service, or per covered member. |

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| --- | --- | --- |
|  | ● | Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates. |

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Company’s compliance with these laws and regulations, and it is not possible to determine the impact, if any, such claims or penalties would have upon the Company. In addition, the contracts the Company has with commercial payors also provide for retroactive audit and review of claims.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Company’s historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews, and investigations. With the discontinuation of the NWC practice in October 2024, the Company no longer expects to bill third-party payors on behalf of its patients.

The Company also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Company estimates the transaction price for patients with deductibles and coinsurance and for those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Patient services provided by NCFM, AEU, BTG, AEU, and CCN are provided on a cash basis and not submitted through third party insurance providers.

*Product Revenue*

Product revenue is derived from the distribution of medical products that are sourced from a third party. The Company recognizes revenue at a point in time when title transfers to customers and the Company has no further obligation to provide services related to such products, which occurs when the product ships. The Company is the principal in its revenue transactions and as a result revenue is recorded on a gross basis. The Company has determined that it controls the ability to direct the use of the product provided prior to transfer to a customer, is primarily responsible for fulfilling the promise to provide the product to its customer, has discretion in establishing prices, and ultimately controls the transfer of the product to the customer. Shipping and handling costs billed to customers are recorded in revenue. Contract liabilities related to product revenue are recognized when payment is received but for which the Company has not met its product fulfillment performance obligation.

Sales are made inclusive of sales tax, where such sales tax is applicable. Sales tax is applicable on sales made in the state of Florida, where the Company has physical nexus. The Company has determined that it does not have economic nexus in any other states. The Company does not sell products outside of the United States.

The Company maintains a return policy that allows customers to return a product within a specified period of time prior to and subsequent to the expiration date of the product. The Company analyzes the need for a product return allowance at the end of each period based on eligible products.

Cash and Cash Equivalents

For financial statement purposes, the Company considers all highly liquid investments with original maturities of six months or less to be cash and cash equivalents. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000. The Company had $-0- and $-0- in cash balances in excess of the FDIC insured limit as of March 31, 2025 and December 31, 2024, respectively.

Other Comprehensive Income

The Company does not have any activity that results in Other Comprehensive Income.

Leases

Upon transition under ASU 2016-02, the Company elected the suite of practical expedients as a package applied to all of its leases, including (i) not reassessing whether any expired or existing contracts are or contain leases, (ii) not reassessing the lease classification for any expired or existing leases, and (iii) not reassessing initial direct costs for any existing leases. For new leases, the Company will determine if an arrangement is or contains a lease at inception. Leases are included as ROU assets within other assets and ROU liabilities within accrued expenses and other liabilities and within other long-term liabilities on the Company’s consolidated balance sheets.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company’s leases do not provide an implicit rate. The Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The ROU asset also includes any lease payments made and excludes lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Upon termination of a lease, the ROU asset and lease liability are written off. Upon modification of a lease, the ROU asset and lease liability are remeasured based on the modified last terms. See Note 7 for more complete details on balances as of the reporting periods presented herein.

Inventory

Inventory consisting of supplements, is stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method. Outdated inventory is directly charged to cost of goods sold.

Intangible Assets

The Company recognizes an acquired intangible whenever the intangible arises from contractual or other legal rights, or whenever it can be separated or divided from the acquired entity and sold, transferred, licensed, rented or exchanged, either individually or in combination with a related contract, asset or liability. Such intangibles are amortized over their estimated useful lives unless the estimated useful life is determined to be indefinite. Amortizable intangible assets are being amortized primarily over useful lives of five years. The straight-line method of amortization is used as it has been determined to approximate the use pattern of the assets. Impairment losses are recognized if the carrying amount of an intangible that is subject to amortization is not recoverable from expected future cash flows and its carrying amount exceeds its fair value.

Concentrations of Credit Risk

The Company’s financial instruments that are exposed to a concentration of credit risk are cash and accounts receivable. There are no patients/customers that represent 10% or more of the Company’s revenue or accounts receivable. Generally, the Company’s cash and cash equivalents are in checking accounts. The Company relies on a sole supplier for the fulfillment of substantially all of its product sales made through MOD.

Property and Equipment

Property and equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings. For consolidated financial statement purposes, property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives of 5 to 7 years. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized.

The Company examines the possibility of decreases in the value of fixed assets when events or changes in circumstances reflect the fact that their recorded value may not be recoverable. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset’s estimated fair value and its book value.

Fair Value of Assets and Liabilities

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability (i.e. an exit price) in the principal or most advantageous market in an orderly transaction between market participants. In determining fair value, the accounting standards have established a three-level hierarchy that distinguishes between (i) market data obtained or developed from independent sources (i.e., observable data inputs) and (ii) a reporting entity’s own data and assumptions that market participants would use in pricing an asset or liability (i.e., unobservable data inputs). Financial assets and financial liabilities measured and reported at fair value are classified in one of the following categories, in order of priority of observability and objectivity of pricing inputs:

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|  | ● | Level 1 – Fair value based on quoted prices in active markets for identical assets or liabilities; |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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| --- | --- | --- |
|  | ● | Level 2 – Fair value based on significant directly observable data (other than Level 1 quoted prices) or significant indirectly observable data through corroboration with observable market data. Inputs would normally be (i) quoted prices in active markets for similar assets or liabilities, (ii) quoted prices in inactive markets for identical or similar assets or liabilities or (iii) information derived from or corroborated by observable market data; |

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|  | ● | Level 3 – Fair value based on prices or valuation techniques that require significant unobservable data inputs. Inputs would normally be a reporting entity’s own data and judgments about assumptions that market participants would use in pricing the asset or liability. |

The fair value measurement level for an asset or liability is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company utilizes a binomial lattice option pricing model to estimate the fair value of options, warrants, beneficial conversion features and other Level 3 financial assets and liabilities. The Company believes that the binomial lattice model results in the best estimate of fair value because it embodies all of the requisite assumptions (including the underlying price, exercise price, term, volatility, and risk-free interest-rate) necessary to fairly value these instruments and, unlike less sophisticated models like the Black-Scholes model, it also accommodates assumptions regarding investor exercise behavior and other market conditions that market participants would likely consider in negotiating the transfer of such an instruments.

Stock-Based Compensation

The Company accounts for stock-based compensation to employees and nonemployees under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 718 “Compensation – Stock Compensation” using the fair value-based method. Under this method, compensation cost is measured at the grant date based on the value of the award and is recognized over the service period, which is usually the vesting period. This guidance establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity’s equity instruments or that may be settled by the issuance of those equity instruments. The Company uses a binomial lattice pricing model to estimate the fair value of options and warrants granted.

Income Taxes

The Company follows Accounting Standards Codification subtopic 740-10, Income Taxes (“ASC 740-10”) for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse and are considered immaterial. No income tax has been provided for the three months ended March 31, 2025 and 2024, since the Company has sustained a loss for both periods. Due to the uncertainty of the utilization and recoverability of the loss carry-forwards and other deferred tax assets, management has determined a full valuation allowance for the deferred tax assets, since it is more likely than not that the deferred tax assets will not be realizable.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recurring Fair Value Measurements

The carrying value of the Company’s financial assets and financial liabilities is their cost, which may differ from fair value. The carrying value of accounts receivable, accounts payable, and accrued liabilities approximated their fair value.

Net Income (Loss) per Share

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. During the three months ended March 31, 2025 and 2024, the Company reported a net loss and excluded all outstanding stock options, warrants and other dilutive securities from the calculation of diluted net loss per common share because inclusion of these securities would have been anti-dilutive. As of March 31, 2025 and December 31, 2024, potentially dilutive securities were comprised of (i) 80,300,130 and 101,488,821 warrants outstanding, respectively, (ii) 6,157,422 and 6,157,422 stock options outstanding, respectively, (iii) up to 3,324,412 and 3,063,188 common shares issuable that are earned but not paid under consulting and director compensation arrangements, (iv) up to 78,855,115 and 62,537,933 shares potentially issuable upon conversion of outstanding fixed price convertible notes payable, and (v) up to 13,750,000 and 13,750,000 shares of common stock issuable upon conversion of Series B Preferred stock.

Common Stock Awards

The Company grants common stock awards to non-employees in exchange for services provided. The Company measures the fair value of these awards using the fair value of the services provided or the fair value of the awards granted, whichever is more reliably measurable. The fair value measurement date of these awards is generally the date the performance of services is complete. The fair value of the awards is recognized on a straight-line basis as services are rendered. The share-based payments related to common stock awards for the settlement of services provided by non-employees is recorded on the consolidated statement of operations in the same manner and charged to the same account as if such settlements had been made in cash. From time to time, the Company also issues stock awards settleable in a variable number of common shares. Such awards are classified as liabilities until such time as the number of shares underlying the grant is determinable.

Warrants

In connection with certain financing, consulting and collaboration arrangements, the Company has issued warrants to purchase shares of its common stock. The outstanding warrants are standalone instruments that are not puttable or mandatorily redeemable by the holder and are classified as equity awards. The Company measures the fair value of the awards using the Black-Scholes pricing model as of the measurement date. The Company uses a binomial lattice pricing model to estimate the fair value of compensation options and warrants. Warrants issued in conjunction with the issuance of common stock are initially recorded at fair value as a reduction in additional paid-in capital of the common stock issued. All other warrants are recorded at fair value as expense over the requisite service period, or at the date of issuance, if there is not a service period. Certain of the Company’s warrants include a so-called down round provision. The Company accounts for such provisions pursuant to ASU No. 2017-11, *Earnings Per Share, Distinguishing Liabilities from Equity and Derivatives and Hedging*, which calls for the recognition of a deemed dividend in the amount of the incremental fair value of the warrant due to the down round when triggered.

Segment Reporting

The Company uses the “management approach” under ASC 280, “Segment Reporting,” to identify its reportable segments. The management approach designates the internal organization used by management for making operating decisions and assessing performance as the basis for identifying the Company’s reportable segments. Using the management approach, the Company determined that it has three operating segments: Health Services (the NCFM functional medicine practice, the BTG physical therapy practice, the AEU cosmetic services practice, CCN primary care practice, and the NWC GYN practice that was discontinued in October 2024), Digital Healthcare (develops and markets the “HealthLynked Network,” an online personal medical information and record archive system), and Medical Distribution (comprised of the operations of MOD, a virtual distributor of discounted medical supplies selling to both consumers and medical practices).

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently Issued Pronouncements

In March 2024, the FASB issued ASU No. 2024-01, “Compensation—Stock Compensation (Topic 718): Scope Applications of Profits Interests and Similar Awards” (“ASU 2024-01”). ASU 2024-01 adds an example to Topic 718 which illustrates how to apply the scope guidance to determine whether profits interests and similar awards should be accounted for as share-based payment arrangements under Topic 718 or under other U.S. GAAP. ASU 2024-01 is effective for annual periods beginning after December 15, 2025, although early adoption is permitted. Upon adoption, ASU 2024-01 is not expected to have an impact on the Company’s consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40).” This standard requires disclosure of specific information about costs and expenses and becomes effective January 1, 2027. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-04, “Debt - Debt with Conversions and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments” (“ASU 2024-04”). ASU 2024-04 clarifies the requirements for determining whether certain settlements of convertible debt instruments, including convertible debt instruments with cash conversion features or convertible debt instruments that are not currently convertible, should be accounted for as an induced conversion. The requirements of ASU 2024-04 are effective for the Company for fiscal years beginning after December 15, 2025, and interim periods within those periods. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

Recently Adopted Pronouncements

In November 2023, the FASB issued Accounting Standards Update 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”), which requires public entities to disclose information about their reportable segments’ significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280, on an interim and annual basis. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted this standard in 2024. The adoption did not have a material effect on the Company’s consolidated financial statements.

In December 2023, the FASB issued Accounting Standards Update 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (“ASU 2023-09”), which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted this standard in 2024. The adoption did not have a material effect on the Company’s consolidated financial statements.

In March 2024, the FASB issued ASU No 2024-02, “Codification Improvements - Amendments to Remove References to the Concepts Statements” (“ASU 2024-02”). ASU 2024-02 removes references to various Concepts Statements. In most instances, the references are extraneous and not required to understand or apply the guidance. ASU 2024-02 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2024-02 can be applied prospectively or retrospectively. The Company adopted this standard in 2025. The adoption did not have a material effect on the Company’s consolidated financial statements.

No other new accounting pronouncements were issued or became effective in the period that had, or are expected to have, a material impact on our consolidated Financial Statements.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 3 – LIQUIDITY AND GOING CONCERN ANALYSIS**

Under ASU No. 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern (“ASU 2014-15”), the Company is required to evaluate whether there is substantial doubt about its ability to continue as a going concern each reporting period, including interim periods. Pursuant to ASU 2014-15, in evaluating the Company’s ability to continue as a going concern, management considered the conditions and events that could raise substantial doubt about the Company’s ability to continue as a going concern within 12 months after the Company’s financial statements were issued (May 15, 2026). Management considered the Company’s current financial condition and liquidity sources, including current funds available, forecasted future cash flows and the Company’s obligations due before May 15, 2026.

The Company is subject to a number of risks, including uncertainty related to product development and generation of revenues and positive cash flow from its Digital Healthcare Division and a dependence on outside sources of capital. The attainment of profitable operations is dependent on future events, including obtaining adequate financing to fulfill the Company’s growth and operating activities and generating a level of revenues adequate to support the Company’s cost structure.

As of March 31, 2025, the Company had cash balances of $22,270, a working capital deficit of $4,032,140 and an accumulated deficit of $49,215,554. For the three months ended March 31, 2025, the Company had a net loss of $1,050,939 and used cash from operating activities of $432,553. The Company expects to continue to incur net losses and have significant cash outflows for at least the next 12 months.

Management has evaluated the significance of the conditions described above in relation to the Company’s ability to meet its obligations and concluded that, without additional funding, the Company will not have sufficient funds to meet its obligations within one year from the date the consolidated financial statements were issued.

As described further in Note 4, “Sale of AHP,” on January 17, 2023, the Company entered into the AHP Merger Agreement, pursuant to which the Buyer agreed to buy, and the Company agreed to sell, AHP. The Company may receive future proceeds comprised of proceeds from sale of shares of the Buyer if the Buyer completes an initial public offering by August 31, 2025.

During the three months ended March 31, 2025, the Company also (i) received net proceeds from the issuance of notes payable to related parties and third parties totaling $480,000 and made repayments on existing and new notes payable to related parties and third parties totaling $111,418, and (ii) received $10,000 proceeds from the sale of its common stock.

On July 5, 2022, the Company entered into a Standby Equity Purchase Agreement (the “SEPA”) with YA II PN, Ltd. (“Yorkville”) (See Note 13, “Shareholders’ Equity,” below for additional information on the SEPA). Pursuant to the SEPA, the Company shall have the right to sell to Yorkville up to 30,000,000 of its shares of common stock, par value $0.0001 per share, at the Company’s request any time during the three-year commitment period set forth in the SEPA. Because the purchase price per share to be paid by Yorkville for the shares of common stock sold by the Company to Yorkville pursuant to the SEPA, if any, will fluctuate based on the market prices of the Company’s common stock during the applicable pricing period, the Company cannot reliably predict the actual purchase price per share to be paid by Yorkville for those shares, or the actual gross proceeds to be raised by the Company from those sales, if any. The Company has not made any draws pursuant to the SEPA since January 2023.

Without raising additional capital, either via additional advances made pursuant to the SEPA or from other sources, there is substantial doubt about the Company’s ability to continue as a going concern through May 15, 2026. The accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. This basis of presentation contemplates the recovery of the Company’s assets and the satisfaction of liabilities in the normal course of business.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 4 – SALE OF AHP**

Description of Transaction

On January 17, 2023, the Company entered into the AHP Merger Agreement, pursuant to which PBACO Holding, LLC (the “Buyer”) agreed to buy, and the Company agreed to sell, AHP (the “AHP Sale”). Pursuant to the terms of the AHP Merger Agreement, the Company received or was entitled to receive the following consideration: (1) $750,000 in cash paid upon signing of the definitive agreement (the “Upfront Cash Consideration”), which was received January 18, 2023; (2) reimbursement from the Buyer for expenses incurred by the Company in operating AHP from January 1, 2023 to January 16, 2023 (the “Stub Period Reimbursement”), which was received in the amount of $31,381 in March 2023; (3) up to $1,750,000 net incremental cash based on the agreement to participate in Buyer’s ACO by AHP’s existing physician practices or newly added practices, scaled based on the number of covered patients transferred to the Buyer by July 31, 2023 (the “Incremental Cash Consideration”), of which $1,225,000 ($1,180,000 net after commissions) was received in June 2023 and $150,000 ($120,000 net after commissions) was received in July 2023; (4) net proceeds, including allocation for expenses, from any MSSP Shared Savings related to AHP’s plan year 2022 (the “2022 MSSP Consideration”), of which the Company received gross receipts of $1,873,993 and net proceeds of $1,186,231 after payments to participating physicians and commissions in October 2023; (5) $500,000 of the Incremental Cash Consideration allocated to AHP’s participating physicians at closing to be reimbursed to the Company by the Buyer in 2024 from the Buyer’s plan year 2023 (and if necessary, 2024) MSSP Shared Savings (the “Physician Advance Consideration”), of which $500,000 gross ($325,000 net) was received in November 2024; and (6) in the event that Buyer completes a planned initial public offering (“IPO”) by a prescribed date (initially February 1, 2025, since extend to August 31, 2025) shares in the public entity at the time of the IPO with a value equal to AHP’s 2021 earnings before interest, taxes depreciation and amortization (“EBITDA”) times the multiple of EBITDA used to value the public entity’s IPO shares, net of any cash consideration previously paid by the Buyer and subject to vesting requirements detailed in the AHP Merger Agreement (the “IPO Share Consideration”).

The Company is also required to indemnify the Buyer against liabilities arising from Buyer’s operation of AHP prior to the Buyer’s IPO date, less a deductible equal to 1% of the aggregate merger consideration (the “Indemnification Clause”).

As a result of the AHP Sale, the Company ceased to have a controlling financial interest in AHP as of January 17, 2023. Accordingly, in connection with the transaction, the Company deconsolidated AHP as of January 17, 2023. In connection with the deconsolidation in January 2023, the Company recognized the fair value of consideration received and receivable from the AHP Sale, recognized an indemnification liability related to potential claims resulting from the AHP Sale, derecognized the carrying value of assets and liabilities transferred to the Buyer or otherwise derecognized in connection with in the AHP Sale, and recorded a gain on sale for the excess of consideration received over carrying value of assets derecognized and liabilities recognized.

The Company elected to record the contingent portion of consideration receivable at fair value on the sale date pursuant to the guidance in FASB Emerging Issues Task Force Issue 09-4, “Seller Accounting for Contingent Consideration,” (“EITF 09-4”). The fair value of consideration received and receivable is shown in the following table:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Upfront Cash Consideration paid at signing |  | $ | 750,000 |  |
|  |  |  |  |  |
| Incremental Cash Consideration |  |  | 1,311,567 |  |
| IPO Share Consideration |  |  | 1,463,518 |  |
| 2022 MSSP Consideration |  |  | 312,986 |  |
| Physician Advance Consideration |  |  | 199,645 |  |
| Stub Period Reimbursement |  |  | 31,381 |  |
| Total fair value of contingent consideration receivable |  |  | 3,319,097 |  |
|  |  |  |  |  |
| Total fair value of consideration received and receivable |  | $ | 4,069,097 |  |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 4 – SALE OF AHP (CONTINUED)**

The fair value of contingent consideration receivable was determined using an expected present value approach, which applies a discount rate to a probability-weighted stream of net cash flows based on multiple scenarios, as estimated by management. As such, the fair values of contingent consideration receivable rely on significant unobservable inputs and assumptions and there is uncertainty in the expected future cash flows used in the fair valuation. Significant assumptions related to the valuation of contingent consideration receivable include the likelihood of a Buyer IPO, the valuation of the Buyer’s common stock in a potential IPO, the likelihood that AHP would meet its performance benchmarks to the extent that it will receive shared savings for plan year 2022, the likelihood that AHP under the management of the Buyer would receive sufficient shared savings in plan years 2023 and/or 2024 to pay the Physician Advance Consideration, and the likelihood that the Company would be able to transfer or add new participating physicians to AHP before July 31, 2023 in order to collect the Incremental Cash Consideration.

After January 17, 2023, and as prescribed under EITF 09-4, the Company elected to subsequently treat the contingent consideration receivable using gain contingency guidance and only record a gain or loss when the contingency is resolved. Accordingly, the Company does not prospectively remeasure the fair value of contingent consideration receivable each reporting period. The Company recognizes gains and losses from realization of contingent sale consideration receivable for the difference between the realized (or realizable) value of resolved contingent consideration components and the initial fair value recorded at the sale date. No such gains or losses were recognized during the three months ended March 31, 2025 or 2024.

The carrying value of the remaining unresolved components of contingent consideration receivable as of March 31, 2025 and December 31, 2024 was $1,463,518 and $1,463,518, respectively, comprised of the carrying value of the IPO Share Consideration.

**NOTE 5 – PREPAID EXPENSES AND OTHER**

Prepaid and other expenses as of March 31, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Insurance prepayments |  | $ | 5,916 |  |  | $ | 5,916 |  |
| Other expense prepayments |  |  | 18,770 |  |  |  | 19,838 |  |
| Lease deposits |  |  | 55,047 |  |  |  | 55,047 |  |
| Contract assets |  |  | 13,913 |  |  |  | 20,058 |  |
| Total prepaid expenses and other |  |  | 93,646 |  |  |  | 100,859 |  |
| Less: long term portion |  |  | (44,140 | ) |  |  | (44,140 | ) |
| Prepaid expenses and other, current portion |  | $ | 49,506 |  |  | $ | 56,719 |  |

Contract assets relate to amounts incurred to obtain a customer contract that would not have been incurred if the contract had not been obtained, such as commissions, associated with NCFM annual access contracts.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 6 – PROPERTY AND EQUIPMENT**

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

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Medical equipment |  | $ | 496,452 |  |  | $ | 496,452 |  |
| Furniture, office equipment and leasehold improvements |  |  | 314,963 |  |  |  | 314,963 |  |
|  |  |  |  |  |  |  |  |  |
| Total property and equipment |  |  | 811,415 |  |  |  | 811,415 |  |
| Less: accumulated depreciation |  |  | (662,863 | ) |  |  | (634,839 | ) |
|  |  |  |  |  |  |  |  |  |
| Property and equipment, net |  | $ | 148,552 |  |  | $ | 176,576 |  |

Depreciation expense during the three months ended March 31, 2025 and 2024 was $28,024 and $29,469, respectively.

**NOTE 7 – LEASES**

The Company has separate operating leases, and related amendments thereto, for office space related to its CCN (formerly used for NWC through October 2024), NCFM, and BTG practices, its corporate headquarters, and a copier lease that expire in July 2026, May 2025, March 2026, November 2026, and January 2027, respectively. As of March 31, 2025, the Company’s weighted-average remaining lease term relating to its operating leases was 1.5 years, with a weighted-average discount rate of 35.65%.

The table below summarizes the Company’s lease-related assets and liabilities as of March 31, 2025 and December 31, 2024:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
| Lease assets |  | $ | 297,069 |  |  | $ | 361,109 |  |
|  |  |  |  |  |  |  |  |  |
| **Lease liabilities** |  |  |  |  |  |  |  |  |
| Lease liabilities (short term) |  | $ | 186,083 |  |  | $ | 208,549 |  |
| Lease liabilities (long term) |  |  | 111,399 |  |  |  | 153,592 |  |
| Total lease liabilities |  | $ | 297,482 |  |  | $ | 362,141 |  |

Lease expense was $91,453 and $111,905 in the three months ended March 31, 2025 and 2024, respectively.

Maturities of operating lease liabilities were as follows as of March 31, 2025:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2025 |  | $ | 213,983 |  |
| 2026 |  |  | 200,969 |  |
| 2027 |  |  | 989 |  |
| Total lease payments |  |  | 415,941 |  |
| Less interest |  |  | (118,459 | ) |
| Present value of lease liabilities |  | $ | 297,482 |  |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 8 – ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

Amounts related to accounts payable, accrued expenses and other current liabilities as of March 31, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Trade accounts payable |  | $ | 543,767 |  |  | $ | 468,803 |  |
| Accrued payroll liabilities |  |  | 38,858 |  |  |  | 17,827 |  |
| Accrued operating expenses |  |  | 138,023 |  |  |  | 90,462 |  |
| Accrued interest |  |  | 174,278 |  |  |  | 161,171 |  |
| Accrued commissions payable from 2022 MSSP Consideration |  |  | 25,000 |  |  |  | 25,000 |  |
| Product return allowance |  |  | 1,469 |  |  |  | 2,049 |  |
|  |  | $ | 921,395 |  |  | $ | 765,312 |  |

**NOTE 9 – CONTRACT LIABILITIES**

Amounts related to contract liabilities as of March 31, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Patient services paid but not provided - NCFM |  | $ | 83,514 |  |  | $ | 86,201 |  |
| Patient services paid but not provided - BTG |  |  | 79,750 |  |  |  | 111,877 |  |
| Patient services paid but not provided - CCN |  |  | 54,204 |  |  |  | 32,743 |  |
| Unshipped products - MOD |  |  | 586 |  |  |  | 1,724 |  |
|  |  | $ | 218,054 |  |  | $ | 232,545 |  |

Contract liabilities relate to (i) NCFM annual access contracts, including Medical Membership, Concierge Service and Optimal Health 365 Access Plan contracts pursuant to which patients prepay for access to services to be provided at the patient’s request over a period of time, (ii) BTG contracts pursuant to which patients prepay for access to a fixed number of visits used at the patients’ discretion, (iii) CCN annual and semi-annual concierge fees, (iv) NWC annual administration fees, and (v) MOD sold but unshipped products.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS**

Amounts due to related parties as of March 31, 2025 and December 31, 2024 were comprised of the following:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Convertible Note Payable I to Dr. Michael Dent, March 2024 |  | $ | 370,286 | \* |  | $ | 393,317 | \* |
| Convertible Note Payable II to Dr. Michael Dent, March 2024 \*\* |  |  | 156,868 | \* |  |  | 131,615 | \* |
| Convertible Note Payable III to Dr. Michael Dent, March 2024 \*\* |  |  | 174,772 | \* |  |  | 146,093 | \* |
| Convertible Note Payable IV to Dr. Michael Dent, April 2024 |  |  | 150,000 |  |  |  | 150,000 |  |
| Convertible Note Payable V to Dr. Michael Dent, April 2024 |  |  | 50,000 |  |  |  | 50,000 |  |
| Convertible Note Payable VI to Dr. Michael Dent, June 2024 |  |  | 1,000,000 |  |  |  | 1,000,000 |  |
| Convertible Note Payable VII to Dr. Michael Dent, September 2024 |  |  | 37,089 | \* |  |  | 36,842 |  |
| Convertible Note Payable VIII to Dr. Michael Dent, April 2025 |  |  | 10,597 | \* |  |  | 10,526 |  |
| Convertible Note Payable IX to Dr. Michael Dent, September 2024 |  |  | 74,177 | \* |  |  | 73,684 |  |
| Convertible Note Payable X to Dr. Michael Dent, September 2024 |  |  | 21,193 | \* |  |  | 21,053 |  |
| Convertible Note Payable X to Dr. Michael Dent, September 2024 |  |  | 105,967 | \* |  |  | 105,263 |  |
| Convertible Note Payable XI to Dr. Michael Dent, September 2024 |  |  | 127,161 | \* |  |  | 126,316 |  |
| Convertible Note Payable XII to Dr. Michael Dent, September 2024 |  |  | 105,967 | \* |  |  | 105,263 |  |
| Convertible Note Payable XIII to Dr. Michael Dent, September 2024 |  |  | 52,984 | \* |  |  | 52,632 |  |
| Convertible Note Payable XIV to Dr. Michael Dent, September 2024 |  |  | 158,951 | \* |  |  | 157,895 |  |
| Convertible Note Payable XV to Dr. Michael Dent, September 2024 |  |  | 211,935 | \* |  |  | 210,526 |  |
| Advances payable to Dr. Michael Dent, September 2024 |  |  | — |  |  |  | 40,000 |  |
| Advances payable to Dr. Michael Dent, October 2024 |  |  | — |  |  |  | 270,000 |  |
| Advances payable to Dr. Michael Dent, November 2024 |  |  | — |  |  |  | 110,000 |  |
| Convertible Note Payable XVI to Dr. Michael Dent, December 2024 |  |  | 25,000 |  |  |  | 25,000 |  |
| Convertible Note Payable XVII to Dr. Michael Dent, December 2024 |  |  | 70,000 |  |  |  | 70,000 |  |
| Convertible Note Payable XVIII to Dr. Michael Dent, December 2024 |  |  | 120,000 |  |  |  | 120,000 |  |
| Convertible Note Payable XIX to Dr. Michael Dent, March 2025 |  |  | 50,000 |  |  |  | — |  |
| Convertible Note Payable XX to Dr. Michael Dent, March 2025 |  |  | 60,000 |  |  |  | — |  |
| Convertible Note Payable XXI to Dr. Michael Dent, March 2025 |  |  | 420,000 |  |  |  | — |  |
| Convertible Note Payable XXII to Dr. Michael Dent, March 2025 |  |  | 65,000 |  |  |  | — |  |
| Face value of notes payable to related party |  |  | 3,617,947 |  |  |  | 3,406,025 |  |
| Less: unamortized discounts |  |  | (134,681 | ) |  |  | (494,104 | ) |
| Notes payable to related party, total |  |  | 3,483,266 |  |  |  | 2,911,921 |  |
| Plus deferred compensation payable to Dr. Michael Dent |  |  | 300,600 |  |  |  | 300,600 |  |
| Total due to related party |  | $ | 3,783,866 |  |  | $ | 3,212,521 |  |

|  |  |  |
| --- | --- | --- |
|  | \*\* | - denotes note payable carried at fair value |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

Notes Payable to Related Parties

On March 14, 2023, the Company issued a promissory note payable to a trust controlled by Dr. Dent with a stated principal amount of $112,510 and prepaid interest of $13,501 for total scheduled repayments of $126,011 (the “March 2023 Dent Note”). The March 2023 Dent Note had an original issue discount of $12,510, resulting in net proceeds to the Company of $100,000. At inception, the Company recognized a note payable in the amount of $126,011 and a discount against the note payable of $26,011. The March 2023 Dent Note did not bear interest in excess of the prepaid interest and original issue discount and matures on March 14, 2024. The Company is required to make 10 monthly payments of $12,601 starting April 30, 2023. At inception, the Company recorded a discount against the note of $26,011, representing the difference between the total required repayments and the net proceeds received, which is being amortized over the repayment period. The March 2023 Dent Note gave the holder a conversion right at a 15% discount to the market price of the Company’s common stock in the event of default. The Company determined that the fair value of the contingent conversion option was immaterial and therefore did not allocate any value related to the option to the proceeds received. The Company made payments totaling $-0- and $12,601 in the three months ended March 31, 2025 and 2024, respectively. Amortization of debt discount was $-0- and $2,504 in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, remaining payments were $-0- and $-0-, respectively, and the net carrying value was $-0- and $-0-, respectively. The March 2023 Dent Note was repaid in January 2024.

On June 26, 2023, the Company issued an unsecured promissory note to Dr. Michael Dent with a face value of $25,000 (the “June 2023 Dent Note II”). The June 2023 Dent Note II bore a fixed interest charge of $1,875 (15% per annum) and matured on December 26, 2023. At inception, the Company recorded a note payable in the amount of $26,875 and a discount against the note of $1,875. Amortization of the debt discount was $-0- and $1,875 in the years ended December 31, 2024 and 2023. The Company made payments totaling $-0- and $25,000 in the three months ended March 31, 2025 and 2024, respectively. Amortization of debt discount was $-0- and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, remaining payments were $-0- and $-0-, respectively, and the net carrying value was $-0- and $-0-, respectively. The June 2023 Dent Note was repaid in January 2024.

On December 1, 2023, the Company issued an unsecured promissory note to a trust controlled by Dr. Dent a promissory note with a face value of $150,000 (the “December 2023 Dent Note”). The December 2023 Dent Note bears a fixed interest charge of $15,000 (10% per annum) and $1,500 in fixed fees and matures on February 28, 2024. The Company received net proceeds of $150,000 after discounts and fees. In connection with the note, the Company issued 1,500,000 five-year warrants to the holder with an exercise price of $0.06. The fair value of the warrants was $32,269. At inception, the Company recorded a note payable in the amount of $166,500 and a discount against the note payable of $48,769 for the allocated fair value of the original issue discount and warrants. Amortization of debt discount was $-0- and $32,330 in the three months ended March 31, 2025 and 2024, respectively. The Company made payments totaling $-0- and $-0- in the three months ended March 31, 2025 and 2024, respectively. On March 27, 2024, the December 2023 Dent Note was refinanced and replaced with the March 2024 Dent Note III as described below. No loss on extinguishment of debt was recognized in the three months ended March 31, 2024 because the discount was fully amortized at the time of the refinancing. As of March 31, 2025 and December 31, 2024, remaining payments were $-0- and $-0-, respectively, and the net carrying value was $-0- and $-0-, respectively.

On March 27, 2024, the Company issued to a trust controlled by Dr. Michael Dent three separate notes payable as follows: (1) a note payable with a principal of $350,000, an interest rate of 12% per annum, and a maturity date of June 27, 2024 (the “March 2024 Dent Note I”), (2) a note payable with a principal of $150,000, an interest rate of 12% per annum, and an original maturity date of August 24, 2024 (the “March 2024 Dent Note II”), and (3) a note payable with a principal of $166,500, an interest rate of 12% per annum, and a maturity date of August 28, 2024 (the “March 2024 Dent Note III”, and collectively, the “March 2024 Dent Notes”). The full amount of principal and accrued interest on each of the March 2024 Dent Notes is due at the respective maturity date of each note. Each of the March 2024 Dent Notes is convertible at any time at the holder’s option into shares of Company common stock at a fixed conversion price of $0.0573 per share. In connection with the issuance of the March 2024 Dent Notes, the Company also issued to the holder a ten-year warrant to purchase 6,660,000 shares of the Company’s common stock at an exercise price of $0.06 per share (the “March 2024 Warrant”). The fair value of the March 2024 Warrant was $254,345.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

Net proceeds from the March 2024 Dent Note I were $350,000. At inception, the Company recorded a discount of $203,588, representing the allocated fair value of the beneficial conversion feature (“BCF”) and the portion of the fair value of the March 2024 Warrant allocated to the March 2024 Dent Note I. The discount was being amortized over the original life of the note. Amortization of debt discount was $203,588 and $-0- in the years ended December 31, 2024 and 2023, respectively. The Company made no payments against the March 2024 Dent Note I in the years ended December 31, 2024 or 2023. On June 27, 2024, the maturity date on the March 2024 Dent Note I was extended until December 27, 2024 in exchange for a ten-year warrant to purchase 393,750 shares of the Company’s common stock at an exercise price of $0.081 per share. Because the discounted cash flows from the note before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance. The March 2024 Dent Note I was recorded at its fair value of $405,006 following the extension. On December 31, 2024, in exchange for a ten-year warrant to purchase 618,750 shares of the Company’s common stock at an exercise price of $0.0226 per share, the maturity date on the March 2024 Dent Note I was extended until June 27, 2025, the maturity date on the April 2024 Dent Note I (as defined below) was extended until April 10, 2025, the maturity date on the April 2024 Dent Note II (as defined below) was extended until April 18, 2025, and the interest rate on each of the extended notes was increased from 12% to 15% (the “December Extension”). The fair value of the warrant was $8,653. Because the discounted cash flows before and after the December Extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance. The March 2024 Dent Note I continues to be recorded at its fair value following the December Extension. The Company recognized a gain on change in fair value of debt in the amount of $23,031 and $-0- in the three months ended March 31, 2025 and 2024, respectively, to revalue the note at its fair value at period end. As of March 31, 2025 and December 31, 2024, the fair value (which equals the carrying value) of the March 2024 Dent Note I was $370,286 and $393,317, respectively, and remaining principal payments were $350,000 and $350,000, respectively. The March 2024 Dent Note I will continue to be revalued at future period ends.

Net proceeds from the March 2024 Dent Note II were $150,000. At inception, the Company recorded a discount of $89,222, representing the allocated fair value of the BCF and the portion of the fair value of the March 2024 Warrant allocated to the March 2024 Dent Note II. The discount is being amortized over the life of the note. Amortization of debt discount was $89,222 and $-0- in the years ended December 31, 2024 and 2023, respectively. The Company made no payments against the March 2024 Dent Note II in the years ended December 31, 2024 or 2023. On September 17, 2024, the maturity date on the March 2024 Dent Note II (as well as March 2024 Dent Note III) was extended until February 28, 2025 in exchange for a ten-year warrant to purchase 356,063 shares of the Company’s common stock at an exercise price of $0.0465 per share. Because the discounted cash flows from the note before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance and the March 2024 Dent Note II was recorded at fair value following the extension. On March 20, 2025, the maturity date on the March 2024 Dent Note II (as well as March 2024 Dent Note III and the September 2024 Notes, as defined below) was extended until September 20, 2025 in exchange for a ten-year warrant to purchase 1,353,356 shares of the Company’s common stock at an exercise price of $0.0375 per share (the “March Extension”). The fair value of the warrant was $25,625, of which $3,160 was allocated to the extension of the March 2024 Dent Note II. Because the discounted cash flows from the March 2024 Dent Note II before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance and the March 2024 Dent Note II was recorded at fair value following the March Extension. In connection with the March Extension, the Company recognized a gain on debt extinguishment in the amount of $9,776 in the three months ended March 31, 2025 related to the March 2024 Dent Note II. The Company recognized losses on changes in fair value of debt in the amount of $38,189 and $-0- in the three months ended March 31, 2025 and 2024, respectively, to revalue the note at its fair value at extension and at period end. As of March 31, 2025 and December 31, 2024, the fair value (which equals the carrying value) of the March 2024 Dent Note II was $156,868 and $131,615, respectively, and remaining principal payments were $150,000 and $150,000, respectively. The March 2024 Dent Note II will continue to be revalued at future period ends.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

The March 2024 Dent Note III refinanced the previously issued December 2023 Dent Note in the same principal amount of $166,500. Because the two notes were determined to be substantially different, the issuance of the March 2024 Dent Note III and repayment of the December 2023 Dent Note was treated as an extinguishment and reissuance. Accordingly, the Company recognized a loss on debt extinguishment of $96,660 and $-0- in the years ended December 31, 2024 and 2023, respectively, related to the original issuance of the March 2024 Dent Note III. On September 17, 2024, the maturity date on the March 2024 Dent Note III (as well as March 2024 Dent Note II) was extended until February 28, 2025 in exchange for a ten-year warrant to purchase 356,063 shares of the Company’s common stock at an exercise price of $0.0465 per share. Because the discounted cash flows from the note before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance. On March 20, 2025, the maturity date on the March 2024 Dent Note III (as well as March 2024 Dent Note II and the September 2024 Notes, as defined below) was extended until September 20, 2025 in exchange for a ten-year warrant to purchase 1,353,356 shares of the Company’s common stock at an exercise price of $0.0375 per share. The fair value of the warrant was $25,625, of which $3,507 was allocated to the extension of the March 2024 Dent Note III. Because the discounted cash flows from the March 2024 Dent Note III before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance and the March 2024 Dent Note III was recorded at fair value following the March Extension. In connection with the March Extension, the Company recognized a gain on debt extinguishment in the amount of $11,009 in the three months ended March 31, 2025 related to the March 2024 Dent Note III. The Company recognized losses on changes in fair value of debt in the amount of $43,195 and $-0- in the three months ended March 31, 2025 and 2024, respectively, to revalue the note at its fair value at extension and at period end. As of March 31, 2025 and December 31, 2024, the fair value (which equals the carrying value) of the March 2024 Dent Note II was $174,772 and $146,093, respectively, and remaining principal payments were $166,500 and $166,500, respectively. The March 2024 Dent Note III will continue to be revalued at future period ends.

On April 10, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $150,000, an interest rate of 12% per annum, and a maturity date of October 10, 2024 (the “April 2024 Dent Note I”). The April 2024 Dent Note I is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.0577 per share. The Company received net proceeds of $150,000. At inception, the Company recorded a note payable in the amount of $150,000 with no related discounts. On December 31, 2024, in connection with the December Extension, the maturity date on the April 2024 Dent Note I was extended until April 10, 2025. Because the discounted cash flows from the note before and after the extension were determined to be not substantially different, the extension was treated as a modification. In connection with the modification, the Company recognized a discount of $7,279 against the April 2024 Dent Note I. Amortization of debt discount was $6,551 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made no payments against the April 2024 Dent Note I in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value of the April 2024 Dent Note I was $149,272 and $142,721, respectively, and remaining principal payments were $150,000 and $150,000, respectively.

On April 18, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $50,000, an interest rate of 12% per annum, and a maturity date of October 18, 2024 (the “April 2024 Dent Note II”). The April 2024 Dent Note II is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.05 per share. The Company received net proceeds of $50,000. At inception, the Company recorded a note payable in the amount of $50,000 with no related discounts. On December 31, 2024, in connection with the December Extension, the maturity date on the April 2024 Dent Note II was extended until April 18, 2025. Because the discounted cash flows from the note before and after the extension were determined to be not substantially different, the extension was treated as a modification. In connection with the modification, the Company recognized a discount of $2,836 against the April 2024 Dent Note II. Amortization of debt discount was $2,363 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made no payments against the April 2024 Dent Note II in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value of the April 2024 Dent Note II was $49,527 and $47,164, respectively, and remaining principal payments were $50,000 and $50,000, respectively.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

On June 3, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $1,000,000, an interest rate of 12% per annum, and a maturity date of June 3, 2025 (the “June 2024 Dent Note”). The June 2024 Dent Note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.0497 per share. The Company received net proceeds of $950,000 after original issue discount. In connection with the June 2024 Dent Note, the Company issued 10,000,000 ten-year warrants to the holder with an exercise price of $0.0497. The fair value of the warrants was $333,111. The fair value of the embedded conversion feature (“ECF”) was $392,905. At inception, the Company recorded a note payable in the amount of $1,000,000 and a discount against the note payable of $785,811 for the allocated fair value of the ECF, original issue discount and warrants. Amortization of debt discount was $198,067 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $866,520 and $668,453, respectively, and remaining principal payments were $1,000,000 and $1,000,000, respectively.

On September 19, 2024, the Company issued to a trust controlled by Dr. Michael Dent ten separate senior secured convertible promissory note in the aggregate principal amount of $900,000, each with an interest rate of 12% per annum and maturity dates between January 1, 2025 and March 10, 2025 (the “September 2024 Notes”). Each of the September 2024 Dent Notes is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.0486 per share and is secured by all of the Company’s assets. The Company received net proceeds of $855,000 after original issue discount. The details of the September 2024 Notes are as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  |  |  | |  |  | **Original** | |  |  |  | |  |
|  |  | **Maturity** | |  |  | **Note** | |  |  | **Issue** | |  |  | **Net** | |  |
| **Note Date** |  | **Date** | |  |  | **Principal** | |  |  | **Discount** | |  |  | **Proceeds** | |  |
| 09/18/24 |  |  | 01/10/25 |  |  | $ | 36,842 |  |  | $ | 1,842 |  |  | $ | 35,000 |  |
| 09/18/24 |  |  | 01/16/25 |  |  |  | 10,526 |  |  |  | 526 |  |  |  | 10,000 |  |
| 09/18/24 |  |  | 01/16/25 |  |  |  | 73,684 |  |  |  | 3,684 |  |  |  | 70,000 |  |
| 09/18/24 |  |  | 01/19/25 |  |  |  | 21,053 |  |  |  | 1,053 |  |  |  | 20,000 |  |
| 09/18/24 |  |  | 01/30/25 |  |  |  | 105,263 |  |  |  | 5,263 |  |  |  | 100,000 |  |
| 09/18/24 |  |  | 02/14/25 |  |  |  | 126,316 |  |  |  | 6,316 |  |  |  | 120,000 |  |
| 09/18/24 |  |  | 02/20/25 |  |  |  | 105,263 |  |  |  | 5,263 |  |  |  | 100,000 |  |
| 09/18/24 |  |  | 02/28/25 |  |  |  | 52,632 |  |  |  | 2,632 |  |  |  | 50,000 |  |
| 09/18/24 |  |  | 03/04/25 |  |  |  | 157,895 |  |  |  | 7,895 |  |  |  | 150,000 |  |
| 09/18/24 |  |  | 03/10/25 |  |  |  | 210,526 |  |  |  | 10,526 |  |  |  | 200,000 |  |
| Total |  |  |  |  |  | $ | 900,000 |  |  | $ | 45,000 |  |  | $ | 855,000 |  |

In connection with the September 2024 Notes, the Company issued to the holder a ten-year warrant to purchase 9,259,258 shares of common stock with an exercise price of $0.0486 (the “September 2024 Warrant”). The full amount of principal and accrued interest on each of the September 2024 Notes is due at the respective maturity date of each note. Each of the September 2024 Notes is convertible at any time at the holder’s option into shares of Company common stock at a fixed conversion price of $0.0486 per share. The fair value of the September 2024 Warrant was $271,256. The combined fair value of the ECFs on the September 2024 Notes was $244,979. At inception, the Company recorded notes payable in the amount of $900,000 and a discount against the September 2024 Notes of $486,288 for the allocated fair value of the ECF, original issue discount and warrants. Amortization of debt discount was $152,442 and $-0- in the three months ended March 31, 2025 and 2024, respectively.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

On March 20, 2025, the maturity date on the September 2024 Notes (as well as March 2024 Dent Note II and the March 2024 Dent Note III) was extended until September 20, 2025 in exchange for a ten-year warrant to purchase 1,353,356 shares of the Company’s common stock at an exercise price of $0.0375 per share. The fair value of the warrant was $25,625, of which $18,958 was allocated to the extension of the September 2024 Notes. Because the discounted cash flows from the September 2024 Notes before and after the extension were determined to be substantially different, the extension was treated as an extinguishment and reissuance and the September 2024 Notes was recorded at fair value following the March Extension. In connection with the March Extension, the Company recognized a gain on debt extinguishment in the amount of $21,941 in the three months ended March 31, 2025 related to the September 2024 Notes. The Company recognized a gain on change in fair value of debt in the amount of $9,167 and $-0- in the three months ended March 31, 2025 and 2024, respectively, to revalue the September 2024 Notes at their fair value at at period end. The Company made no payments against the September 2024 Notes in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value of the September 2024 Notes was $906,021 and $747,558, respectively, and remaining principal payments were $900,000 and $900,000, respectively.

On December 4, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $25,000, an interest rate of 12% per annum, and a maturity date of May 4, 2025 (the “December 2024 Dent Note I”). The December 2024 Dent Note I is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.033 per share. The Company received net proceeds of $25,000. At inception, the Company recorded a note payable in the amount of $25,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $25,000 and $25,000, respectively, and remaining principal payments were $25,000 and $25,000, respectively.

On December 17, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $70,000, an interest rate of 12% per annum, and a maturity date of June 17, 2025 (the “December 2024 Dent Note II”). The December 2024 Dent Note II is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.026 per share. The Company received net proceeds of $70,000. At inception, the Company recorded a note payable in the amount of $70,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $70,000 and $70,000, respectively, and remaining principal payments were $70,000 and $70,000, respectively.

On December 4, 2024, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $120,000, an interest rate of 12% per annum, and a maturity date of July 1, 2025 (the “December 2024 Dent Note III”). The December 2024 Dent Note III is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $120,000. At inception, the Company recorded a note payable in the amount of $120,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $120,000 and $120,000, respectively, and remaining principal payments were $120,000 and $120,000, respectively.

On March 4, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $50,000, an interest rate of 12% per annum, and a maturity date of September 4, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.049 per share. The Company received net proceeds of $50,000. At inception, the Company recorded a note payable in the amount of $50,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $50,000 and $-0-, respectively, and remaining principal payments were $50,000 and $-0-, respectively.

On March 12, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $60,000, an interest rate of 12% per annum, and a maturity date of September 12, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.03 per share. The Company received net proceeds of $60,000. At inception, the Company recorded a note payable in the amount of $60,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $60,000 and $-0-, respectively, and remaining principal payments were $60,000 and $-0-, respectively.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 10 – AMOUNTS DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS (CONTINUED)**

On March 20, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $420,000, an interest rate of 12% per annum, and a maturity date of September 20, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.0375 per share. The note was issued in exchange for the Undocumented Advances totaling $420,000 made by the trust between September and November 2024. At inception, the Company recorded a note payable in the amount of $420,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $420,000 and $-0-, respectively, and remaining principal payments were $420,000 and $-0-, respectively.

On March 27, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $65,000, an interest rate of 12% per annum, and a maturity date of September 27, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.031 per share. The Company received net proceeds of $65,000. At inception, the Company recorded a note payable in the amount of $65,000 with no related discounts. The Company made no payments in the three months ended March 31, 2025 or 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $65,000 and $-0-, respectively, and remaining principal payments were $65,000 and $-0-, respectively.

**NOTE 11 – NOTES AND CONVERTIBLE NOTES PAYABLE**

Notes payable as of March 31, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31,** | |  |  | **December 31,** | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| SBA Disaster Relief Loans |  | $ | 450,000 |  |  | $ | 450,000 |  |
| 1800 Diagonal Note Payable IV, April 2024 |  |  | — |  |  |  | 36,064 |  |
| Leaf Capital Note Payable, August 2024 |  |  | 149,100 |  |  |  | 177,055 |  |
| 1800 Diagonal Note Payable V, January 2025 |  |  | 134,982 |  |  |  | — |  |
| 1800 Diagonal Note Payable VI, January 2025 |  |  | 112,747 |  |  |  | — |  |
| 1800 Diagonal Note Payable VII, February 2025 |  |  | 122,875 |  |  |  | — |  |
| Face value of notes payable |  |  | 969,704 |  |  |  | 663,119 |  |
| Less: unamortized discounts |  |  | (156,743 | ) |  |  | (27,414 | ) |
| Notes payable, total |  |  | 812,961 |  |  |  | 635,705 |  |
| Less: long term portion |  |  | (483,619 | ) |  |  | (508,610 | ) |
| Notes payable, current portion |  | $ | 329,342 |  |  | $ | 127,095 |  |

Government Notes Payable

During June, July and August 2020, the Company and its subsidiaries received an aggregate of $450,000 in Disaster Relief Loans from the SBA. The loans bear interest at 3.75% per annum and mature 30 years from issuance. Mandatory principal and interest payments were originally scheduled to begin 12 months from the inception date of each loan and were subsequently extended by the SBA until 30 months from the inception date. Installment payments, which are first applied to accrued but unpaid interest and then to principal, began in 2023.

Interest accrued on SBA loans as of March 31, 2025 and December 31, 2024 was $15,538 and $17,725, respectively. Interest expense (income) recognized on the loans was $4,392 and $6,046 in the three months ended March 31, 2025 and 2024, respectively. Payments against interest were $6,579 and $6,579 in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, remaining principal payments were $450,000 and $450,000, respectively, and the net carrying value was $450,000 and $450,000, respectively.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 11 – NOTES AND CONVERTIBLE NOTES PAYABLE (CONTINUED)**

Other Notes Payable

On August 8, 2023, the Company issued a promissory note payable to an investor with a stated principal amount of $144,760 and prepaid interest of $17,371 for total repayments of $162,131 (the “August 2023 Note”). The August 2023 Note had an original issue discount of $15,510 and fees of $4,250, resulting in net proceeds to the Company of $125,000. The August 2023 Note did not bear interest in excess of the original issue discount and was scheduled to mature on June 30, 2024. The Company was required to make 10 monthly payments of $16,213 starting September 30, 2023 and ending on June 30, 2024. At inception, the Company recorded a discount against the note of $37,131, representing the difference between the total required repayments and the net proceeds received, which was being amortized over the repayment period. Amortization expense related to the note discount was $-0- and $10,365 in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $-0- and $32,426 in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, remaining payments were $-0 and $-0-, respectively, and the net carrying value was $-0 and $-0-, respectively. The final installment payment was made in April 2024.

On November 3, 2023, the Company issued to Yorkville a note payable (the “November 2023 Note”) with an initial principal amount equal to $350,000 at a purchase price equal to the principal amount of the November 2023 Note less any original issue discounts and fees. The Company received net proceeds of $317,000. The November 2023 Note was scheduled to mature on September 3, 2024. The November 2023 Note accrued interest at a rate of 0% but was issued with an 8% original issue discount and was scheduled to be repaid in ten equal semi-monthly installments beginning on December 3, 2023, with each payment including an 8% payment premium, totaling $378,000 in cash repayments. At inception, the Company recorded a discount against the note of $61,000, representing the difference between the total required repayments and the net proceeds received, which was being amortized over the repayment period. Amortization expense related to the note discount was $-0- and $18,200 in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $-0- and $75,600 in the three months ended March 31, 2025 and 2024, respectively. The final installment payment on the November 2023 Note was made in September 2024. As of March 31, 2025 and December 31, 2024, remaining payments were $-0- and $-0-, respectively, and the net carrying value was $-0- and $-0-, respectively.

On December 12, 2023, the Company issued a promissory note payable to an investor with a stated principal amount of $144,760 and prepaid interest of $17,371 for total repayments of $162,131 (the “December 2023 Note I”). The December 2023 Note I had an original issue discount of $15,510 and fees of $4,250, resulting in net proceeds to the Company of $125,000. The December 2023 Note I does not bear interest in excess of the original issue discount and matures on October 15, 2024. The Company is required to make 10 monthly payments of $16,213 starting January 15, 2024 and ending on October 15, 2024. At inception, the Company recorded a discount against the note of $37,131, representing the difference between the total required repayments and the net proceeds received, which is being amortized over the repayment period. The December 2023 Note I gives the holder a conversion right at a 15% discount to the market price of the Company’s common stock in the event of default. The Company determined that the fair value of the contingent conversion option was immaterial and therefore did not allocate any value related to the option to the proceeds received. Amortization expense related to the note discount was $-0- and $10,971 in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $-0- and $48,649 in the three months ended March 31, 2025 and 2024, respectively. The final installment on the December 2023 Note I was made in October 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $-0- and $-0-, respectively, and remaining principal payments were $-0- and $-0-, respectively.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 11 – NOTES AND CONVERTIBLE NOTES PAYABLE (CONTINUED)**

On December 13, 2023, the Company issued to Yorkville a convertible note (the “December 2023 Note II”) with an initial principal amount equal to $175,000 at a purchase price equal to the principal amount of the December 2023 Note II less any original issue discounts and fees. The Company received net proceeds of $156,000. The December 2023 Note II was scheduled to mature on September 3, 2024. The December 2023 Note II accrued interest at a rate of 0% but was issued with an 8% original issue discount and is scheduled to be repaid in ten equal semi-monthly installments beginning on March 3, 2024, with each payment including an 8% payment premium, totaling $189,000 in cash repayments. The December 2023 Note II was convertible at any time at the holder’s option into shares of Company common stock at a fixed conversion price of $0.05 per share. At inception, the Company recorded a discount against the note of $66,000, representing the fair value of the conversion option and the difference between the total required repayments and the net proceeds received. The discount was being amortized over the repayment period. Amortization expense related to the note discount was $-0- and $22,664 in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $-0- and $27,000 in the three months ended March 31, 2025 and 2024, respectively. The final installment payment on the December 2023 Note II was made in September 2024. As of March 31, 2025 and December 31, 2024, the net carrying value was $-0- and $-0-, respectively, and remaining principal payments were $-0- and $-0-, respectively.

On April 22, 2024, the Company issued a promissory note payable (the “April 2024 Note”) to an investor with a stated principal amount of $161,000 and prepaid interest of $19,320 for total repayments of $180,320. The Company received net proceeds of $118,787 after original issue discount of $21,000, fees of $5,000, and withholding of the final payment due on the August 2023 Note to the same investor in the amount of $16,213. The April 2024 Note does not bear interest in excess of the original issue discount and prepaid interest and matures on February 28, 2025. The Company is required to make 10 monthly payments of $18,032 starting May 30, 2024 and ending on February 28, 2025. The April 2024 Note gives the holder a conversion right at a 15% discount to the market price of the Company’s common stock only in the event of default. The Company determined that the fair value of the contingent conversion option was immaterial and therefore did not allocate any value related to the option to the proceeds received. Amortization expense related to the note discount was $8,772 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $36,064 and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, the net carrying value was $-0- and $27,292, respectively, and remaining principal payments were $-0- and $36,064, respectively.

On July 30, 2024, the Company’s wholly owned subsidiary, HLYK Florida LLC, which owns NCFM, issued a promissory note payable to an investor with total principal repayments of $223,649 (the “July 2024 Note”). The Company received net proceeds of $200,000 after original issue discount of $19,649 and fees of $4,000. The July 2024 Note does not bear interest in excess of the original issue discount. The Company is required to make 24 monthly payments of $9,319 starting August 20, 2024 and ending on July 20, 2026. The July 2024 Note is secured by all of NCFM’s assets and is personally guaranteed by the Company’s CEO, Dr. Michael Dent. At inception, the Company recorded a discount against the note of $23,649, representing the difference between the total required repayments and the net proceeds received. The discount is being amortized over the repayment period. Amortization expense related to the note discount was $2,964 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $27,956 and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, the net carrying value was $133,421 and $158,413, respectively, and remaining principal payments were $149,100 and $177,055, respectively.

On January 16, 2025, the Company issued a promissory note payable (the “January 2025 Note I”) to an investor with a stated principal amount of $150,650 and prepaid interest of $18,078 for total repayments of $168,278. The Company received net proceeds of $125,000 after original issue discount of $19,650 and fees of $6,000. The January 2025 Note I does not bear interest in excess of the original issue discount and prepaid interest and matures on November 15, 2025. The Company is required to make 10 monthly payments of $16,873 starting February 15, 2025 and ending on November 15, 2025. The January 2025 Note I gives the holder a conversion right at a 39% discount to the market price of the Company’s common stock only in the event of default. At inception, the Company recorded a discount against the note of $83,643, representing the fair value of the conversion option of $39,915 using a Lattice model and the difference between the total required repayments and the net proceeds received in the amount of $43,728. The discount is being amortized over the repayment period. The conversion option qualifies for derivative accounting and bifurcation under ASC 815, “Derivatives and Hedging.” Amortization expense related to the note discount was $18,933 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $33,746 and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, the net carrying value was $70,272 and $-0-, respectively, and remaining principal payments were $134,982 and $-0-, respectively.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 11 – NOTES AND CONVERTIBLE NOTES PAYABLE (CONTINUED)**

On January 24, 2025, the Company issued a promissory note payable (the “January 2025 Note II”) to an investor with a stated principal amount of $98,900 and prepaid interest of $13,846 for total repayments of $112,746. The Company received net proceeds of $80,000 after original issue discount of $12,900 and fees of $6,000. The January 2025 Note II does not bear interest in excess of the original issue discount and prepaid interest and matures on November 30, 2025. The Company is required to make a payment of $56,373 on July 30, 2025 and monthly installments of $14,093 thereafter ending on November 30, 2025. The January 2025 Note II gives the holder a conversion right at a 39% discount to the market price of the Company’s common stock only in the event of default. At inception, the Company recorded a discount against the note of $48,074, representing the fair value of the conversion option of $15,328 using a Lattice model and the difference between the total required repayments and the net proceeds received in the amount of $32,746. The discount is being amortized over the repayment period. The conversion option qualifies for derivative accounting and bifurcation under ASC 815, “Derivatives and Hedging.” Amortization expense related to the note discount was $9,615 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $-0- and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, the net carrying value was $74,287 and $-0-, respectively, and remaining principal payments were $112,747 and $-0-, respectively.

On February 14, 2025, the Company issued a promissory note payable (the “February 2025 Note”) to an investor with a stated principal amount of $121,900 and prepaid interest of $13,846 for total repayments of $14,628. The Company received net proceeds of $100,000 after original issue discount of $15,900 and fees of $6,000. The February 2025 Note does not bear interest in excess of the original issue discount and prepaid interest and matures on December 15, 2025. The Company is required to make 10 monthly payments of $13,653 starting March 15, 2025 and ending on December 15, 2025. The February 2025 Note gives the holder a conversion right at a 25% discount to the market price of the Company’s common stock only in the event of default. At inception, the Company recorded a discount against the note of $43,302, representing the fair value of the conversion option of $6,774 using a Lattice model and the difference between the total required repayments and the net proceeds received in the amount of $36,528. The discount is being amortized over the repayment period. The conversion option qualifies for derivative accounting and bifurcation under ASC 815, “Derivatives and Hedging.” Amortization expense related to the note discount was $5,407 and $-0- in the three months ended March 31, 2025 and 2024, respectively. The Company made payments against the outstanding balance of $13,653 and $-0- in the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, the net carrying value was $84,980 and $-0-, respectively, and remaining principal payments were $122,875 and $-0-, respectively.

**NOTE 12 – DERIVATIVE FINANCIAL INSTRUMENTS**

Derivative financial instruments are comprised of the fair value of conversion features embedded in convertible promissory notes for which the conversion rate is not fixed, but instead is adjusted based on a discount to the market price of the Company’s common stock. The fair market value of the derivative liabilities was calculated at inception of each convertible promissory notes for which the conversion rate is not fixed and allocated to the respective convertible notes, with any excess recorded as a charge to “Financing cost.” The derivative financial instruments are then revalued at the end of each period, with the change in value recorded to “Change in fair value of on derivative financial instruments.”

Derivative financial instruments and changes thereto recorded in the three months ended March 31, 2025 include the following:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Balance, beginning of period |  | $ | — |  |  | $ | — |  |
| Inception of derivative financial instruments |  |  | 62,017 |  |  |  | — |  |
| Change in fair value of derivative financial instruments |  |  | (45,038 | ) |  |  | — |  |
| Conversion or extinguishment of derivative financial instruments |  |  | — |  |  |  | — |  |
|  |  |  |  |  |  |  |  |  |
| Balance, end of period |  | $ | 16,979 |  |  | $ | — |  |

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 12 – DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)**

Fair market value of the derivative financial instruments is measured using the following range of assumptions:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | |
|  |  | **2025** |  | **2024** | |  |
|  |  |  |  |  | |  |
| Pricing model utilized |  | Binomial Lattice |  |  | — |  |
| Risk free rate range |  | 4.15% to 4.18% |  |  | — |  |
| Expected life range (in years) |  | 0.83 to 0.85 |  |  | — |  |
| Volatility range |  | 164.80% to 165.62% |  |  | — |  |
| Dividend yield |  | 0.00% |  |  | — |  |

The entire amount of derivative instrument liabilities is classified as current due to the fact that settlement of the derivative instruments could be required within twelve months of the balance sheet date. The Company had no derivative financial instruments in the three months ended March 31, 2024.

**NOTE 13 – SHAREHOLDERS’ DEFICIT**

Private Placements

During the three months ended March 31, 2025, the Company sold 200,000 shares of common stock to one investor in a private placement transaction. The Company received $10,000 in proceeds from the sale. In connection with the stock sales, the Company also agreed to extend the expiration date on 1,176,471 warrants to purchase shares of common stock at an exercise price of $0.15 per share for an additional two years.

During the three months ended March 31, 2024, the Company sold 5,100,000 shares of common stock to three investors in separate private placement transactions. The Company received $355,000 in proceeds from the sales. In connection with the stock sales, the Company also issued 2,500,000 five-year warrants to purchase shares of common stock at an exercise price of $0.17 per share.

Shares issued to Consultants

During the three months ended March 31, 2024, the Company issued to a consultant a ten-year stock option to purchase 2,504,974 shares of common stock at an exercise price equal of $0.0569 in satisfaction of common stock issuable accrued to the consultant for services provided between 2021 and 2024. No shares were issued to consultants during the three months ended March 31, 2025.

Common Stock Issuable

As of March 31, 2025 and December 31, 2024, the Company was obligated to issue the following shares:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **March 31, 2025** | | | | | |  |  | **December 31, 2024** | | | | | |  |
|  |  | **Amount** | |  |  | **Shares** | |  |  | **Amount** | |  |  | **Shares** | |  |
|  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Shares issuable to employees and consultants |  | $ | 84,632 |  |  |  | 1,491,760 |  |  | $ | 81,632 |  |  |  | 1,430,536 |  |
| Shares issuable to independent directors |  |  | 80,000 |  |  |  | 1,632,652 |  |  |  | 80,000 |  |  |  | 1,632,652 |  |
| Private placement issuable |  |  | 3,245 |  |  |  | 200,000 |  |  |  | — |  |  |  | — |  |
|  |  | $ | 167,877 |  |  |  | 3,324,412 |  |  | $ | 161,632 |  |  |  | 3,063,188 |  |

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 13 – SHAREHOLDERS’ DEFICIT (CONTINUED)**

Stock Warrants

Transactions involving our stock warrants during the three months ended March 31, 2025 and 2024 are summarized as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2025** | | | | |  |  | **2024** | | | | |  |
|  |  |  | |  | **Weighted** | |  |  |  | |  | **Weighted** | |  |
|  |  |  | |  | **Average** | |  |  |  | |  | **Average** | |  |
|  |  |  | |  | **Exercise** | |  |  |  | |  | **Exercise** | |  |
|  |  | **Number** | |  | **Price** | |  |  | **Number** | |  | **Price** | |  |
| Outstanding at beginning of the period |  |  | 101,488,821 |  | $ | 0.16 |  |  |  | 77,414,648 |  | $ | 0.20 |  |
| Granted during the period |  |  | 1,353,356 |  | $ | 0.04 |  |  |  | 9,160,000 |  | $ | 0.09 |  |
| Exercised during the period |  |  | — |  | $ | — |  |  |  | — |  | $ | — |  |
| Expired during the period |  |  | (22,542,047 | ) | $ | (0.13 | ) |  |  | (1,217,402 | ) | $ | (0.28 | ) |
| Outstanding at end of the period |  |  | 80,300,130 |  | $ | 0.17 |  |  |  | 85,357,246 |  | $ | 0.19 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Exercisable at end of the period |  |  | 80,300,130 |  | $ | 0.17 |  |  |  | 85,357,246 |  | $ | 0.19 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Weighted average remaining life |  |  | 4.5 |  | years | |  |  |  | 2.7 |  | years | |  |

The following table summarizes information about the Company’s stock warrants outstanding as of March 31, 2025:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Warrants Outstanding** | | | | | | | | | | | |  |  | **Warrants Exercisable** | | | | | |  |
|  |  |  |  | |  |  | **Weighted-** | |  |  |  | |  |  |  | |  |  |  | |  |
|  |  |  |  | |  |  | **Average** | |  |  | **Weighted-** | |  |  |  | |  |  | **Weighted-** | |  |
|  |  |  |  | |  |  | **Remaining** | |  |  | **Average** | |  |  |  | |  |  | **Average** | |  |
|  | **Exercise** |  | **Number** | |  |  | **Contractual** | |  |  | **Exercise** | |  |  | **Number** | |  |  | **Exercise** | |  |
|  | **Prices** |  | **Outstanding** | |  |  | **Life (years)** | |  |  | **Price** | |  |  | **Exercisable** | |  |  | **Price** | |  |
| $ | 0.0001 to 0.09 |  |  | 37,159,893 |  |  |  | 7.7 |  |  | $ | 0.05 |  |  |  | 37,159,893 |  |  | $ | 0.05 |  |
| $ | 0.10 to 0.24 |  |  | 20,674,848 |  |  |  | 2.7 |  |  | $ | 0.15 |  |  |  | 20,674,848 |  |  | $ | 0.15 |  |
| $ | 0.25 to 0.49 |  |  | 19,505,465 |  |  |  | 0.8 |  |  | $ | 0.33 |  |  |  | 19,505,465 |  |  | $ | 0.33 |  |
| $ | 0.50 to 1.05 |  |  | 2,959,924 |  |  |  | 1.3 |  |  | $ | 0.68 |  |  |  | 2,959,924 |  |  | $ | 0.68 |  |
| $ | 0.05 to 1.00 |  |  | 80,300,130 |  |  |  | 4.5 |  |  | $ | 0.17 |  |  |  | 80,300,130 |  |  | $ | 0.17 |  |

During the three months ended March 31, 2025 and 2024, the Company issued 1,353,356 and 9,160,000 warrants, respectively, the aggregate grant date fair value of which was $25,625 and $385,633, respectively. The fair value of the warrants was calculated using the following range of assumptions:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2025** |  | **2024** |
| Pricing model utilized |  | Binomial Lattice |  | Binomial Lattice |
| Risk free rate range |  | 4.24% |  | 3.97% to 4.20% |
| Expected life range (in years) |  | 10.00 years |  | 5.00 to 10.00 years |
| Volatility range |  | 173.27% |  | 140.94% to 173.25% |
| Dividend yield |  | 0.00% |  | 0.00% |
| Expected forfeiture |  | 44.00% |  | 33.00% |

There were no warrants exercised during the three months ended March 31, 2025 or 2024.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 13 – SHAREHOLDERS’ DEFICIT (CONTINUED)**

Equity Incentive Plans

On January 1, 2016, the Company adopted the 2016 Equity Incentive Plan (the “2016 EIP”) for the purpose of having equity awards available to allow for equity participation by its employees, consultants and non-employee directors. The 2016 EIP allowed for the issuance of up to 15,503,680 shares of the Company’s common stock, which may be issued in the form of stock options, stock appreciation rights, or common shares. The 2016 EIP is governed by the Board, or a committee that may be appointed by the Board in the future. The 2016 EIP expired during 2021 but allows for the prospective issuance of common shares upon vesting of stock awards or exercise of stock options granted prior to expiration of the 2016 EIP.

On September 9, 2021, the Company adopted the 2021 Equity Incentive Plan (the “2021 EIP” and, together with the 2016 EIP, the “EIPs”) for the purpose of having equity awards available to allow for equity participation by its employees, consultants and non-employee directors. The 2021 EIP allows for the issuance of up to 20,000,000 shares of the Company’s common stock, which may be issued in the form of stock options, stock appreciation rights, or common shares. The 2021 EIP is governed by the Board, or a committee that may be appointed by the Board in the future.

Amounts recognized in the financial statements with respect to the EIPs in the three months ended March 31, 2025 and 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |
| Total cost of share-based payment plans during the period |  | $ | 7,126 |  |  | $ | 35,986 |  |
| Amounts capitalized in deferred equity compensation during period |  | $ | — |  |  | $ | — |  |
| Amounts written off from deferred equity compensation during period |  | $ | — |  |  | $ | 57,147 |  |
| Amounts charged against income for amounts previously capitalized |  | $ | — |  |  | $ | — |  |
| Amounts charged against income, before income tax benefit |  | $ | 7,126 |  |  | $ | 93,133 |  |
| Amount of related income tax benefit recognized in income |  | $ | — |  |  | $ | — |  |

*Stock Options*

Stock options granted under the EIPs typically vest over a period of three to four years or based on achievement of Company and individual performance goals. The following table summarizes stock option activity as of and for the three months ended March 31, 2025 and 2024:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2025** | | | | | |  |  | **2024** | | | | | |  |
|  |  |  | |  |  | **Weighted** | |  |  |  | |  |  | **Weighted** | |  |
|  |  |  | |  |  | **Average** | |  |  |  | |  |  | **Average** | |  |
|  |  |  | |  |  | **Exercise** | |  |  |  | |  |  | **Exercise** | |  |
| ***Stock options*** |  | **Number** | |  |  | **Price** | |  |  | **Number** | |  |  | **Price** | |  |
| Outstanding at beginning of period |  |  | 6,157,422 |  |  | $ | 0.07 |  |  |  | 5,093,738 |  |  | $ | 0.16 |  |
| Granted during the period |  |  | — |  |  | $ | — |  |  |  | 4,504,974 |  |  | $ | 0.06 |  |
| Exercised during the period |  |  | — |  |  | $ | — |  |  |  | — |  |  | $ | — |  |
| Forfeited during the period |  |  | — |  |  | $ | — |  |  |  | (449,982 | ) |  | $ | (0.21 | ) |
| Outstanding at end of period |  |  | 6,157,422 |  |  | $ | 0.07 |  |  |  | 9,148,730 |  |  | $ | 0.10 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Options exercisable at period-end |  |  | 5,007,422 |  |  | $ | 0.07 |  |  |  | 7,063,146 |  |  | $ | 0.11 |  |

As of March 31, 2025, there was $26,924 of total unrecognized compensation cost related to options granted under the EIPs. That cost is expected to be recognized over a weighted-average period of 1.4 years.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 13 – SHAREHOLDERS’ DEFICIT (CONTINUED)**

The weighted-average grant-date fair value of options granted during the three months ended March 31, 2025 and 2024 was (none granted) and $0.04, respectively. The total fair value of options vested during the three months ended March 31, 2025 and 2024 was $7,966 and $137,040, respectively. No options were exercised during the three months ended March 31, 2025 or 2024. Stock based compensation expense related to stock options was $7,126 and $47,900 in the three months ended March 31, 2025 and 2024, respectively.

The fair value of each stock option award is estimated on the date of grant using a binomial lattice option-pricing model based on the assumptions noted in the following table. The Company’s accounting policy is to estimate forfeitures in determining the amount of total compensation cost to record each period. The fair value of options granted for the three months ended March 31, 2025 and 2024 was calculated using the following range of assumptions:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2025** |  | **2024** |
| Pricing model utilized |  | No Grants |  | Binomial Lattice |
| Risk free rate range |  | No Grants |  | 4.20% |
| Expected life range (in years) |  | No Grants |  | 10.00 years |
| Volatility range |  | No Grants |  | 173.25% |
| Dividend yield |  | No Grants |  | 0.00% |
| Expected forfeiture |  | No Grants |  | 30.00% |

The following table summarizes the status and activity of nonvested options issued pursuant to the EIPs as of and for the three months ended March 31, 2025 and 2024:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2025** | | | | | |  |  | **2024** | | | | | |  |
|  |  |  | |  |  | **Weighted** | |  |  |  | |  |  | **Weighted** | |  |
|  |  |  | |  |  | **Average** | |  |  |  | |  |  | **Average** | |  |
|  |  |  | |  |  | **Grant Date** | |  |  |  | |  |  | **Grant Date** | |  |
| ***Stock options*** |  | **Shares** | |  |  | **Fair Value** | |  |  | **Shares** | |  |  | **Fair Value** | |  |
| Nonvested options at beginning of period |  |  | 1,350,000 |  |  | $ | 0.05 |  |  |  | 1,073,084 |  |  | $ | 0.06 |  |
| Granted |  |  | — |  |  | $ | — |  |  |  | 4,504,974 |  |  | $ | 0.04 |  |
| Vested |  |  | (200,000 | ) |  | $ | (0.04 | ) |  |  | (3,442,474 | ) |  | $ | (0.04 | ) |
| Forfeited |  |  | — |  |  | $ | — |  |  |  | (50,000 | ) |  | $ | (0.08 | ) |
| Nonvested options at end of period |  |  | 1,150,000 |  |  | $ | 0.05 |  |  |  | 2,085,584 |  |  | $ | 0.05 |  |

*Stock Grants*

Stock grant awards made under the EIPs typically vest either immediately or over a period of up to four years. The following table summarizes stock grant activity as of and for the three months ended March 31, 2025 and 2024:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2025** | | | | | |  |  | **2024** | | | | | |  |
|  |  |  | |  |  | **Weighted** | |  |  |  | |  |  | **Weighted** | |  |
|  |  |  | |  |  | **Average** | |  |  |  | |  |  | **Average** | |  |
|  |  |  |  |  |  |  | **Grant Date** |  |  |  |  |  |  |  | **Grant Date** |  |
| ***Stock Grants*** |  |  | **Shares** |  |  |  | **Fair Value** |  |  |  | **Shares** |  |  |  | **Fair Value** |  |
| Nonvested grants at beginning of period |  |  | — |  |  | $ | — |  |  |  | 1,484,488 |  |  | $ | 0.05 |  |
| Granted |  |  | — |  |  | $ | — |  |  |  | — |  |  | $ | — |  |
| Vested |  |  | — |  |  | $ | — |  |  |  | (408,164 | ) |  | $ | (0.05 | ) |
| Forfeited |  |  | — |  |  | $ | — |  |  |  | (50,000 | ) |  | $ | (0.12 | ) |
| Nonvested grants at end of period |  |  | — |  |  | $ | — |  |  |  | 1,026,324 |  |  | $ | 0.05 |  |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 13 – SHAREHOLDERS’ DEFICIT (CONTINUED)**

As of March 31, 2025, there was $-0- of total unrecognized compensation cost related to stock grants made under the EIPs. That cost is expected to be recognized over a weighted-average period of 1.5 years. No grants were made in the three months ended March 31, 2025 or 2024. The aggregate fair value of share grants that vested during the three months ended March 31, 2025 and 2024 was $-0- and $20,000, respectively. Stock based compensation expense related to stock grants was $-0- and $1,796 in the three months ended March 31, 2025 and 2024, respectively.

The fair value of each stock grant is calculated using the closing sale price of the Company’s common stock on the date of grant. The Company’s accounting policy is to estimate forfeitures in determining the amount of total compensation cost to record each period.

**NOTE 14 – COMMITMENTS AND CONTINGENCIES**

Supplier Concentration

The Company relied on a single supplier for the fulfillment of approximately 96% and 91% of its product sales made through MOD in the three months ended March 31, 2025 and 2024, respectively.

Service Contracts

The Company carries various service contracts on its office buildings and certain copier equipment for repairs, maintenance and inspections. All contracts are short term and can be cancelled.

Leases

Maturities of operating lease liabilities were as follows as of March 31, 2025:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2025 |  | $ | 213,983 |  |
| 2026 |  |  | 200,969 |  |
| 2027 |  |  | 989 |  |
| Total lease payments |  |  | 415,941 |  |
| Less interest |  |  | (118,459 | ) |
| Present value of lease liabilities |  | $ | 297,482 |  |

Employment/Consulting Agreements

The Company has employment agreements with certain of its physicians, nurse practitioners and physical therapists in the Health Services Division. The agreements generally call for a fixed salary plus performance-based pay.

On July 1, 2016, the Company entered into an employment agreement with Dr. Michael Dent, Chief Executive Officer and a member of the Board of Directors. Dr. Dent’s employment agreement continues until terminated by Dr. Dent or the Company. If Dr. Dent’s employment is terminated by the Company (unless such termination is “For Cause” as defined in his employment agreement), then upon signing a general waiver and release, Dr. Dent will be entitled to severance in an amount equal to 12 months of his then-current annual base salary, as well as the pro-rata portion of any bonus that would be due and payable to him. In the event that Dr. Dent terminates the employment agreement, he shall be entitled to any accrued but unpaid salary and other benefits up to and including the date of termination, and the pro-rata portion of any unvested time-based options up until the date of termination.

Litigation

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm the Company’s business. The Company is not aware of any such legal proceedings that will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 15 – SEGMENT REPORTING**

As of March 31, 2025, the Company had three reportable segments: Health Services, Digital Healthcare, and Medical Distribution. The Health Services division is comprised of the operations of (i) NCFM, a functional medical practice engaged in improving the health of its patients through individualized and integrative health care, (ii) BTG, a physical therapy practice in Bonita Springs, Florida that provides hands-on functional manual therapy techniques to speed patients’ recovery and manage pain without pain medication or surgery, (iii) CCN, a primary care providing a comprehensive range of medical services, and (iv) AEU, a minimally and non-invasive cosmetic services. During 2024, the Company replaced its NWC Obstetrics and Gynecology (OB/GYN) practice with CCN and relocated its AEU practice to the CCN office location. The Digital Healthcare segment develops and plans to operate an online personal medical information and record archive system, the “HealthLynked Network,” which facilitates efficient management of medical records and care, allowing seamless patient appointment scheduling, comprehensive telemedicine services, and a cloud-based system for medical information and records management. The Medical Distribution Division is comprised of the operations of MOD, a virtual distributor of discounted medical supplies selling to both consumers and medical practices throughout the United States.

The Company evaluates performance and allocates resources based on profit or loss from operations before income taxes. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies.

Segment information for the three months ended March 31, 2025 was as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31, 2025** | | | | | | | | | | | | | |  |
|  |  | **Health Services** | |  |  | **Digital Healthcare** | |  |  | **Medical Distribution** | |  |  | **Total** | |  |
| **Revenue** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Patient service revenue, net |  | $ | 752,015 |  |  | $ | — |  |  | $ | — |  |  | $ | 752,015 |  |
| Subscription revenue |  |  | — |  |  |  | 9,584 |  |  |  | — |  |  |  | 9,584 |  |
| Product revenue |  |  | — |  |  |  | — |  |  |  | 12,609 |  |  |  | 12,609 |  |
| Total revenue |  |  | 752,015 |  |  |  | 9,584 |  |  |  | 12,609 |  |  |  | 774,208 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Operating Expenses** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Practice salaries and benefits |  |  | 402,366 |  |  |  | — |  |  |  | — |  |  |  | 402,366 |  |
| Other practice operating expenses |  |  | 313,976 |  |  |  | — |  |  |  | — |  |  |  | 313,976 |  |
| Cost of product revenue |  |  | — |  |  |  | — |  |  |  | 17,816 |  |  |  | 17,816 |  |
| Selling, general and administrative expenses |  |  | — |  |  |  | 620,541 |  |  |  | 8,874 |  |  |  | 629,415 |  |
| Depreciation and amortization |  |  | 26,850 |  |  |  | 1,174 |  |  |  | — |  |  |  | 28,024 |  |
| Total Operating Expenses |  |  | 743,192 |  |  |  | 621,715 |  |  |  | 26,690 |  |  |  | 1,391,597 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Income (loss) from operations |  | $ | 8,823 |  |  | $ | (612,131 | ) |  | $ | (14,081 | ) |  | $ | (617,389 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Other Segment Information** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loss on extinguishment of debt |  | $ | — |  |  | $ | (42,726 | ) |  | $ | — |  |  | $ | (42,726 | ) |
| Change in fair value of debt |  | $ | — |  |  | $ | 49,186 |  |  | $ | — |  |  | $ | 49,186 |  |
| Gain on change in fair value of derivative financial instruments |  | $ | — |  |  | $ | (45,038 | ) |  | $ | — |  |  | $ | (45,038 | ) |
| Amortization of original issue discounts on notes payable |  | $ | 2,964 |  |  | $ | 402,149 |  |  | $ | — |  |  | $ | 405,113 |  |
| Interest expense and other |  | $ | (7,072 | ) |  | $ | 74,087 |  |  | $ | — |  |  | $ | 67,015 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Identifiable Assets** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Identifiable assets as of March 31, 2025 |  | $ | 373,572 |  |  | $ | 1,681,663 |  |  | $ | 2,079 |  |  | $ | 2,057,314 |  |
| Identifiable assets as of December 31, 2024 |  | $ | 496,391 |  |  | $ | 1,719,020 |  |  | $ | 7,578 |  |  | $ | 2,222,989 |  |

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**HEALTHLYNKED CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 15 – SEGMENT REPORTING (CONTINUED)**

Segment information for the three months ended March 31, 2024 was as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31, 2024** | | | | | | | | | | | | | |  |
|  |  | **Health Services** | |  |  | **Digital Healthcare** | |  |  | **Medical Distribution** | |  |  | **Total** | |  |
| **Revenue** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Patient service revenue, net |  | $ | 963,621 |  |  | $ | — |  |  | $ | — |  |  | $ | 963,621 |  |
| Subscription revenue |  |  | — |  |  |  | 7,628 |  |  |  | — |  |  |  | 7,628 |  |
| Product revenue |  |  | — |  |  |  | — |  |  |  | 32,983 |  |  |  | 32,983 |  |
| Total revenue |  |  | 963,621 |  |  |  | 7,628 |  |  |  | 32,983 |  |  |  | 1,004,232 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Operating Expenses** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Practice salaries and benefits |  |  | 583,156 |  |  |  | — |  |  |  | — |  |  |  | 583,156 |  |
| Other practice operating expenses |  |  | 482,583 |  |  |  | — |  |  |  | — |  |  |  | 482,583 |  |
| Cost of product revenue |  |  | — |  |  |  | — |  |  |  | 30,579 |  |  |  | 30,579 |  |
| Selling, general and administrative expenses |  |  | — |  |  |  | 980,174 |  |  |  | 19,269 |  |  |  | 999,443 |  |
| Depreciation and amortization |  |  | 85,169 |  |  |  | 1,340 |  |  |  | — |  |  |  | 86,509 |  |
| Total Operating Expenses |  |  | 1,150,908 |  |  |  | 981,514 |  |  |  | 49,848 |  |  |  | 2,182,270 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loss from operations |  | $ | (187,287 | ) |  | $ | (973,886 | ) |  | $ | (16,865 | ) |  | $ | (1,178,038 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Other Segment Information** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loss on extinguishment of debt |  | $ | — |  |  | $ | 96,660 |  |  | $ | — |  |  | $ | 96,660 |  |
| Amortization of original issue discounts on notes payable |  | $ | — |  |  | $ | 108,265 |  |  | $ | — |  |  | $ | 108,265 |  |
| Interest expense and other |  | $ | 3,881 |  |  | $ | 874 |  |  | $ | — |  |  | $ | 4,755 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Identifiable Assets** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Identifiable assets as of March 31, 2024 |  | $ | 1,635,387 |  |  | $ | 2,246,600 |  |  | $ | 8,772 |  |  | $ | 3,890,759 |  |

The Digital Healthcare Division made intercompany sales of $-0 and $180 in the three months ended March 31, 2025 and 2024, respectively, related to subscription revenue billed to and paid for by the Company’s physicians for access to the HealthLynked Network.

**NOTE 16 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivable and accounts payable, approximate their respective fair values due to the short-term nature of such instruments. The Company measures certain financial instruments at fair value on a recurring basis, including certain convertible notes payable and related party loans, which were extinguished and reissued and are therefore subject to fair value measurement, derivative financial instruments arising from conversion features embedded in convertible promissory notes for which the conversion rate was not fixed, and equity-class. All financial instruments carried at fair value fall within Level 3 of the fair value hierarchy as their value is based on unobservable inputs. The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2025 (UNAUDITED)**

**NOTE 16 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

The following table summarizes the conclusions reached regarding fair value measurements as of March 31, 2025 and December 31, 2024:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **As of March 31, 2025** | | | | | | | | | | | | | |  |  | **As of December 31, 2024** | | | | | | | | | | | | | |  |
|  |  | **Level 1** | |  |  | **Level 2** | |  |  | **Level 3** | |  |  | **Total** | |  |  | **Level 1** | |  |  | **Level 2** | |  |  | **Level 3** | |  |  | **Total** | |  |
| ***Assets:*** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Contingent sale consideration receivable |  | $ | — |  |  | $ | — |  |  | $ | 1,463,518 |  |  | $ | 1,463,518 |  |  | $ | — |  |  | $ | — |  |  | $ | 1,463,518 |  |  | $ | 1,463,518 |  |
| ***Liabilities:*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Derivative financial instruments |  |  | — |  |  |  | — |  |  |  | 16,979 |  |  |  | 16,979 |  |  |  | — |  |  |  | — |  |  |  | — |  |  |  | — |  |
| Convertible notes payable to related party |  |  | — |  |  |  | — |  |  |  | 1,607,947 |  |  |  | 1,607,947 |  |  |  | — |  |  |  | — |  |  |  | 671,025 |  |  |  | 671,025 |  |
|  |  | $ | — |  |  | $ | — |  |  | $ | 1,624,926 |  |  | $ | 1,624,926 |  |  | $ | — |  |  | $ | — |  |  | $ | 671,025 |  |  | $ | 671,025 |  |

Certain notes payable to a related party carried at fair value and contingent acquisition consideration payable are each Level 3 financial instrument that are measured at fair value on a recurring basis. Gains (losses) from the change in fair value of Level 3 financial instruments during the three months ended March 31, 2025 and 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |
|  |  |  | |  |  |  | |  |
| Change in fair value of debt |  | $ | (49,186 | ) |  | $ | — |  |
| Contingent acquisition consideration payable\* |  |  | — |  |  |  | 76 |  |
| Change in fair value of derivative financial instruments |  | $ | 45,038 |  |  | $ | — |  |
|  |  |  |  |  |  |  |  |  |
| Total |  | $ | (4,148 | ) |  | $ | 76 |  |

\* - Item included in “Interest expense and other” on the condensed consolidated statement of operations.

**NOTE 17 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through May 15, 2025, the date of filing of this Quarterly Report on Form 10-Q, and determined that there have been no events that have occurred that would require adjustments to our disclosures in the condensed consolidated financial statements, other than the following:

On April 1, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $20,000, an interest rate of 12% per annum, and a maturity date of October 1, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $20,000.

On April 9, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $100,000, an interest rate of 12% per annum, and a maturity date of October 9, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $100,000.

On April 16, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $15,000, an interest rate of 12% per annum, and a maturity date of October 16, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $15,000.

On April 22, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $65,000, an interest rate of 12% per annum, and a maturity date of October 22, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $65,000.

On May 8, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $100,000, an interest rate of 12% per annum, and a maturity date of November 8, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $100,000.

On May 12, 2025, the Company issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $50,000, an interest rate of 12% per annum, and a maturity date of November 12, 2025. The note is convertible at any time at the holder’s option into shares of the Company’s common stock at a fixed conversion price of $0.023 per share. The Company received net proceeds of $50,000.

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**Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

**Forward-Looking Statements**

*You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes appearing elsewhere in this report. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled “Item 1A. Risk Factors” included in our most recent Annual Report on Form 10-K. All amounts in this report are in U.S. dollars, unless otherwise noted.*

**Overview**

General

HealthLynked Corp. (the “Company,” “we,” “our,” or “us”) was incorporated in the State of Nevada on August 4, 2014. We currently operate in three distinct divisions:

|  |  |  |
| --- | --- | --- |
|  | ● | **Health Services Division**: This division is comprised of the operations of (i) Naples Center for Functional Medicine (“NCFM”), a functional medical practice engaged in improving the health of its patients through individualized and integrative health care, (ii) Bridging the Gap Physical Therapy (“BTG”), a physical therapy practice in Bonita Springs, Florida that provides hands-on functional manual therapy techniques to speed patients’ recovery and manage pain without pain medication or surgery, (iii) Concierge Care Naples (“CCN”), a primary care providing a comprehensive range of medical services, and (iv) Aesthetic Enhancements Unlimited (“AEU”), a minimally and non-invasive cosmetic services. During 2024, the Company replaced our Naples Women’s Center (“NWC”) Obstetrics and Gynecology (OB/GYN) practice with CCN and relocated its AEU practice to the CCN office location. |

|  |  |  |
| --- | --- | --- |
|  | ● | **Digital Healthcare Division**: At the forefront of healthcare innovation, this division develops and manages an advanced online concierge medical service. The HealthLynked Network facilitates efficient management of medical records and care, allowing seamless patient appointment scheduling, comprehensive telemedicine services, and a cloud-based system for medical information and records management. It also supports physicians in expanding their practices and acquiring new patients through our robust online scheduling system. |

|  |  |  |
| --- | --- | --- |
|  | ● | **Medical Distribution Division**: MedOffice Direct LLC (“MOD”), a part of this division, operates as a virtual distributor of discounted medical supplies to consumers and medical practices nationwide, ensuring timely and cost-effective delivery. |

**Critical accounting policies and significant judgments and estimates**

For a discussion of our critical accounting policies, see Note 2, “*Significant Accounting Policies,”* in the Notes to the condensed consolidated financial statements.

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**Results of Operations**

Comparison of three months ended March 31, 2025 and 2024

The following table summarizes the changes in our results of operations for the three months ended March 31, 2025 and 2024:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |  | **Change** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |  | **$** | |  |  | **%** | |  |
|  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Patient service revenue, net |  | $ | 752,015 |  |  | $ | 963,621 |  |  | $ | (211,606 | ) |  |  | -22 | % |
| Subscription revenue |  |  | 9,584 |  |  |  | 7,628 |  |  |  | 1,956 |  |  |  | 26 | % |
| Product revenue |  |  | 12,609 |  |  |  | 32,983 |  |  |  | (20,374 | ) |  |  | -62 | % |
| Total revenue |  |  | 774,208 |  |  |  | 1,004,232 |  |  |  | (230,024 | ) |  |  | -23 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Operating Expenses and Costs** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Practice salaries and benefits |  |  | 402,366 |  |  |  | 583,156 |  |  |  | (180,790 | ) |  |  | -31 | % |
| Other practice operating expenses |  |  | 313,976 |  |  |  | 482,583 |  |  |  | (168,607 | ) |  |  | -35 | % |
| Cost of product revenue |  |  | 17,816 |  |  |  | 30,579 |  |  |  | (12,763 | ) |  |  | -42 | % |
| Selling, general and administrative expenses |  |  | 629,415 |  |  |  | 999,443 |  |  |  | (370,028 | ) |  |  | -37 | % |
| Depreciation and amortization |  |  | 28,024 |  |  |  | 86,509 |  |  |  | (58,485 | ) |  |  | -68 | % |
| Loss from operations |  |  | (617,389 | ) |  |  | (1,178,038 | ) |  |  | 560,649 |  |  |  | -48 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Other Income (Expenses)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Gain (loss) on extinguishment of debt |  |  | 42,726 |  |  |  | (96,660 | ) |  |  | 139,386 |  |  |  | -144 | % |
| Loss on change in fair value of debt |  |  | (49,186 | ) |  |  | — |  |  |  | (49,186 | ) |  |  | \* |  |
| Gain on change in fair value of derivative financial instruments |  |  | 45,038 |  |  |  | — |  |  |  | 45,038 |  |  |  | \* |  |
| Amortization of original issue discounts on notes payable |  |  | (405,113 | ) |  |  | (108,265 | ) |  |  | (296,848 | ) |  |  | 274 | % |
| Interest expense and other |  |  | (67,015 | ) |  |  | (4,755 | ) |  |  | (62,260 | ) |  |  | 1,309 | % |
| Total other income (expenses) |  |  | (433,550 | ) |  |  | (209,680 | ) |  |  | (223,870 | ) |  |  | 107 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Net loss** |  | $ | (1,050,939 | ) |  | $ | (1,387,718 | ) |  | $ | 336,779 |  |  |  | -24 | % |

\* - Denotes line item on statement of operations for which there was no corresponding activity in the same period of prior year.

*Revenue*

Patient service revenue decreased by $211,606, or 22% year-over-year, from $963,621 in the three months ended March 31, 2024, to $752,015 in the three months ended March 31, 2025, primarily as a result of (i) a 100% decrease at our NWC practice of $141,149 due to the discontinuation of this practice in October 2024, (ii) a 12% year-over-year decrease at our NCFM practice of $87,318 due to changes in clinical staffing and cost reductions, (iii) a 77% year-over-year decrease at our AEU practice of $6,674, (iv) and a 2% decrease at our BTG practice of $2,092, offset by (v) first quarter 2025 revenue of $25,627 from our newly-launched CCN practice. The reduction in revenue was offset in part by a corresponding designed reduction in practice operating costs as described below in the fluctuation of “Practice salaries and benefits” and “Other practice operating costs,” which declined by a combined $349,397, or 33%, from the three months ended March 31, 2024 to the three months ended March 31, 2025.

Subscription revenue in the three months ended March 31, 2025 increased by $1,956, or 26% year-over-year, to $9,584 in the three months ended March 31, 2025, from $7,628 in the three months ended March 31, 2024, due primarily to a decrease in HealthLynked Network paid subscriptions that were paired with NCFM membership contracts.

Product revenue was $12,609 in the three months ended March 31, 2025, compared to $32,983 in the three months ended March 31, 2024, a decrease of $20,374, or +3%. Product revenue was earned by the Medical Distribution Division, comprised of the operations of MOD, which decreased due to decreased marketing efforts and demand for our products at our offered price points.

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*Operating Expenses and Costs*

Practice salaries and benefits decreased by $180,790, or 31%, to $402,366 in the three months ended March 31, 2025, compared to $583,156 in the three months ended March 31, 2024, primarily as a result of focused cost reduction efforts at all of our practices starting in mid-2023 and accelerating int eh second half of 2024 and beginning of 2025.

Other practice operating costs decreased by $168,607 or 35%, to $313,976 in the three months ended March 31, 2025 from $482,583 in the three months ended March 31, 2024, primarily as a result of focused cost reduction efforts at all of our practices starting in mid-2023 and accelerating int eh second half of 2024 and beginning of 2025.

Cost of product revenue was $17,816 in the three months ended March 31, 2025, a decrease of $12,763, or 42%, compared to $30,579 in the same period of 2024, corresponding to the decline in product sales for the period compared to the same period in the prior year.

Selling, general and administrative costs decreased by $370,028, or 37%, to $629,415 in the three months ended March 31, 2025 compared to $999,443 in the three months ended March 31, 2024, primarily due to lower salaried overhead in the corporate office, lower stock-based compensation expense resulting from fewer employee and consultant grants in 2025, and lower consulting and other office and overhead costs in our corporate function resulting from focused cost cutting efforts.

Depreciation and amortization in the three months ended March 31, 2025 decreased by $58,485, or 68%, to $28,024 compared to $86,509 in the three months ended March 31, 2024, primarily as a result of the impairment of NCFM intangible assets in September 2024 resulting in no amortization in the three months ended March 31, 2025.

Loss from operations decreased by $560,649, or 48%, to $617,389 in the three months ended March 31, 2025 compared to $1,178,038 in the three months ended March 31, 2024, primarily as a result of reduced practice operating costs and corporate overhead costs, offset in part by lower revenue.

*Other Income (Expenses)*

Gain (loss) on extinguishment of debt in the three months ended March 31, 2025 was a gain of $42,276, compared to a loss of $96,660 in the three months ended March 31, 2024. Gain on extinguishment of debt in the three months ended March 31, 2025 resulted from the extension of 12 notes payable to Dr. Dent during the quarter. Loss on extinguishment of debt in the three months ended March 31, 2024 resulted from a maturing note payable to Dr. Dent refinanced with a new convertible note payable in the same amount.

Loss on the change in fair value of debt was $49,186 in the three months ended March 31, 2025 related to 13 notes payable to Dr. Michael Dent that were recorded at fair value following extension of the maturity dates of the notes. These notes are revalued at their fair value at the end of each period, with the changes recorded as gains or losses from the change in fair value of debt. There were no such gains or losses in the three months ended March 31, 2024.

Gain on change in fair value of derivative financial instruments was $45,038 in the three months ended March 31, 2025, resulting from the change in fair value of derivative financial instruments related to beneficial conversion features embedded in third party notes issued during the period. Such derivative financial instruments are revalued at each period end. There were no such gains or losses in the three months ended March 31, 2024.

Amortization of original issue and debt discounts on notes payable and convertible notes in the three months ended March 31, 2025 was $405,113, an increase of $296,848, or 274%, compared to $108,265 in the three months ended March 31, 2024. Amortization of discounts arose from original issue discounts on notes payable, warrants attached to notes payable, and beneficial conversion features in convertible notes payable. The increase was due to higher notes payable balances and larger equity-based and original issue discounts offered for new notes payable, and therefore larger corresponding amortizable discount balances, in 2025 compared to 2024.

Interest expense and other increased by $62,260, or 1,309%, to $67,015 for the three months ended March 31, 2025, compared to $4,755 in the three months ended March 31, 2024, due to an increase in interest-bearing notes payable to related parties during 2024 and first quarter 2025, primarily in the form of new notes and convertible notes payable to Dr. Dent.

Total other income (expenses) increased by $223,870, or 107%, to net expense of $433,550 in the three months ended March 31, 2025 compared to net expense of $209,680 in the three months ended March 31, 2024. The change was primarily a result of higher debt-related discount amortization and interest charges in 2025 corresponding to higher debt balances with larger initial fees and discounts, as well as losses related to the change in fair value of debt carried at fair value in 2025.

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*Net loss*

Net loss decreased by $336,779, or 24%, to $1,050,939 in the three months ended March 31, 2025, compared to net loss of $1,387,718 in the three months ended March 31, 2024, primarily as a result of reduced practice operating costs and corporate overhead costs from cost cutting measures implemented starting in 2024, offset by lower revenue from our practices and higher financing-related other expenses.

**Seasonal Nature of Operations**

We do not experience any material seasonality related to any of our continuing operations.

**Liquidity and Capital Resources**

Liquidity Condition

During the 2014, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern. This update provided U.S. GAAP guidance on management’s responsibility in evaluating whether there is substantial doubt about a company’s ability to continue as a going concern and about related footnote disclosures. Under this standard, we are required to evaluate whether there is substantial doubt about our ability to continue as a going concern each reporting period, including interim periods. In evaluating our ability to continue as a going concern, management considered the conditions and events that could raise substantial doubt about our ability to continue as a going concern within 12 months after our financial statements were issued (May 15, 2026).

Management considered our current financial condition and liquidity sources, including current funds available, forecasted future cash flows and our obligations due before May 15, 2026 and concluded that, without additional funding, we will not have sufficient funds to meet our obligations within one year from the date the consolidated financial statements were issued. Without raising additional capital, either via additional advances made pursuant to the SEPA or from other sources, there is substantial doubt about our ability to continue as a going concern through May 15, 2026. The accompanying consolidated financial statements have been prepared assuming that we will continue as a going concern. This basis of presentation contemplates the recovery of our assets and the satisfaction of liabilities in the normal course of business.

We are subject to a number of risks, including uncertainty related to product development and generation of revenues and positive cash flow from our Digital Healthcare Division and a dependence on outside sources of capital. The attainment of profitable operations is dependent on future events, including obtaining adequate financing to fulfill our growth and operating activities and generating a level of revenues adequate to support our cost structure.

As of March 31, 2025, we had cash balances of $22,270, a working capital deficit of $4,032,140 and an accumulated deficit of $49,215,554. For the three months ended March 31, 2025, we had a net loss of $1,050,939 and we used cash from operating activities of $432,553. We expect to continue to incur net losses and have significant cash outflows for at least the next 12 months.

Significant Liquidity Transactions

Through December 31, 2024, we have funded our operations principally through a combination of sales of our common stock, convertible and non-convertible promissory notes, government issued debt, and related party debt, as described below.

On July 5, 2022, we entered into a Standby Equity Purchase Agreement (the “SEPA”) with YA II PN, Ltd. (“Yorkville”). Pursuant to the SEPA, we have the right to sell to Yorkville up to 30,000,000 shares of our common stock, par value $0.0001 per share, at our request any time during the three-year commitment period set forth in the SEPA. Because the purchase price per share to be paid by Yorkville for the shares of common stock sold by us to Yorkville pursuant to the SEPA, if any, will fluctuate based on the market prices of our common stock during the applicable pricing period, we cannot reliably predict the actual purchase price per share to be paid by Yorkville for those shares, or the actual gross proceeds we will receive from those sales, if any. During January 2023, we sold 225,000 shares of common stock under the SEPA, receiving $18,765 in proceeds, all of which was applied to the balance of a then-outstanding promissory note payable to Yorkville. We have not sold any additional shares under the SEPA since January 2023. The SEPA will expire in July 2025.

During the three months ended March 31, 2025, we issued 3 new convertible notes payable to our CEO, Dr. Michael Dent, for aggregate net cash proceeds of $175,000, refinanced or extended five existing notes with an aggregate principal of $1,216,500, and refinanced undocumented advances received in third and fourth quarter of 2024 into a convertible note payable with a principal amount of $420,000. We also issued notes payable to third parties for net cash proceeds of $305,000. We made repayments on third-party notes of $111,418 in three months ended March 31, 2025.

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On January 17, 2023, we entered into the AHP Merger Agreement, pursuant to which the Buyer agreed to buy, and we agreed to sell, AHP. Since the sale date, we have received the following proceeds: (i) $750,000 upon signing of the AHP Merger Agreement, (ii) $31,381 in March 2023 for the Stub Period Reimbursement, (iii) $1,750,000 ($1,540,000 net after commissions) in Incremental Cash Consideration during June, July and August for meeting participating physician transfer milestones, (iv) $1,873,993 gross ($1,186,231 net after commissions) in October 2023 from the 2022 MSSP Consideration, and (v) $500,000 ($325,000 net after payments to participating physicians and commissions) in November 2024 from the Physician Advance Consideration. We may receive future proceeds comprised of proceeds from sale of shares of the Buyer if the Buyer completes an initial public offering by August 31, 2025.

On May 1, 2025, we filed a Regulation A Offering Statement on Form 1-A for the sale of up to $10,000,000 of our common stock, par value $0.0001 per share. Any proceeds from the offering are subject to effectiveness of the Offering Statement and demand from the market to purchase our common stock.

Without raising additional capital, whether via the sale of equity or debt instruments, from proceeds from the Regulation A Offering, receipt of remaining contingent consideration related to the sale of the ACO/MSO Division, from additional advances made pursuant to the SEPA, or from other sources, there is substantial doubt about the Company’s ability to continue as a going concern through May 15, 2026. The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. This basis of presentation contemplates the recovery of the Company’s assets and the satisfaction of liabilities in the normal course of business.

Plan of operation and future funding requirements

Our plan of operations is to profitably operate our Health Services business and continue to invest in our Digital Healthcare business, including our cloud-based online personal medical information and record archiving system, the “HealthLynked Network.”

We are marketing the HealthLynked Network by targeting large health systems, hospitals and universities. In addition, we are marketing via direct-to-patient marketing, affiliated marketing campaigns, co-marketing with our Medical Distribution businesses subsidiary MOD, and expanded southeast regional sales efforts. Our initial sales strategy is utilizing Internet-based marketing to increase penetration to targeted geographical areas. These campaigns are focused on both physician practices and patient members. We also are leveraging MOD’s discounted medical supplies as an offering to our patient and physician members in the HealthLynked Network. We also intend to utilize physician telesales through the use of telesales representatives whom we will hire as access to capital allows. If we fail to complete the development of, or successfully market, the HealthLynked Network, our ability to realize future increases in revenue and operating profits could be impacted, and our results of operations and financial position would be materially adversely affected.

We plan to raise additional capital to fund our ongoing plan of operation.

Historical Cash Flows

Cash flows during the three months ended March 31, 2025 and 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Three Months Ended March 31,** | | | | | |  |
|  |  | **2025** | |  |  | **2024** | |  |
| Net cash (used in) provided by: |  |  |  |  |  |  |  |  |
| Operating activities |  | $ | (432,553 | ) |  | $ | (854,855 | ) |
| Investing activities |  |  | — |  |  |  | (2,598 | ) |
| Financing activities |  |  | 378,582 |  |  |  | 633,722 |  |
| Net increase (decrease) in cash |  | $ | (53,971 | ) |  | $ | (223,731 | ) |

*Operating Activities* – During the three months ended March 31, 2025, we used cash from operating activities of $432,553, as compared with $854,855 in the three months ended March 31, 2024. The decrease in cash usage results primarily from cost reduction efforts at our Health Services practices and our corporate office.

*Investing Activities* – During the three months ended March 31, 2024, we used $2,598 in investing activities related to acquisition of computers and office equipment. We did not use any cash in investing activities during the three months ended March 31, 2025.

*Financing Activities* – During the three months ended March 31, 2025, cash provided by financing activities was $378,582, comprised of $10,000, from the sale of common stock, $305,000 from the issuance of notes payable to third parties and $175,000 from the issuance of notes payable to related parties, offset by $111,418 repayments made against notes payable balances to third parties. During the three months ended March 31, 2024, cash provided by financing activities was $633,722, comprised of $355,000, from the sale of common stock and $500,000 from the issuance of notes payable to related parties, offset by $221,278 repayments made against notes payable balances.

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**Exercise of Warrants and Options**

No warrants or options were exercised during the three months ended March 31, 2025 or 2024.

**Other Outstanding Obligations at March 31, 2025**

As of March 31, 2025, 80,300,130 shares of our common stock are issuable pursuant to the exercise of warrants with exercise prices ranging from $0.023 to $1.05.

As of March 31, 2025, 6,157,422 shares of our common stock are issuable pursuant to the exercise of options with exercise prices ranging from $0.0569 to $0.263.

As of March 31, 2025, 3,324,412 shares of our common stock are earned but unissued pursuant to consulting and director agreements.

As of March 31, 2025, 78,855,115 shares of our common stock are issuable upon the conversion of outstanding convertible notes payable at the option of the beneficial holder of those instruments, Dr. Michael Dent.

**Off Balance Sheet Arrangements**

We did not have, during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under applicable Securities and Exchange Commission rules.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

The Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined in Rule 229.10(f)(1).

**Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) that are designed to ensure that information required to be disclosed in Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures as of March 31, 2025 based on the framework in “Internal Control – Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013. Based on that evaluation, and in light of the material weaknesses found in our internal controls over financial reporting, our management concluded that our disclosure controls and procedures were not effective as of March 31, 2025.

**Changes in Internal Control over Financial Reporting**

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

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**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings**

From time to time, we may become involved in various lawsuits and legal proceedings, which arise, in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business.

We are not aware of any such legal proceedings that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial condition or operating results.

**Item 1A. Risk Factors**

The Company is not required to provide the information required by this item as it is a “smaller reporting company,” as defined by Rule 229.10(f)(1).

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

Except as previously disclosed in a Current Report on Form 8-K or in a Form 10-Q or 10-K, or as set forth below, the Company has not sold securities that were not registered under the Securities Act of 1933, as amended (the “Securities Act”), during the period covered by this report:

On January 16, 2025, we issued a promissory note payable to an investor with a stated principal amount of $150,650 and prepaid interest of $18,078 for total repayments of $168,278. We received net proceeds of $125,000 after original issue discount of $19,650 and fees of $6,000. The note does not bear interest in excess of the original issue discount and prepaid interest and matures on November 15, 2025. We are required to make 10 monthly payments of $16,873 starting February 15, 2025 and ending on November 15, 2025. The note gives the holder a conversion right at a 39% discount to the market price of our common stock only in the event of default.

On January 24, 2025, we issued a promissory note payable to an investor with a stated principal amount of $98,900 and prepaid interest of $13,846 for total repayments of $112,746. We received net proceeds of $80,000 after original issue discount of $12,900 and fees of $6,000. The note does not bear interest in excess of the original issue discount and prepaid interest and matures on November 30, 2025. We are required to make a payment of $56,373 on July 30, 2025 and monthly installments of $14,093 thereafter ending on November 30, 2025. The January 2025 Note II gives the holder a conversion right at a 39% discount to the market price of our common stock only in the event of default.

On February 14, 2025, we issued a promissory note payable to an investor with a stated principal amount of $121,900 and prepaid interest of $13,846 for total repayments of $14,628. We received net proceeds of $100,000 after original issue discount of $15,900 and fees of $6,000. The note does not bear interest in excess of the original issue discount and prepaid interest and matures on December 15, 2025. We are required to make 10 monthly payments of $13,653 starting March 15, 2025 and ending on December 15, 2025. The February 2025 Note gives the holder a conversion right at a 25% discount to the market price of our common stock only in the event of default.

On March 4, 2025, we issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $50,000, an interest rate of 12% per annum, and a maturity date of September 4, 2025. The note is convertible at any time at the holder’s option into shares of our common stock at a fixed conversion price of $0.049 per share. We received net proceeds of $50,000.

On March 12, 2025, we issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $60,000, an interest rate of 12% per annum, and a maturity date of September 12, 2025. The note is convertible at any time at the holder’s option into shares of our common stock at a fixed conversion price of $0.03 per share.

On March 20, 2025, we issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $420,000, an interest rate of 12% per annum, and a maturity date of September 20, 2025. The note is convertible at any time at the holder’s option into shares of our common stock at a fixed conversion price of $0.0375 per share. The note was issued in exchange for the Undocumented Advances totaling $420,000 made by the trust between September and November 2024.

On March 27, 2025, we issued to a trust controlled by Dr. Michael Dent a convertible note payable with a principal of $65,000, an interest rate of 12% per annum, and a maturity date of September 27, 2025. The note is convertible at any time at the holder’s option into shares of our common stock at a fixed conversion price of $0.031 per share. The Company received net proceeds of $65,000.

The sales of the above securities were exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act, as transactions by an issuer not involving any public offering. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions.

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**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None.

**Item 6. Exhibits**

|  |  |  |
| --- | --- | --- |
| **Exhibit No.** |  | **Exhibit Description** |
| 31.1 | \* | [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer](file:////var/opt/apache-tomcat/temp/ea024142601ex31-1_health.htm) |
| 31.2 | \* | [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer and Principal Accounting Officer](file:////var/opt/apache-tomcat/temp/ea024142601ex31-2_health.htm) |
| 32.1 | \* | [Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer](file:////var/opt/apache-tomcat/temp/ea024142601ex32-1_health.htm) |
| 32.2 | \* | [Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer and Principal Accounting Officer](file:////var/opt/apache-tomcat/temp/ea024142601ex32-2_health.htm) |
| 101 | \* | Inline XBRL Instance Document |
|  |  | Inline XBRL Taxonomy Extension Schema Document |
|  |  | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
|  |  | Inline XBRL Taxonomy Extension Definition Linkbase Document |
|  |  | Inline XBRL Taxonomy Extension Label Linkbase Document |
|  |  | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | \* | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

|  |  |  |
| --- | --- | --- |
|  | \* | Filed herewith. |

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**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.

Dated: May 15, 2025

|  |  |  |  |
| --- | --- | --- | --- |
|  | **HEALTHLYNKED CORP.** | | |
|  |  | | |
|  | By: | /s/ Michael Dent | |
|  |  | Name: | Michael Dent |
|  |  | Title: | Chief Executive Officer and Chairman  (Principal Executive Officer) |

|  |  |  |  |
| --- | --- | --- | --- |
|  | By: | /s/ Jeremy Daniel | |
|  |  | Name: | Jeremy Daniel |
|  |  | Title: | Chief Financial Officer and Principal Financial Officer |

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