

CONNECTYX TECHNOLOGIES HOLDINGS GROUP, INC.

FINANCIAL REPORT
&
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED December 31, 2014

Connectyx Technologies Corp
 Unaudited Balance Sheet
 As of December 31 , 2014

Assets	12/31/2014	12/31/2013
Cash	\$ 2,982	\$ 3,676
Accounts Receivable, net	84613	92,299
Inventory	7362	9,362
Prepaid Asset	10000	10,000
Fixed Assets, net	18985	45,920
Intangible Assets, net	<u>63249</u>	<u>67,119</u>
Total Assets	<u><u>187,191</u></u>	<u><u>228,376</u></u>
Liabilities & Equity		
Liabilities		
Accounts Payable	89548	88,359
Accrued Interest	56884	49,387
Deferred Expenses	564918	534,168
Notes Payable short term	6490	6,490
Notes Payable long term	<u>243152</u>	<u>254,252</u>
Total Liabilities	960,992	932,656
Equity		
Additional Paid in Capital	1,875,918	1,869,520
Capital Stock	1,146,779	1,144,779
Preferred Series A	34,110	34,110
Preferred Series B	293,000	293,000
Treasury Stock	(9,900)	(9,900)
Retained Earnings	<u>(4,113,708)</u>	<u>(4,035,789)</u>
Total Equity	<u>(773,801)</u>	<u>(704,280)</u>
Total Liabilities & Equity	<u><u>\$ 187,191</u></u>	<u><u>\$ 228,376</u></u>

Connectyx Technologies Corp
 Unaudited Profit and Loss
 for the period January 1 - December 31, 2014

	1/1/14-12/31/14	1/1/13-12/31/13
Sales	\$ 132,324	\$ 323,825
Cost of Goods Sold	<u>32,113</u>	<u>15,761</u>
Gross Profit	<u>100,211</u>	<u>308,064</u>
Expenses		
Advertising	1,834	3,170
Amortization	3,870	5,203
Depreciation	4,085	4,710
Bad Debt Expense	3,473	-
Bank Service Charges	1,748	2,324
Cash Discounts	10,451	750
Commission		5,358
Payroll Expenses	50,887	164,986
Insurance	12,918	14,696
Interest Expense	11,171	21,608
Marketing and PR	714	550
Office Expense	15,466	36,533
Professional Fees	21,362	21,327
Occupancy	31,377	26,466
Travel and meals	<u>8,774</u>	<u>63,521</u>
Total Expenses	<u>178,130</u>	<u>371,202</u>
Net gain on sale of fixed assets		
Cancellation of debt		
Net Income (Loss)	<u>\$ (77,919)</u>	<u>\$ (63,138)</u>

Connectyx Technologies Corp
Unaudited Statement of Cash Flows
January 1- December 31, 2014

Operating Activities	
Net Income (Loss)	\$ (77,919)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and Amortization	7,955
Accounts Receivable	7,686
Accounts Payable	1,039
Accrued Interest	7,497
Deferred Expenses	30,750
Inventory	2,000
Net cash used by operating activities	<u>(20,992)</u>
Investing Activities	
Sale of PERDS	<u>23,000</u>
Net Provided by investing activities	23,000
Financing Activities	
Payments of Long Term Debt	(11,100)
Proceeds from Debt	
Proceeds from issuance of stock	<u>8,398</u>
Net cash provided by financing activities	<u>(2,702)</u>
Net cash increase for period	(694)
Cash at beginning of period	<u>3,676</u>
Cash at end of period	<u>\$ 2,982</u>

Connectyx

Unaudited

Statement of Shareholder's Equity

	Common Stock	Preferred Stock Series A	Preferred Stock Series B	Common Stock			Preferred Stock Series A	Preferred Stock Series B	Retained Earnings	Treasury Stock	Total
	Units	Units	Units	Amount	APIC						
Beg Jan 1 2014	302,801,127	34,109,750	293,000	\$ 1,144,779	\$ 1,869,520	\$ 34,110	\$ 293,000	\$ (4,035,789)	\$ (9,900)	\$ (704,280)	
Net Income									(77,919)		(77,919)
Common Stock Issued	2,000,000			2,000	6,398						8,398
Common Stock retired											-
Preferred Stock Issued								-			-
Balance Dec 31, 2014	<u>304,801,127</u>	<u>34,109,750</u>	<u>293,000</u>	<u>\$ 1,146,779</u>	<u>\$ 1,875,918</u>	<u>\$ 34,110</u>	<u>\$ 293,000</u>	<u>\$ (4,113,708)</u>	<u>\$ (9,900)</u>	<u>\$ (773,801)</u>	

CONNECTYX TECHNOLOGIES HOLDINGS GROUP, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END DECEMBER 31, 2014

CONNECTYX TECHNOLOGIES HOLDINGS GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

NATURE OF BUSINESS: The Company provides products in the health care market which includes business intelligent software, which provides Wellness and Telemedicine Products, data warehousing and knowledge management in a member friendly environment.

BASIS OF ACCOUNTING: These financial statements have been prepared under the accrual method of Accounting.

REVENUE RECOGNITION: The Company recognizes revenues under the accrual method of accounting. When materials are delivered and accepted by customers, invoices are generated and revenues are recognized.

INCOME TAXES: There has been no provision for income tax expense since the Company is currently operating at a loss and has no income tax liability.

PROPERTY AND EQUIPMENT: Property and equipment are stated at cost. Depreciation is computed using the straight -line method over five years. Intangible assets are amortized over 5 to 15 years. Depreciation and amortization expense for the year ended December 31, 2014 totaled \$4,085 and is included in operating expenses.

Expenditures for additions, major renewals and betterments are capitalized and expenditures for maintenance and repairs are charged to income as incurred. Upon sale or retirement of items of property and equipment, the cost and related accumulated depreciation are eliminated from the accounts and the resulting gain and loss, if any, is reflected in earnings of the period of disposition

LONG-LIVED ASSETS: Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset and long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. There were no such impairments recorded during the quarter.

ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

FAIR VALUE OF FINANCIAL INSTRUMENTS: The carrying amount of the Company's notes payable approximates their fair value.

ADVERTISING COSTS: The Company incurred advertising costs of \$1,834 during the year end of 2014. The Company's policy is to expense advertising costs as incurred. Advertising costs are included in operating expenses.

CONNECTYX TECHNOLOGIES HOLDINGS GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE B – CASH:

Cash consists entirely of demand deposits with banking institutions. At December 31, 2014, the Company did not have any funds in excess of the \$250,000 federally insured limit.

NOTE C – ACCOUNTS RECEIVABLE:

Net accounts receivable consisted of the following at December 31, 2014:
Commercial customers \$84,613

Accounts receivable are recorded when invoices are issued. The Company evaluates the collectability of its receivables based on a combination of factors. In circumstances where it is aware of a specific customer's inability to meet its financial obligations, it records a specific reserve to reduce the amounts recorded to what it believes will be collected. For all other customers, it recognizes reserves for bad debt based on historical experience of bad debts as a percent of revenues, adjusted for relative improvements or deteriorations in the aging's and changes in current economic conditions. The allowance for uncollectible receivables at December 31, 2014 was \$9000.

NOTE D – LONG TERM NOTES PAYABLE:

TOTAL LONG TERM NOTES PAYABLE	\$243,152
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\$127,491 notes payable have a convertible feature. They can be converted into common shares from .005 to .0005 per share.

NOTE E – LEASES:

The company leases certain office equipment and software. These leases are classified as operating leases. The future minimum lease payments under the leases are as follows as of December 31, 2014:

2014	
Total minimum lease payments	\$ 0

NOTE F - INVENTORY:

Inventory is reported at cost. The inventory consists of goods held for sale to customers.

NOTE G – EQUITY

There are three classes of shares authorized.

Common stock has 1,100,000,000 shares authorized and 361,925,954 shares outstanding.

Preferred stock series A has 200,000,000 shares authorized and 34,109,750 shares outstanding. Preferred Series A has 10 votes per share and is convertible to 35% of equity.

Preferred stock series B has 5,000,000 shares authorized and 292,000 shares outstanding. Preferred Series B is convertible to common stock with a 20% discount of the average closing bid price for the 10 consecutive trading days immediately prior to the date of notice of conversion. Each share also includes a warrant with the exercise price of \$.05.

10,191,920 warrants are outstanding. The exercise price ranges from .05 to .50 per warrant.

A reverse stock split was executed on August 23, 2010 at 50:1.