|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  |  |  | |  |
|  |  | **For the Years Ended December 31,** | | | | | |  |
|  |  | **2024** | |  |  | **2023** | |  |
| Cash flows from operating activities: |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Net Loss |  | $ | (3,200,138 | ) |  | $ | (4,718,142 | ) |
| Adjustments to reconcile net loss to net cash from operating activities: |  |  |  |  |  |  |  |  |
| Gain on sale of warehouse |  |  | (3,181,706 | ) |  |  | – |  |
| Bad debt expense |  |  | 4,852 |  |  |  | 26,631 |  |
| Inventory reserve |  |  | 211,014 |  |  |  | – |  |
| Depreciation expense |  |  | 73,611 |  |  |  | 167,983 |  |
| Unrealized (gain) or loss on marketable equity securities |  |  | 12,075 |  |  |  | (8,033 | ) |
| Realized loss on marketable equity securities |  |  | – |  |  |  | 2,002 |  |
| Stock-based compensation - shares |  |  | 417,293 |  |  |  | 431,813 |  |
| Stock based compensation - options |  |  | 147,975 |  |  |  | 515,490 |  |
| Compensation cost related to sale of common shares to related parties |  |  | 340,000 |  |  |  | – |  |
| Fair value of shares issued as commitment fee |  |  | 250,000 |  |  |  | – |  |
| Changes in operating assets and liabilities: |  |  |  |  |  |  |  |  |
| Accounts receivable |  |  | 3,092 |  |  |  | 38,154 |  |
| Accounts receivable - related party |  |  | – |  |  |  | 34,507 |  |
| Inventories |  |  | (55,014 | ) |  |  | (178,299 | ) |
| Other receivable |  |  | 20,407 |  |  |  | (20,519 | ) |
| Prepaid expenses |  |  | (13,075 | ) |  |  | 54,029 |  |
| Deposit |  |  | (41,825 | ) |  |  | 8,336 |  |
| Operating lease right-of-use asset |  |  | 87,869 |  |  |  | 325,329 |  |
| Accounts payable and accrued liabilities |  |  | 272,841 |  |  |  | 168,026 |  |
| Other current liabilities |  |  | 42,345 |  |  |  | 19,363 |  |
| Lease liabilities |  |  | (88,735 | ) |  |  | (342,732 | ) |
| Other liabilities |  |  | (12,335 | ) |  |  | – |  |
| Net cash flows used in operating activities from continuing operations |  |  | (4,709,454 | ) |  |  | (3,476,062 | ) |
| Net cash flows provided by (used in) operating activities from discontinuing operations |  |  | 52,700 |  |  |  | (52,700 | ) |
| Net cash used in operating activities |  |  | (4,656,754 | ) |  |  | (3,528,762 | ) |
|  |  |  |  |  |  |  |  |  |
| Cash flows from investing activities: |  |  |  |  |  |  |  |  |
| Purchase of property and equipment |  |  | (18,687 | ) |  |  | (20,620 | ) |
| Purchase of marketable securities |  |  | – |  |  |  | (43,644 | ) |
| Proceeds from sales of marketable securities |  |  | – |  |  |  | 118,410 |  |
| Proceeds from sales of property |  |  | 7,145,808 |  |  |  | – |  |
| Net cash flows provided by investing activities |  |  | 7,127,121 |  |  |  | 54,146 |  |
|  |  |  |  |  |  |  |  |  |
| Cash flows from financing activities: |  |  |  |  |  |  |  |  |
| Proceeds from third party loan |  |  | 350,000 |  |  |  | – |  |
| Proceeds from related party loan |  |  | 1,101,000 |  |  |  | 1,000,000 |  |
| Repayment on related party loan |  |  | (2,101,000 | ) |  |  | – |  |
| Repayment on third party loan |  |  | (350,000 | ) |  |  | – |  |
| Stock issued for placement agent |  |  | 1,086,000 |  |  |  | – |  |
| Stock issued for private placement |  |  | 1,290,000 |  |  |  | – |  |
| Purchase of treasury stock |  |  | (669,906 | ) |  |  | (1,434,048 | ) |
| Net cash flows provided by (used in) financing activities |  |  | 706,094 |  |  |  | (434,048 | ) |
|  |  |  |  |  |  |  |  |  |
| Effect of exchange rate |  |  | (15,397 | ) |  |  | (6,508 | ) |
|  |  |  |  |  |  |  |  |  |
| Net change in cash |  |  | 3,161,064 |  |  |  | (3,915,172 | ) |
|  |  |  |  |  |  |  |  |  |
| Cash beginning of year |  |  | 428,254 |  |  |  | 4,343,426 |  |
|  |  |  |  |  |  |  |  |  |
| Cash end of year |  | $ | 3,589,318 |  |  | $ | 428,254 |  |
|  |  |  |  |  |  |  |  |  |
| Supplemental cash flow disclosure: |  |  |  |  |  |  |  |  |
| Cash paid for income taxes |  | $ | – |  |  | $ | – |  |
| Cash paid for interest |  | $ | 4,209 |  |  | $ | 13,142 |  |
|  |  |  |  |  |  |  |  |  |
| Supplemental disclosure of non-cash investing and financing activities: |  |  |  |  |  |  |  |  |
| Right-of-use assets obtained in exchange for operating lease liabilities |  | $ | – |  |  | $ | 273,041 |  |
| Cashless exercise of options |  | $ | – |  |  | $ | 41,401 |  |