

U. S. Securities and Exchange Commission
Washington, D. C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2021

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 0-51012

HEALTHTECH SOLUTIONS, INC./UT

(Exact Name of Registrant in its Charter)

Utah

84-2528660

(State or Other Jurisdiction of incorporation or organization)

(I.R.S. Employer I.D. No.)

181 Dante Avenue, Tuckahoe, NY 10707

(Address of Principal Executive Offices)

Issuer's Telephone Number: 844-926-3399

(Registrant's telephone number, including area code)

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

Title of each class

None

Trading Symbol(s)

None

Name of each exchange on which registered

Not Applicable

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 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. (Check One)

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

APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date:

August 23, 2021

Common Voting Stock: 29,145,933

HEALTHTECH SOLUTIONS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE FISCAL QUARTER ENDED JUNE 30, 2021

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HEALTHTECH SOLUTIONS, INC.
(Formerly HYB Holding Corp.)
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Current Assets:		
Cash	\$ 907,324	\$ 128,996
Prepaid expenses	157,582	10,000
Total Current Assets	<u>1,064,906</u>	<u>138,996</u>
Intangible assets net of accumulated amortization	6,482	25,926
Goodwill	665,673	-
Total Assets	<u>\$ 1,737,061</u>	<u>\$ 164,922</u>
Current Liabilities:		
Accrued expenses	\$ 469,286	\$ -
Accrued interest	-	3,792
Accounts payable	159,883	80,169
Loan From related party	353,907	-
Total Current Liabilities	<u>983,076</u>	<u>83,961</u>
Long Term Liabilities:		
Convertible debentures payable, net of discount	-	305,684
Derivative liabilities	-	337,874
Total Long Term Liabilities	<u>-</u>	<u>643,558</u>
Total Liabilities	<u>983,076</u>	<u>727,519</u>
Stockholders' Equity (Deficit):		
Series A preferred stock, \$0.001 par value, 2,000,000 authorized, 127,430 and 156,837 issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	127	157
Series C preferred stock, \$0.001 par value, 30,000 and 0 authorized, 29,737.184 and 0 issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	30	-
Common Stock, \$0.001 par value, 200,000,000 shares authorized, 29,145,933 and 9,701,269 issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	29,146	9,701
Additional paid-in capital	6,709,078	866,251
Accumulated deficit	<u>(6,506,453)</u>	<u>(1,438,706)</u>
Stockholders' Equity (Deficit):	<u>231,928</u>	<u>(562,597)</u>
Non Controlling Interest	(1,210)	-
Total Liabilities and Stockholders' Equity (Deficit)	<u>\$ 1,737,061</u>	<u>\$ 164,922</u>

The accompanying notes are an integral part of these consolidated financial statements

HEALTHTECH SOLUTIONS, INC.
(Formerly HYB Holding Corp.)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Operating Expenses:				
General and administrative	857,195	19,158	932,351	32,300
General and administrative-related party	258,883	41,340	333,549	69,733
Research and development	111,786	19,933	196,734	25,733
Research and development related party	268,000	19,000	286,000	37,500
Amortization	9,722	9,722	19,444	19,444
Total Operating Expenses	<u>1,505,586</u>	<u>109,153</u>	<u>1,768,078</u>	<u>184,710</u>
Loss from Operations	<u>(1,505,586)</u>	<u>-</u>	<u>(1,768,078)</u>	<u>(184,710)</u>
Other Expense:				
Interest expense	(328,544)	-	(367,144)	-
Change in fair value of derivative liabilities	(2,940,950)	-	(2,933,735)	-
Total Other Expenses	<u>(3,269,494)</u>	<u>-</u>	<u>(3,300,879)</u>	<u>-</u>
Loss before provision for income tax	<u>(4,775,080)</u>	<u>-</u>	<u>(5,068,957)</u>	<u>(184,710)</u>
Provision for income tax	-	-	-	-
Net Loss	<u>\$ (4,775,080)</u>	<u>\$ (109,153)</u>	<u>\$ (5,068,957)</u>	<u>\$ (184,710)</u>
Net loss attributable to non-controlling interest	(1,210)	-	(1,210)	-
Net Loss attributable to Controlling Interest	<u>\$ (4,773,870)</u>	<u>\$ (109,153)</u>	<u>\$ (5,067,747)</u>	<u>\$ (184,710)</u>
Loss per common share				
Basic and diluted	<u>\$ (0.23)</u>	<u>\$ -</u>	<u>\$ (0.33)</u>	<u>\$ -</u>
Weighted average shares outstanding				
Basic and diluted	<u>20,735,681</u>	<u>-</u>	<u>15,248,957</u>	<u>-</u>

The accompanying notes are an integral part of these consolidated financial statements

HEALTHTECH SOLUTIONS INC.
(Formerly HYB Holding Corporation)
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	<u>Common Stock</u>		<u>Preferred Stock</u>							
	<u>Number of Shares</u>	<u>Amount</u>	<u>Series A Preferred</u>	<u>Series C Preferred</u>						
	<u>Number of Shares</u>	<u>Amount</u>	<u>Number of Shares</u>	<u>Amount</u>	<u>Number of Shares</u>	<u>Amount</u>	<u>Additional Paid-In Capital</u>	<u>Accumulated Equity (Deficit)</u>	<u>Non-Controlling Interest</u>	<u>Total Stockholders' Equity (Deficit)</u>
Balance at December 31, 2019	-	\$ -	156,837	\$ 157	-	\$ -	\$ 840,510	\$ (706,498)	\$ -	\$ 134,169
Capital contributions	-	-	-	-	-	-	28,500	-	-	28,500
Net loss	-	-	-	-	-	-	-	(75,557)	-	(75,557)
Balance at March 31, 2020	<u>-</u>	<u>\$ -</u>	<u>156,837</u>	<u>\$ 157</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 869,010</u>	<u>\$ (782,055)</u>	<u>\$ -</u>	<u>\$ (87,112)</u>
Capital contributions	-	-	-	-	-	-	65,548	-	-	65,548
Net loss	-	-	-	-	-	-	-	(109,953)	-	(109,953)
Balance at June 30, 2020	<u>-</u>	<u>\$ -</u>	<u>156,837</u>	<u>\$ 157</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 934,558</u>	<u>\$ (891,208)</u>	<u>\$ -</u>	<u>\$ 43,507</u>
Balance at December 31, 2020	9,701,269	\$ 9,701	156,837	\$ 157	-	\$ -	\$ 866,251	\$ (1,438,706)	\$ -	\$ (562,597)
Capital contributions	-	-	-	-	-	-	4,558	-	-	4,558

Net loss	-	-	-	-	-	-	-	(293,877)	-	(293,877)
Balance at March 31, 2021	<u>9,701,269</u>	<u>\$ 9,701</u>	<u>156,837</u>	<u>\$ 157</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 870,809</u>	<u>\$ (1,732,583)</u>	<u>\$ -</u>	<u>\$ (851,915)</u>
Issuance of common stock	9,937,500	9,938	-	-	-	-	2,811,590	-	-	2,821,528
Issuance of Series C Preferred for acquisition of Varian	-	-	-	-	29,737	30	(30)	-	-	-
Conversion of Series A Preferred into common stock	6,000,000	6,000	(29,407)	(30)	-	-	(5,970)	-	-	-
Conversion of Debentures into common stock	3,507,164	3,507	-	-	-	-	3,994,660	-	-	3,998,167
Net loss	-	-	-	-	-	-	-	(4,773,870)	(1,210)	(4,773,870)
Balance at June 30, 2021	<u>29,145,933</u>	<u>\$ 29,146</u>	<u>127,430</u>	<u>\$ 127</u>	<u>29,737</u>	<u>\$ 30</u>	<u>\$ 6,709,078</u>	<u>\$ (6,506,453)</u>	<u>\$ (1,210)</u>	<u>\$ 1,737,061</u>

The accompanying notes are an integral part of these consolidated financial statements

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HEALTHTECH SOLUTIONS, INC.
(Formerly HYB Holding Corp.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended	
	June 30, 2021	June 30, 2020
Cash flows from operating activities		
Net loss	\$ (5,068,957)	\$ (184,710)
Adjustments to Reconcile Net Loss to Net Cash used in operating activities:		
Amortization expense	19,444	19,444
Amortization of discount on convertible debentures	351,212	-
Stock compensation expense	1,029,028	-
Non-cash interest expense	15,871	-
Change in fair value of derivative liabilities	2,933,735	-
Changes in operating assets and liabilities:		
Prepaid expenses	(147,582)	-
Accrued expenses	98,690	(34,345)
Accounts payable	69,342	-
Net cash used in operating activities	<u>(699,217)</u>	<u>(199,611)</u>
Cash flows from investing activities:		
Cash paid for purchase of Varian, net of cash acquired	(437,055)	-
Net cash used in investing activities	<u>(437,055)</u>	<u>-</u>
Cash flows from financing activities:		
Proceeds from loan from related party	118,084	-
Proceeds from convertible debenture	50,000	-
Settlement of loan from related party	(50,542)	-
Capital contributions	4,558	-
Issuance of common stock	1,792,500	94,048
Net cash provided by financing activities	<u>1,914,600</u>	<u>94,048</u>
Net increase (decrease) in cash	<u>778,328</u>	<u>(105,563)</u>
Cash, beginning of period	<u>128,996</u>	<u>105,754</u>
Cash, end of period	<u>\$ 907,324</u>	<u>\$ 191</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid for interest	\$ 61	\$ -
Cash paid for taxes	\$ -	\$ -
Acquired noncontrolling interest in business acquisition	\$ 523,267	\$ -
Issuance of Series C preferred shares related to business acquisition	\$ -	\$ -

The accompanying notes are an integral part of these consolidated financial statements

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS

Healthtech Solutions, Inc. (the “Company”) was incorporated in Utah on October 18, 1985. The Company had no business operations from April 25, 2015, when it spun off its only direct subsidiary, which at that time owned all of the assets through which the Company was carrying on operations, until November 16, 2020 when the Company acquired all of the outstanding capital stock of Medi-Scan Inc.

Medi-Scan Inc. was organized as a limited liability company named "Medi-Scan LLC" formed in the State of Florida on September 25, 2018. On August 25, 2020, Medi-Scan LLC filed articles of conversion with the State of Florida that converted it from an LLC to a C corporation. In connection with the conversion In December 2018, Medi-Scan acquired a portfolio of intellectual property relating to medical imaging. Since December 2018, Medi-Scan has been engaged in developing practical applications for the medical imaging technology as well as related medical technology. Recently Medi-Scan applied for three patents based on the technology developed in the past two years.

The Company is pursuing a business plan in which the Company will acquire and/or invest in cutting edge healthcare technology in the medical device biopharma and pharmaceutical fields. The goal will be to nurture these early stage ventures with financial support and administrative and technological assistance until their respective medical solutions are ready to enter the market.

Acquisition of Medi-Scan Inc.

On November 12, 2020, Healthtech Solutions, Inc. entered into an exchange agreement with Medi-Scan, Inc. ("Medi-Scan") and all of the shareholders of Medi-Scan, pursuant to which the shareholders of Medi-Scan agreed to transfer all of the issued and outstanding stock of Medi-Scan to Healthtech Solutions, Inc., and Healthtech Solutions, Inc. agreed to issue to the shareholders of Medi-Scan, Inc. 156,837 shares of its Series A Preferred Stock, representing 97% of the equity in Healthtech Solutions. The exchange of equity (the "Share Exchange") was completed on November 16, 2020.

As a result of the Share Exchange, the Medi-Scan shareholders become the majority shareholders and have control of Healthtech Solutions. The acquisition of Medi-Scan was accounted for as a reverse merger effected by a Share Exchange. Healthtech Solutions is considered the legal acquirer and Medi-Scan is considered the accounting acquirer. Accordingly, the historical financial statements presented in this report for periods prior to November 16, 2020 are those of Medi-Scan.

On November 12, 2020, when the Share Exchange Agreement was executed, the three members of the Healthtech Solutions Board of Directors were also the three managing members of Medi-Scan, entities under their control owned a majority of the outstanding capital stock of Medi-Scan, and an entity under the control of one of them owned a majority of the outstanding capital stock

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS (Continued)

Acquisition of Medi-Scan Inc. (Continued)

of Healthtech Solutions. Therefore, the Share Exchange was accounted for as a business combination of entities under common control in accordance with ASC 805-50-30-5. Accordingly, the assets and liabilities of Medi-Scan are presented at their carrying values at the date of the Share Exchange, and the Company’s historical stockholders’ equity has been retroactively restated to the first period presented.

Acquisition of Varian Biopharmaceuticals, Inc.

On May 7, 2021 HLTT Acquisition Corp., a special purpose vehicle wholly-owned by Healthtech Solutions, merged into Healthtech Oncology, Inc., a special purpose vehicle formed for the purpose of the merger, which on that same date acquired 99.83% of the outstanding capital stock of Varian Biopharmaceuticals, Inc. ("Varian") through a non-statutory share exchange. As a result, Healthtech Oncology became a wholly-owned subsidiary of Healthtech Solutions, and Varian became a 99.83%-owned subsidiary of Healthtech Solutions. In exchange for their ownership of Healthtech Oncology, the shareholders of Healthtech Oncology received an aggregate of 29,737.184 shares of Series C Preferred Stock issued by Healthtech Solutions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Consolidation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and with the instructions to Form 10-Q and Article 8 of Regulation S-X of the United States Securities and Exchange Commission (the “SEC”). Accordingly, they do not contain all information and footnotes required by accounting principles generally accepted in the United States of America for annual financial statements. In the opinion of the Company’s management, the accompanying unaudited financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of June 30, 2021, and the results of operations and cash flows for the periods presented. The results of operations for the six months ended June 30, 2021 are not necessarily indicative of the operating results for the full fiscal year or any future period. These unaudited consolidated financial statements should be read in conjunction with the financial statements and related notes thereto included in the Form 10-K for the year ended December 31, 2020, filed with the SEC on March 2, 2021.

The accompanying consolidated financial statements reflect the accounts of Healthtech Solutions, Inc. and its wholly owned subsidiaries, Medi-Scan and Varian. All significant inter-company accounts and transactions have been eliminated in consolidation.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Management makes these estimates using the best information available at the time the estimates are made; however, actual results could differ from those estimates. One significant item subject to such estimates and assumptions is the valuation of the derivative liabilities. These estimates are often based on complex judgments and assumptions that management believes to be reasonable but are inherently uncertain and unpredictable. Actual results could differ from these estimates.

Concentrations of Credit Risk

We maintain our cash in bank deposit accounts, the balances of which at times may exceed federally insured limits. We continually monitor our banking relationships and consequently have not experienced any losses in our accounts. We believe we are not exposed to any significant credit risk on cash.

Software Development Costs

In accordance with ASC 985-20, the Company expenses software development costs, including costs to develop software products or the software component of products to be sold, leased, or marketed to external users, before technological feasibility is reached. Technological feasibility is typically reached shortly before the release of such products. Software development costs also include costs to develop software to be used solely to meet internal needs and cloud-based applications used to deliver our services. The Company capitalizes development costs related to these software applications once the preliminary project stage is complete and it is probable that the project will be completed, and the software will be used to perform the function intended. Capitalization ends, and amortization begins when the product is available for general release to customers.

Research and Development

Research and development costs are expensed when incurred. Research and development costs include costs of research, engineering, and technical activities to develop a new product or service or make significant improvement to an existing product or manufacturing process. Research and development costs also include pre-approval regulatory and clinical trial expenses.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill and Intangible Assets

Goodwill represents the cost of the acquired business in excess of the fair value of identifiable tangible and intangible net assets purchased.

The Company reviews goodwill and intangible assets with indefinite lives for impairment according to the provisions of ASC Topic 350: *"Intangibles - Goodwill and Other"* at least annually and when events or changes in circumstances indicate the carrying amount may not be recoverable. The Company measures recoverability of these assets by comparing the carrying amounts to the future undiscounted cash flows that the assets or the asset group are expected to generate. If the carrying value of the assets are not recoverable, the impairment recognized is measured as the amount by which the carrying value of the asset exceeds its fair value. Management has determined that no impairment exists as of June 30, 2021.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in convertible instruments in accordance with ASC 815, Derivatives and Hedging Activities.

Applicable GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under other GAAP with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument.

The Company accounts for convertible instruments (when it has been determined that the embedded conversion options should not be bifurcated from their host instruments) as follows: the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of this note transaction and the effective conversion price embedded in this note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption.

The Company accounts for the conversion of convertible debt when a conversion option has been bifurcated using the general extinguishment standards. The debt and equity linked derivatives are removed at their carrying amounts and the shares issued are measured at their then-current fair value, with any difference recorded as a gain or loss on extinguishment of the two separate accounting liabilities.

See Note 9, "Derivative Financial Instruments" for disclosures regarding the derivative embedded in the 7% Convertible Debentures issued by the Company in November 2020 and exchanged for Common Stock on May 6, 2021.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-Based Compensation

The Company follows the provisions of FASB ASC 718 requiring employee equity awards to be accounted for under the fair value method. Accordingly, share-based compensation is measured at grant date, based on the fair value of the award and recognized over its vesting period. No equity instruments were granted to employees during the six months ending June 30, 2021 and no compensation expense is required to be recognized under provisions of ASC 718 with respect to employees.

Fair Value of Financial Instruments

The Company follows ASC 825-10-50-10 with respect to disclosures about fair value of its financial instruments and ASC 820-10-35-37 to measure the fair value of its financial instruments. ASC 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

- Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
- Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

Determining which category an asset or liability falls within the hierarchy requires significant judgment. The Company evaluates its hierarchy disclosures each quarter.

Financial assets and liabilities of the Company primarily consist of cash, prepaid expenses, accounts payable and accrued liabilities, other payables and convertible debentures. As of June 30, 2021, the carrying values of these financial instruments (other than convertible debentures) approximated their fair values due to the short-term nature of these instruments.

See: Note 9, "Derivative Financial Instruments", for fair value disclosures regarding the convertible debentures issued by the Company in November 2020 and exchanged for Common Stock on May 6, 2021. The derivative liability is classified as a Level 3 liability, and is the only financial liability measure at fair value on a recurring basis.

There were no transfers between level 1, level 2 or level 3 measurements during the six months ending June 30, 2021.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earnings Per Share

The Company calculates earnings per share ("EPS") as required by ASC 260, Earnings Per Share. Basic EPS is calculated by dividing the net income available to common stockholders by the weighted average number of common shares outstanding for the period, excluding common stock equivalents. Diluted EPS is computed by dividing the net income available to common stockholders by the weighted average number of common shares outstanding for the period, plus the weighted average number of dilutive common stock equivalents outstanding for the period determined using the treasury-stock method. For periods with a net loss, the dilutive common stock equivalents are excluded from the diluted EPS calculation. For purposes of this calculation, common stock subject to repurchase by the Company, options, and warrants are considered to be common stock equivalents and are only included in the calculation of diluted earnings per share when their effect is dilutive.

Income Taxes

The Company follows ASC Topic 740, Income Taxes, which requires the recognition of deferred income taxes for the differences between the basis of assets and liabilities for financial statements and income tax purposes. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Deferred tax assets are also recognized for operating losses and for tax credit carryforwards. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

ASC 740-10-30 requires income tax positions to meet a more-likely-than-not recognition threshold to be recognized in the financial statements. Under ASC 740-10-30, tax positions that previously failed to meet the more-likely-than-not threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Under ASC 740-10-40, previously recognized tax positions that no longer meet the more-likely-than-not threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. The Company had no material uncertain tax positions as of June 30, 2021 or December 31, 2020.

The application of tax laws and regulations is subject to legal and factual interpretation, judgment and uncertainty. Tax laws and regulations themselves are subject to change as a result of changes in fiscal policy, changes in legislation, the evolution of regulations and court rulings. Therefore, the actual liability may be materially different from our estimates, which could result in the need to record additional tax liabilities or potentially reverse previously recorded tax liabilities or the deferred tax asset valuation allowance.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Adopted Accounting Standards

The Company has reviewed recently issued accounting pronouncements and plans to adopt those that are applicable to it. The Company does not expect the adoption of any recently issued pronouncements to have an impact on its results of operations or financial position.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has produced no revenue since inception, and has an accumulated deficit of \$6,506,453 as of June 30, 2021. The Company has had no revenues since inception. These conditions, among others, raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that may result from the outcome of these uncertainties.

In December 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. While initially the outbreak was largely concentrated in China and caused significant disruptions to its economy, it has now spread to most other countries and infections have been reported globally. Because COVID-19 infections have been reported throughout the United States, certain federal, state and local governmental authorities have issued stay-at-home orders, proclamations and/or directives aimed at minimizing the spread of COVID-19. The ultimate impact of the COVID-19 pandemic on the Company's operations is unknown and will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the COVID-19 outbreak, new information which may emerge concerning the severity of the COVID-19 pandemic, and any additional preventative and protective actions that governments, or the Company, may direct, which may result in an extended period of continued business disruption, and reduced operations. Any resulting financial impact cannot be reasonably estimated at this time but may have a material adverse impact on our business, financial condition and results of operations. Management expects that its business will be impacted to some degree, but the significance of the impact of the COVID-19 outbreak on the Company's business and the duration for which it may have an impact cannot be determined at this time.

Management anticipates that the Company will be dependent, for the near future, on additional investment capital or debt to fund operating expenses until its planned operations begin to generate revenue. The Company is not expecting to recognize revenue until 2022 at the earliest. Management, therefore, is actively pursuing sources of investment capital.

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HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 4 – INTANGIBLE ASSETS

The Company's intangible assets consist of the intellectual property relating to medical imaging contributed to Medi-Scan in December 2018 as a capital contribution. The intangible assets are being amortized over three years. Amortization expense relating to the intangible assets totaled \$19,444 in each of the six month periods ending June 30, 2021 and 2020.

NOTE 5 - VARIAN ACQUISITION

On May 7, 2021 the Company acquired ownership of Varian Biopharmaceuticals, Inc. in exchange for 29,737,184 shares of Series C Preferred Stock issued by Healthtech Solutions. The Company determined that the fair value of the Series C Preferred Stock was equal to the amount of cash acquired in the transaction plus the amount of debt in excess of that cash that was assumed, and on a preliminary basis allocated the fair value accordingly between the assets acquired and the liabilities assumed. The Company will continue to review the facts and circumstances that are relevant to a measurement of the fair value of Varian's assets, and may, during the applicable measurement period, retrospectively adjust the allocation of the purchase price to reflect any new information obtained.

The following table summarizes the provisional fair values of the assets acquired and liabilities assumed on May 7, 2021.

Assets acquired:	
Cash	\$ 1,658
Goodwill	665,673
Total assets acquired	667,331
Liabilities assumed:	
Accounts payable	10,372
Accrued expenses	370,594
Loans payable	286,365
Total liabilities assumed	667,331
Total purchase price	\$ 0

NOTE 6 – RELATED PARTIES

During the first five months of 2020, Medi-Scan paid \$10,000 per month to a law firm owned by Denis Kleinfeld, who was a managing member of Medi-Scan at that time and became a member of the Board of Directors of Healthtech Solutions in September 2020. The payment included \$1,447 as compensation for use of the law firm's offices as the executive offices of Medi-Scan, the remainder was compensation for the administrative and other services of employees of the law firm, and for legal services by Mr. Kleinfeld.

For legal services rendered as counsel to Healthtech Solutions during the period January 1, 2021 to June 30, 2021, Healthtech Solutions recorded \$48,549 in expenses payable to Robert Brantl. Mr. Brantl was the sole officer and director of Healthtech Solutions until September 4, 2020, and has served as Secretary of Healthtech Solutions since September 4, 2020.

In May 2020 David Rubin, through his personal holding company, Storm Funding LLC, agreed to contribute \$250,000 to Medi-Scan in exchange for a 25% equity interest in Medi-Scan. During the remainder of 2020, Mr. Rubin satisfied \$245,442 of the obligation: he contributed \$142,761 by paying obligations incurred by Medi-Scan in that amount, and Mr. Rubin satisfied a total of \$102,681 of the obligation by contributing to Medi-Scan the services of administrative personnel employed by eProdigy Financial LLC, a company owned by Mr. Rubin. During the period from January 1, 2021 to June 30, 2021 Mr Rubin satisfied the remainder of his contribution of \$4,558. During that period, Mr Rubin also loaned \$30,000 to the Company and contributed services of eProdigy Financial LLC valued at \$50,542. Mr. Rubin was a managing member of Medi-Scan commencing in May 2020 and became Chairman and CEO of Healthtech Solutions in September 2020. During the quarter ended June 30, 2021 Mr. Rubin resigned from his positions with Healthtech Solutions.

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HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 6 – RELATED PARTIES (continued)

On May 4, 2021 the Company entered into an Advisory Agreement with Kleinfeld Legal Services P.A., which is owned by Denis Kleinfeld. Mr. Kleinfeld was, until April 24, 2021, a member of the Company's Board of Directors. Pursuant to the Advisory Agreement, Kleinfeld Legal Services P.A. will provide legal and advisory services to Medi-Scan Inc. during the next two years. In consideration of the services, the Company will pay Kleinfeld Legal Services a \$100,000 signing fee plus a services fee of \$150,000 per year. The Company also assigned to Kleinfeld Legal Services 19.9% of the capital stock of Medi-Scan, Inc. During the three months ended June 30, 2021, the company recorded expenses for advisory services from Kleinfeld Legal Services totaling \$125,000.

As of June 30, 2021, the Company's subsidiary, Varian, had loans payable to Keystone Capital Partners and Paul Mann in the aggregate amount of \$353,907, which represented amounts loaned to Varian to pay its operating expenses. The loans were made a various times from August 2020 through June 2021. The loans do not bear interest and each is repayable on the second anniversary of the specific loan. Keystone Capital Partners and Paul Mann were shareholders of Varian until May 7, 2021, and are now holders of Series C Preferred Stock issued by Healthtech Solutions.

NOTE 7 – SHAREHOLDERS EQUITY

Authorized Capital Stock

The following table sets forth information, as of June 30, 2021, regarding the classes of capital stock that are authorized by the Articles of Incorporation of Healthtech Solutions, Inc.

Class	Shares Authorized	Shares Outstanding
Common Stock, \$.001 par value	200,000,000	29,145,933
Series A Preferred Stock, \$.001 par value	156,937	127,430
Series B Preferred Stock, \$.001 par value	1,500,000	0
Series C Preferred Stock, \$.001 par value	30,000	29,737.184
Undesignated Preferred Stock, \$.001 par value	313,163	0

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HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 7 – SHAREHOLDERS EQUITY (Continued)

Series A Preferred Stock. Each share of Series A Preferred Stock is convertible by the holder into two thousand (2,000) shares of Common Stock. Each share of Series A Preferred Stock entitles a stockholder to voting rights equivalent to those of 2,000 shares of Common Stock on all matters upon which stockholders are permitted to vote. In the event of our liquidation, dissolution or winding up, after payment of all creditors, holders of our Series A Preferred Stock are entitled to receive, ratably, a preferential payment of \$.01 per share, then to share pro rate in the net assets available to stockholders on an as-converted basis.

Series C Preferred Stock. The Series C Preferred Stock will give to the its holders 4.9% of the voting power in Healthtech Solutions and a 4.9% liquidation preference. The Series C Shareholders will also be entitled to exchange their Series C Shares for common stock of the Company's subsidiary, Healthtech Oncology, Inc.. The percentage ownership of Healthtech Oncology that the Series C Shareholders will obtain if they exchange their Series C Shares will depend on the amount of cash loaned by Healthtech Solutions to Healthtech Oncology: ranging from 85% ownership, if Healthtech Solutions loans \$10 million to Healthtech Oncology, to 100% if Healthtech Solutions makes no loans to Healthtech Oncology. The Series C Shareholders may exchange their shares after April 1, 2023 or earlier if Healthtech Solutions makes a distribution of Healthtech Oncology shares to the shareholders of Healthtech Solutions.

Undesignated Preferred Stock. The Board of Directors has authority, without shareholder approval and by resolution of the Board of Directors, to amend the Corporation's Articles of Incorporation to divide the class of undesignated Preferred Stock into series, to designate each such series by a distinguishing letter, number or title so as to distinguish the shares thereof from the shares of all other series and classes, and to fix and determine the following relative rights and preferences of the shares of each series so established.

Exchange of Series A Preferred Stock for Common Stock

On May 14, 2021 the Company entered into an Exchange Agreement with Richard Parker, who is Medi-Scan's Chief Research Officer. Pursuant to the Exchange Agreement, Mr. Parker's family trust surrendered 29,407 shares of the Company's Series A Preferred Stock, and the Company issued to Mr. Parker's family trust 6,000,000 shares of its common stock and assigned to it 18.75% of the outstanding shares of Medi-Scan, Inc. In addition, Mr. Parker assigned to the Company his intellectual property concerning electromagnetic waveform entrainment technology, and the Company issued to the Parker family trust an additional 250,000 shares of its common stock.

Issuance of Series C Preferred Stock for Settlement of Convertible Debentures

On May 6, 2021, the Company issued 3,507,164 shares of common shares in exchange for the settlement of the convertible debentures, see Note 8 and Note 9. These shares were valued at the previous market closing price of \$1.14 per share.

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HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

Capital Contributions

Medi-Scan's founders contributed \$4,558 during the three months ended March 31, 2021, and \$28,500 during the three months ended March 31, 2020.

On May 21, 2020, Medi-Scan entered into agreement with Storm Funding LLC, a company owned by David Rubin. Storm Funding LLC committed to invest \$250,000 in exchange for a 25% membership interest in Medi-Scan. At the same time, David Rubin joined Medi-Scan as Executive Chairman. The financing commitment has been fully satisfied.

In April and May 2021, the Company issued 8,962,500 shares of common stock for aggregate proceeds of \$1,792,500.

NOTE 8 – EXCHANGEABLE NOTES AND CONVERTIBLE DEBENTURES

In August and September of 2020, Medi-Scan issued four 7% Exchangeable Promissory Notes in the aggregate principal amount of \$375,000. Principal and interest were payable on the Notes on January 31, 2021. The Notes provided that, in the event that Medi-Scan was acquired by a corporation whose common stock was registered with the SEC, the Notes would be automatically exchanged for 7% convertible debentures issued by that acquirer.

In November of 2020, by reason of the Share Exchange, the four 7% Exchangeable Promissory Notes were automatically exchanged for 7% Convertible Debentures issued by Healthtech Solutions in a principal amount of \$381,505, which was equal to the principal of and accrued interest on the Notes. Then, during December of 2020, Healthtech Solutions issued four additional 7% Convertible Debentures in the aggregate principal amount of \$250,000 in exchange for payment of cash in that amount. On February 4, 2021 an additional debenture was issued in the amount \$50,000.

The 7% Convertible Debentures were convertible into common stock, at the holders' option, at a 30% discount to the market price of the Company's common stock. The Company determined that the conversion feature represented a derivative financial instrument embedded in the Debentures. The accounting treatment of derivative financial instruments requires that the Company record the fair value of that derivative financial instrument as a discount to the value of the Debentures as of the inception date of each Debenture. Accordingly, the Company recorded an aggregate initial discount of \$349,202 for the fair value of the derivative liability at inception of each convertible debenture. During the three and six months ending June 30, 2021, the Company amortized \$27,303 and \$351,202 as interest expense. During the year ended December 31, 2020, the Company amortized \$9,277 as interest expense. At December 31, 2020 the notes were presented on the balance sheet, net of unamortized discount, at \$25,824.

On May 6, 2021, by agreement with the holders of the 7% Convertible Debentures, the Company issued 3,507,164 shares of common shares in exchange for cancellation of the convertible debentures.

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HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
Six Month Periods Ended June 30, 2021 And 2020
(Unaudited)

NOTE 9 – DERIVATIVE FINANCIAL INSTRUMENTS

The Company determined the conversion feature of the 7% Convertible Debentures represented an embedded derivative since the Debentures were convertible into a variable number of shares upon conversion. Accordingly, the Debentures are not considered to be conventional debt under ASC 815 and the embedded conversion feature was bifurcated from the debt host and accounted for as a derivative liability.

The fair value of the derivatives embedded in the 7% Convertible Debentures as of December 31, 2020 was determined using the Monte Carlo simulation method based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 167%, (3) weighted average risk-free interest rate of 9.0%, (4) expected life until January 31, 2024, and (5) the quoted market price of the Company's common stock at each valuation date.

At March 31, 2021, the Company marked to market the fair value of the nine derivatives and determined a fair value of \$59,608. The Company recorded a gain resulting from change in fair value of debt derivatives of \$7,215 for the three months ending March 31, 2021.

At May 6, 2021, just prior to settlement, the Company marked-to-market the fair value of the nine derivatives and determined a fair value of \$2,296,997. The Company recorded a loss from change in fair value of debt derivatives of \$2,940,950 for the three months ended June 30, 2021. Upon the issuance of 3,507,164 shares of common stock (see Note 7), the balance of the derivative liability of \$3,296,997 and the principal totaling \$681,581 were reduced to \$0.

A summary of changes in derivative liabilities for the six months ended June 30, 2021 was as follows:

Balance at December 31, 2020	\$ 337,874
Issuance in February 2021	\$ 25,388
Change in fair value	(7,215)
Balance at March 31, 2021	356,047
Change in fair value	2,940,950
Settlement upon exchange for Common Stock	(3,296,997)
Balance at June 30, 2021	-

NOTE 10 – INCOME TAX

As discussed in Note 1, in prior years and through August 25, 2020, including during the three months ended March 31, 2020, the Company was a limited liability company

which was treated as a partnership for income tax purposes, and the tax benefit of losses realized by the Company was passed on to its members.

HEALTHTECH SOLUTIONS, INC.
Notes To Consolidated Financial Statements
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(Unaudited)

NOTE 10 – INCOME TAX (Continued)

	<u>June 30, 2021</u>
U.S. federal statutory rate	21.0%
State tax, net of federal benefit	5.0%
Change in valuation allowance	<u>(26.0%)</u>
Net deferred tax assets	<u>-</u>

Deferred tax assets are comprised of the following:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Net operating loss carryforwards	\$ 570,667	\$ 111,265
Valuation allowance	<u>(570,667)</u>	<u>(111,265)</u>
Net deferred tax assets	<u>\$ -</u>	<u>\$ -</u>

At June 30, 2021, the Company had approximately \$570,667 of federal net operating losses that may be available to offset future taxable income. Through 2036, the amount and utilization of any future net operating loss carry-forwards may be subject to limitations set forth by the Internal Revenue Code. Based upon an analysis of the Company's stock ownership activity through June 30, 2021, a change of ownership was deemed to have occurred in the 2020 fiscal year. This change of ownership created an annual limitation of substantially all of the Company's net operating losses which are available through 2036.

The Company assesses the likelihood that deferred tax assets will be realized. To the extent that realization is not likely, a valuation allowance is established. Based upon the Company's losses since inception, management believes that it is more likely than not that future benefit of the deferred tax asset will not be realized principally due to the continuing losses from operations and the change of ownership limitations and has therefore established a full valuation allowance.

The tax years ending December 31, 2020 remain open to examination by the taxing authorities.

NOTE 11 – SUBSEQUENT EVENTS

In accordance with ASC 855-10, the Company's management has performed subsequent events procedures through the date these financial statements were issued, and determined that there are no reportable subsequent events.

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

Results of Operations

On November 16, 2020 Healthtech Solutions acquired all of the capital stock of Medi-Scan, Inc. in exchange for Series A Preferred Stock representing, at that time, 97% of the equity in Healthtech Solutions. Because the transaction is classified as a reverse merger under GAAP, the financial results presented in this Report for the six months ended June 30, 2020 are the financial results of Medi-Scan for that quarter.

On May 7, 2021 Healthtech Solutions acquired all of the capital stock of Healthtech Oncology, which owned 99% of the capital stock of Varian Biopharmaceuticals, Inc. In exchange for ownership of Varian, Healthtech Solutions issued Series C Preferred Stock representing a 5% equity position in Healthtech Solutions and a contingent right to exchange the Series C shares for control of Healthtech Oncology. Because the transaction is classified as an acquisition under GAAP, the financial results presented in this Report for the three and six months ended June 30, 2021 include the results of Varian's operations for the period from May 7, 2021 through June 30, 2021.

The aforesaid two acquisitions, joined by a third, ground-up subsidiary named RevHeart, form the platform on which we intend to pursue an incubator model of operations, focused on medical technology, both therapeutic and device-oriented. Our business model begins with the identification of target subsidiary companies through our broad network of relationships in academia and industry. Upon bringing a company and/or its technology into a Healthtech subsidiary, we will provide funding and operational support to achieve value enhancing milestones and accelerate the organization's mission. We will roll up our sleeves and provide operational and leadership support to our portfolio companies, increasing their chances of success and decreasing their capital requirements. Upon achieving the targeted value inflection, we will work closely with our subsidiaries to prepare for their independent launch and spin-out. Through this approach, Healthtech shareholders may gain exposure to early-stage life science technologies that are approaching the steepest portion of their value creation curve through an investment structure that is devoid of the "carry" typically imposed by a traditional private equity/venture capital fund.

Our cash resources at this time are early stage, as we have relied to date on contributions by management and modest private offerings to their friends and family. The \$5,068,957 net loss that we incurred in the first half of 2021, therefore, entailed a use for operating activities of only \$699,217 in cash.

Since our only business activities during the six months ended June 30, 2021 and 2020 were research and development activities, our expenses during those periods were primarily salaries and consulting and service fees, including fees relating to our development of potential acquisition targets and our efforts at securing the financial resources necessary to fund those acquisitions. During the three and six months ended June 30, 2021, we incurred \$1,505,586 and \$1,768,078 in operating expenses, including, during the three month period, \$137,478 in operating expenses of Varian for the period after its acquisition by Healthtech Solutions. The greater portion of our operating expenses were related to the market value of common stock that we granted to attract management, research and development expertise, and other individuals qualified to aid our projects. Of the \$1,768,078 in operating expenses incurred during the six months ended June 30, 2021, stock compensation represented \$1,029,028 of the expense.

During the three and six months ended June 30, 2020, our operating expenses of \$109,153 and \$184,710, respectively, primarily reflected payments by Medi-Scan for management services along with payments for the research and development activities related to Medi-Scan's scanning technology.

The cash portion of our operating expenses during the three and six months ended June 30, 2021 was primarily attributable to administrative costs: office expenses plus legal and accounting fees, and fees for public relations services. Legal fees, in particular, were high during the first six months quarter of 2021, as we initiated negotiations of a number of prospective acquisitions, changed the corporate name, and entered into negotiations with a number of potential sources of finance. As we continue to implement our incubator model, the administrative costs of our operations should continue to grow; if we plot carefully, however, the ratio of cash used for administration to cash used in research and development activities will reduce.

As a result of the aforesaid expenses, in the three and six month periods ended June 30, 2021 and 2020, we recorded losses from operations identical to our total operating expenses. During 2021, however, the greater portion of our net loss reflected "other expenses" related to the convertible debentures that we sold during 2020 and the first two months of 2021. During the three months ended June 30, 2021, we incurred items of Other Expense that added \$3,269,494 to our net loss, specifically:

- \$328,544 in interest expense due to accretion of the debenture discount; and
- a loss of \$2,940,950 due to an increase in the fair value of derivative liabilities, relating to the 7% Convertible Debentures.

We accounted for our convertible debt in accordance with ASC 815, *Derivatives and Hedging* as the conversion feature embedded in the convertible debentures could have resulted in the debenture principal and related accrued interest being converted to a variable number of our common shares. The conversion feature on these debentures was variable and based on trailing market prices. It therefore contains an embedded derivative. The fair value of the conversion feature was calculated when the debentures were issued, and we recorded a debenture discount and derivative liability for the calculated value. We recognized interest expense for accretion of the debenture discount over the term of the note. The conversion liability was valued at the end of each reporting period and would result in a gain or loss for the change in fair value. Due to the volatile nature of our stock, the change in the derivative liability and the resulting gain or loss could often be material to our results. This was among the reasons why, in May 2021, we negotiated a cancellation of the 7% Convertible Debentures in exchange for common stock.

After taking into account our Other Expenses, our net loss was \$4,773,870 and \$5,067,747 during the three and six months ended June 30, 2021. During the three and six months ended June 30, 2020, our net loss was \$109,153 and \$184,710, respectively.

We will continue to incur losses for the immediate future. The process of making valuable acquisitions is expensive, and our acquisitions will generally not result in revenue until after a period of incubation, which may be lengthy. Success in implementing our business plan, therefore, will require infusions of capital. We are in ongoing discussions with investors, but have received no commitments at this time.

Liquidity and Capital Resources

At December 31, 2020 Healthtech Solutions had working capital totaling \$55,035, primarily consisting of cash. At the end of June 2021, despite incurring a \$5 million net loss in the intervening six months, we had working capital totaling \$81,830, primarily as a result of capital contributed by friends and family. As noted above, however, the cash requirements of our business plan are intense. To attract exciting additions to our portfolio, we must be able to offer each the several million dollars of financing that is necessary to bring a medical technology to a stage where its sponsor can function independently. Since our ambition is to sustain a portfolio of such enterprises, our near term capital requirements (near term being the two to three years before we can anticipate initial returns on our investments) will be tens of millions of dollars.

To be successful in identifying promising technologies, attracting their sponsors into our company, and sourcing the funds needed for their growth, we require a skilled management team. For this reason, as the quarter closed, we added three members to our Board of Directors, each carrying valuable experience in the business of medical technology and the business of business in general. We also added two executives to our C-Suite, a new CEO and a new COO. This expansion should enable us to compete effectively in pursuing promising technologies. However the expansion also gives us several new mouths to feed, as well as sourcing projects to fund. We are, therefore, focused in the coming quarter on securing investors

Note 3 to our consolidated financial statements discloses that the financial condition of Healthtech Solutions - i.e. our modest cash resources and the absence of revenue - raises substantial doubt as to the Company's ability to continue as a going concern. Management intends to pursue one or more offerings of securities in order to obtain the funds that will be necessary for successful implementation of our business plan. At present, however, no commitments for future funding have been received.

Application of Critical Accounting Policies

In preparing our financial statements we are required to formulate working policies regarding valuation of our assets and liabilities and to develop estimates of those values. In our preparation of the financial statements for the three and six months ended June 30, 2021, there was one estimates made which was (a) subject to a high degree of uncertainty and (b) material to our results. This was:

- Our determination of the fair value of the Class C Preferred Stock that we issued in order to acquire ownership of Varian. Based upon the speculative nature of the assets acquired, we determined that the fair value of the Series C Preferred Stock was equal to the amount of cash acquired in the transaction (\$1,658) plus the amount of debt in excess of that cash that was assumed (\$665,673).

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition or results of operations.

Impact of Accounting Pronouncements

There were no recent accounting pronouncements that have or will have a material effect on the Corporation's financial position or results of operations.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4 CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. As of June 30, 2021, our Chief Executive Officer and our Chief Financial Officer carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934. Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures have the following material weaknesses:

- Substantial portions of our accounting functions are outsourced, thus reducing the ability of senior management to supervise those functions.
- The relatively small number of our employees who are responsible for accounting functions prevents us from segregating duties within our internal control system.
- Our internal financial staff lack expertise in identifying and addressing complex accounting issues under U.S. Generally Accepted Accounting Principles.
- We have not developed sufficient documentation concerning our existing financial processes, risk assessment and internal controls.

Based on their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the Company's system of disclosure controls and procedures was not effective as of June 30, 2021 for the purposes described in this paragraph.

Changes in Internal Controls. During the second fiscal quarter, Healthtech Solutions added Healthtech Oncology as a subsidiary, which maintains its own books and records. Issues of supervision and consolidation may arise as a result of this arrangement.

Otherwise, there was no change in internal control over financial reporting (as defined in Rule 13a-15(f) promulgated under the Securities Exchange Act or 1934) identified in connection with the evaluation described above that occurred during Healthtech Solutions' second fiscal quarter that has materially affected or is reasonably likely to materially affect Healthtech Solutions' internal control over financial reporting.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings
None.

Item 1A Risk Factors
There has been no change from the risk factors described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020.

Item 2 Unregistered Sale of Securities and Use of Proceeds
(a) Unregistered sales of equity securities

There were no unregistered sales of equity securities by the Company during the second quarter of fiscal year 2021, other than those reported in Current Reports on Form 8-K.

(c) Purchases of equity securities

The Company did not repurchase any of its equity securities that were registered under Section 12 of the Securities Exchange Act during the second quarter of fiscal year 2021.

Item 3. Defaults Upon Senior Securities.
None.

Item 4. Mine Safety Disclosures.
Not Applicable.

Item 5. Other Information.
None.

Item 6. Exhibits

31-a	Rule 13a-14(a) Certification of CEO
31-b	Rule 13a-14(a) Certification of CFO
32-a	Rule 13a-14(b) Certification of CEO
32-b	Rule 13a-14(b) Certification of CFO
101.INS	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Schema
101.CAL	Inline XBRL Calculation
101.DEF	Inline XBRL Definition
101.LAB	Inline XBRL Label
101.PRE	Inline XBRL Presentation
104	Cover page formatted as Inline XBRL and contained in Exhibit 101

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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.

Date: August 23, 2021

By: /s/ Edward Swanson
Edward Swanson, Chief Executive Officer

Date: August 23, 2021

By: /s/ Manuel Iglesias
Manuel Iglesias, Chief Financial and Accounting Officer

EXHIBIT 31-a: Rule 13a-14(a) Certification of CEO

I, Edward Swanson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Healthtech Solutions, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 23, 2021

By: /s/ Edward Swanson
Edward Swanson, Chief Executive Officer

EXHIBIT 31-b: Rule 13a-14(a) Certification of CFO

I, Manuel Iglesias, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Healthtech Solutions, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 23, 2021

By: /s/ Manuel Iglesias
Manuel Iglesias, Chief Financial Officer

EXHIBIT 32-a: Rule 13a-14(b) Certification of CEO

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Healthtech Solutions, Inc. (the "Company") certifies that:

1. The Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 23, 2021

By: /s/ Edward Swanson
Edward Swanson, Chief Executive Officer

EXHIBIT 32-b: Rule 13a-14(b) Certification of CFO

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Healthtech Solutions, Inc. (the "Company") certifies that:

1. The Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 23, 2021

By: /s/ Manuel Iglesias
Manuel Iglesias, Chief Financial Officer
