UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark one)

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

For the quarterly period ended June 30, 2023

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: 000-33191

INNOVAQOR, INC.
(Exact name of registrant as specified in its charter)

Nevada	**88-0436055**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
400 S. Australian Avenue, Suite 800 West Palm Beach, FL	**33401**
(Address of principal executive offices)	(Zip Code)

(561) 421-1900
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

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

Common Stock, $0.0001 Par Value

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 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 August 21, 2023 the registrant had 244,953,286 shares of its Common Stock, $0.0001 par value, outstanding.

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2023 (Unaudited)	December 31, 2022
ASSETS		
Cash	$ 34,101	$ 5,415
Accounts receivable, net (including related party receivable of $33,672 and $28,973 at June 30, 2023 and December 31, 2022, respectively)	81,256	36,226
Prepaid expenses and other current assets	250	—
Total current assets	**115,607**	**41,641**
Property and equipment, net	—	—
Total assets	**$ 115,607**	**$ 41,641**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 1,450,975	$ 1,239,945
Accrued expenses	1,561,813	1,638,071
Due to Former Parent	876,998	—
Current portion of notes payable	1,604,567	1,572,422
Total current liabilities	**5,494,353**	**4,450,438**
Notes Payable – Long term	60,401	60,401
Preferred Series B-1 Stock, Par Value $0.0001, 25,000 shares authorized, 14,950 shares issued and outstanding	9,086,396	9,086,396
Preferred Series C-1 Stock, Par Value $0.0001, 2,000 shares authorized, 325 and 225 shares issued and outstanding June 30, 2023 and December 31, 2022, respectively	248,361	137,250
Total Liabilities	**14,889,511**	**13,734,485**
Commitments and contingencies		
Stockholders' Deficit		
Preferred Series A-1 Stock, Par Value $0.0001, 1,000 shares authorized, 1,000 shares issued and outstanding	—	—
Preferred Series D Stock, Par Value $0.0001 and stated value $100, 500 shares authorized, 300 shares issued and outstanding June 30, 2023	30,000	—
Common Stock, Par Value $0.0001, 2,000,000,000 and 325,000,000 shares authorized June 30, 2023 and December 31, 2022, respectively, 244,953,286 shares issued and outstanding	24,495	24,495
Additional Paid-In Capital	5,906,742	5,906,742
Accumulated Deficit	(20,735,141)	(19,624,081)
Total Stockholders' Deficit	**(14,773,904)**	**(13,692,844)**
Total Liabilities and Stockholders' Deficit	**$ 115,607**	**$ 41,641**

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

INNOVAQOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Six Months Ended	
	June 30, 2023	June 30, 2022
Net Revenues (including net revenue from related party of $181,579 and $102,267 for the Six Months Ended June 30, 2023 and 2022, respectively)	$ 366,768	$ 191,327
Operating expenses:		
Direct costs of revenue	302,294	255,856
General and administrative expenses	945,740	520,974
Total operating expenses	1,248,034	776,830
Loss from operations	(881,266)	(585,503)
Other (expense) income:		
Other expense	—	—
Interest expense and payroll tax penalties	(229,794)	(21,007)
Total other (expense) income	(229,794)	(21,007)
Loss before income taxes	(1,111,060)	(606,510)
Provision for income taxes	—	—
Net loss	$ (1,111,060)	$ (606,510)
Basic and Diluted (loss) per share	$ (0.00)	$ (0.00)
Basic and Diluted weighted average shares of common stock outstanding	244,953,286	234,953,286

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

INNOVAQOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended	
	June 30, 2023	June 30, 2022
Net Revenues (including net revenue from related party of $96,876 and $47,788 for the Three Months Ended June 30, 2023 and 2022, respectively)	$ 190,853	$ 94,511
Operating expenses:		
Direct costs of revenue	182,412	80,768
General and administrative expenses	638,103	337,695
Total operating expenses	820,515	418,463
Loss from operations	(629,662)	(323,952)
Other (expense) income:		
Other expense	—	—
Interest expense and payroll tax penalties	(156,333)	(17,835)
Total other (expense) income	(156,333)	(17,835)
Loss before income taxes	(785,995)	(341,787)
Provision for income taxes	—	—
Net loss	$ (785,995)	$ (341,787)
Basic and Diluted (loss) per share	$ (0.00)	$ (0.00)
Basic and Diluted weighted average shares of common stock outstanding	244,935,286	234,953,286

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

INNOVAQOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(Unaudited)

	Preferred Stock Series A-1 Shares	Preferred Stock Series A-1 Amount	Preferred Stock Series D Shares	Preferred Stock Series D Amount	Common Stock Par Value	Common Stock Shares	Additional Paid In Capital	Accumulated Deficit	Total
Balance December 31, 2021	1,000	$ —	—	$ —	$ 23,495	234,953,286	$ 5,857,658	$ (18,010,150)	$ (12,128,997)
Net loss for Period								(606,510)	(606,510)
Balance June 30, 2022	1,000	$ —	—	$ —	$ 23,495	234,953,286	$ 5,857,658	$ (18,616,660)	$ (12,735,507)
Balance December 31, 2022	1,000	$ —	—	—	$ 24,495	244,953,286	$ 5,906,742	$ (19,624,081)	$ (13,692,844)
Issuance Preferred D Shares			300	$ 30,000					30,000
Net loss for Period								(1,111,060)	(1,111,060)
Balance June 30, 2023	1,000	$ —	300	$ 30,000	$ 24,495	244,953,286	$ 5,906,742	$ (20,735,141)	$ (14,773,904)
Balance March 31, 2022	1,000	$ —	—	—	$ 23,495	234,953,286	$ 5,857,658	$ (18,010,150)	$ (12,128,997)
Net loss for Period								(341,787)	(341,787)
Balance June 30, 2022	1,000	$ —	—	—	23,495	234,953,286	5,857,658	(18,616,660)	(12,735,507)
Balance March 31, 2023	1,000	$ —	—	—	$ 24,495	244,953,286	$ 5,906,742	$ (19,949,146)	$ (14,017,909)
Issuance Preferred D Shares			300	$ 30,000					30,000
Net loss for Period								(785,995)	(785,995)
Balance June 30, 2023	1,000	$ —	300	$ 30,000	$ 24,495	244,953,286	$ 5,906,742	$ (20,735,141)	$ (14,773,904)

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

INNOVAQOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended	
	June 30, 2023	**June 30, 2022**
Cash flows (used in) operating activities:		
Net loss	$ (1,111,060)	$ (606,510)
Adjustments to reconcile net loss to net cash (used in) operations:		
Amortization of debt discount	134,855	14,949
Preferred Shares for services	111,111	—
Changes in operating assets and liabilities:		
Accounts receivable	(45,030)	(20,037)
Prepaid expenses	(250)	(7,718)
Accounts payable and accrued expenses	154,772	106,825
Net cash (used in) operating activities	**(755,602)**	**(512,491)**
Cash flows used by investing activities:		
Net cash used by investing activities	—	—
Cash flows provided by financing activities:		
Loans and Advances from Former Parent	784,288	428,943
Loan from CEO	—	90,100
Net cash provided by financing activities	784,288	519,043
Net increase in cash	**28,686**	**6,552**
Cash at beginning of period	5,415	46
Cash at end of period	**$ 34,101**	**$ 6,598**

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Description of Business

InnovaQor, Inc., a Nevada corporation, was originally incorporated on September 7, 1999, under the name Ancona Mining Corporation. On November 30, 2004, our corporate name changed to VisualMED Clinical Solutions Corporation (“VisualMED”). On September 8, 2021, our corporate name changed to InnovaQor, Inc.

The Company provides information technology solutions and services to healthcare and laboratory customers in the United States. Our goal is to develop and deliver a technology-based network communication platform to a broad range of healthcare professionals and businesses using a subscription revenue model with added value bolt on services. The Company has initiated this project in the second quarter of 2023 and is working with a Canadian-based development company to create a minimum viable product (MVP) to demonstrate the peer-to-peer communication capabilities. The Company will launch this new platform under the name Curallo. The Company, through an acquisition that closed on June 25, 2021, has a number of fully developed products and services which it offers through three operating wholly-owned subsidiaries that provide medical support services primarily to clinical laboratories, corporate operations, rural hospitals, physician practices and behavioral health/substance abuse centers.

Each of the subsidiaries is wholly owned by the Company and complements each other, allowing for cross selling of products and services. The Company believes the current solutions will become an added value option to a technology-based network communication platform to a broad range of healthcare professionals and businesses using a subscription revenue model with added value bolt on services the Company plans to develop.

The six wholly-owned subsidiaries are.

Health Technology Solutions, Inc. (“HTS”): HTS provides vCIO, IT managed services and data analytics dashboards to our subsidiaries and outside medical service providers. HTS operates from the corporate offices in West Palm Beach, Florida.

Medical Mime, Inc. (“Mime”): Mime was formed on May 9, 2014. It specializes in electronic health records (EHR) software and subscription services for the behavioral health and rehabilitation market segments. It currently serves 11 behavioral health/substance abuse facilities.

ClinLab, Inc. (“ClinLab”): ClinLab develops and markets laboratory information management systems to mid-size clinical laboratories. It currently services nine clinical laboratories across the country.

AMSG owns CollabRx, Inc. (“CollabRx”) and Genomas, Inc. (“Genomas”), each of which is an inactive operation.

Genomas operated a diagnostics lab until December 31, 2019 and was focused solely on the pharmacogenomics technology and platform, MedTuning, to interpret diagnostics outcomes and translate these outcomes into easily usable information to indicate the effectiveness of medications for a patient. This solution would require minimum effort to be back in operation. CollabRx owns a technology platform and database for interpreting diagnostics outcomes from cancer patients that could match the result to known treatments and or clinical trials. This solution has been dormant for a number of years and to be viable in the marketplace will require updates to the technology and the database.

Existing products offered by the Company's subsidiaries are as follows:

"M2Select" is a custom built, cloud based, electronic health record which meets the needs of substance abuse treatment and behavioral health providers. M2Select's specialized clinical workflow provides intuitive prompts for symptoms and enables you to quickly select problems and create master treatment plans with goals, objectives, and interventions. M2Select provides best-in-class patient lifecycle management for Behavioral Health/Substance Abuse (BH/SA) treatment centers. From pre-admission to billing and aftercare, M2Select is an electronic health record and patient management software that seamlessly integrates into the natural workflow of day-to-day operations.

"M2Pro" is a custom built, cloud based, electronic health record for ambulatory physician practices that meets meaningful use stage 2 and no further. Its unique dictation services further automate the workflow process for physicians allowing them to focus on their continuum of patient care. This product is not currently offered in the United States market but could be distributed outside of the United States.

"ClinLab" is a turnkey client/server lab information system for mid-range laboratories. ClinLab supports interfaces to all major reference labs and the ClinLab team can provide an interface to any system with that capability. ClinLab also features an optional package which enables interfacing with the most popular EHR systems allowing lab test results to integrate seamlessly into a lab's EHR for an improved patient record and to fulfill the federal government requirements.

"Qira" is our healthcare business analytics service powered by PowerBI. It is a culmination of healthcare financial and revenue cycle management plus clinical operations oversight needs. It aggregates data from multiple healthcare systems to produce a single source business intelligence tool with executive level daily briefing to deep dive operational management of claims and operational efficiencies. There are many other analytical services available that customize solutions but none that has a proven template for success. Our competitive advantage comes from having created these tools to identify the deficiencies in the real world for the former parent Rennova from its former national laboratory operations to its more recent rural hospitals.

"vCIO Services". Based on the skills and experience inherent within InnovaQor and resulting from work undertaken on behalf of the former parent, Rennova, InnovaQor offers a range of CIO services centered on our ability to link IT systems to business objectives combined with our knowledge of technology trends likely to impact our sector. The CIO services would include (but not be limited to):

- Program and Project Management
- Vendor Management
- Business Continuity and Disaster Recovery
- Security Services
- Network Infrastructure Management
- Helpdesk Provision

"MedTuning" is the technology and platform owned by Genomas. It utilized proprietary biomarkers, treatment algorithms, and a web-based interactive physician portal delivery system to provide clinical decision support for physicians and personalized drug treatment for patients. Products were DNA-guided to improve the therapeutic benefit of widely used prescription drugs while also reducing the risk of significant side effects for patients.

Medical Informatics: Our technology platform, proprietary algorithms and physician interface portal can be extended to a wide range of drug categories.

Research and Development: Technology platform applicable to numerous disease states; current pipeline in mental health, pain management, cardiovascular and diabetes.

“Advantage” is a proprietary HIPAA compliant software developed to eliminate the need for paper requisitions by providing an easy to use and efficient web-based system that lets customers securely place lab orders, track samples and view test reports in real time from any web-enabled laptop, notepad or smart phone.

Our goal is to develop and deliver a technology-based network communication platform to a broad range of healthcare professionals and businesses using a subscription revenue model with added value bolt on services. The Company has initiated this project in the second quarter of 2023 and is working with a Canadian-based development company to create a minimum viable product (MVP) to demonstrate the peer-to-peer communication capabilities. The Company will launch this new platform under the name Curallo.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of only the HTS Group (the accounting acquirer) prior to June 25, 2021 and InnovaQor and the Group since the date of acquisition on June 25, 2021, with the transaction being accounted for as a recapitalization of the Group on June 25, 2021. The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and require management to make certain judgments, estimates, and assumptions. These may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. They also may affect the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates upon subsequent resolution of identified matters.

The accompanying condensed consolidated financial statements as of and for the three and six months ended June 30, 2023 and 2022, have been derived from unaudited financial information. Intercompany accounts and transactions have been eliminated. The accompanying unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual audited financial statements and in accordance with U.S. GAAP, for interim financial information and the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial statements. In the opinion of management, such unaudited information includes all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of this interim information.

Comprehensive Loss

During the three and six months ended June 30, 2023 and 2022, comprehensive loss was equal to the net loss amounts presented in the accompanying condensed consolidated statements of operations.

Going Concern

Under Accounting Standards Update (“ASU”) 2014-15, Presentation of Financial Statements—Going Concern (Subtopic 205-40) Accounting Standards Codification (“ASC 205-40”), the Company has the responsibility to evaluate whether conditions and/or events raise substantial doubt about its ability to meet its future financial obligations as they become due within one year after the date that the financial statements are issued. As required by ASC 205-40, this evaluation shall initially not take into consideration the potential mitigating effects of plans that have not been fully implemented as of the date the financial statements are issued. Management has assessed the Company’s ability to continue as a going concern in accordance with the requirement of ASC 205-40.

The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. GAAP and the rules and regulations of the SEC. The condensed consolidated financial statements have been prepared using U.S. GAAP applicable to a going concern that contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has accumulated significant losses and has negative cash flows from operations and, at June 30, 2023, had a working capital deficit and accumulated deficit of $5.4 million and $20.7 million, respectively. In addition, the Company's cash position is critically deficient and critical payments are not being made in the ordinary course of business, all of which raises substantial doubt about the Company's ability to continue as a going concern. Management's plans with respect to alleviating the adverse financial conditions that caused management to express substantial doubt about the Company's ability to continue as a going concern are as follows:

The Company incurred substantial costs in connection with the acquisition of the Group from Rennova, which included accounting, tax, legal and other professional services costs, recruiting and relocation costs associated with hiring key senior management personnel who are new to the Company, tax costs and costs to separate information systems, among other costs. The cost of performing such functions is anticipated to be higher than the amounts reflected in the Company's historical financial statements, which would cause its future losses to increase.

Accordingly, the Company will continue to focus on reducing its operating costs and increasing revenues.

There can be no assurance that the Company will be able to achieve its business plan, raise any additional capital or secure the additional financing necessary to implement its current operating plan. The ability of the Company to continue as a going concern is dependent upon its ability to increase its revenues and eventually achieve profitable operations. The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas of estimation include estimating the fair value of intangible assets acquired, the impairment of assets, accrued and contingent liabilities, and future income tax obligations (benefits), among other items. Actual results could differ from those estimates and would impact future results of operations and cash flows.

Cash and Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents.

Allowance for Doubtful Accounts Policy

Accounts receivable are reported at realizable value, net of allowances for doubtful accounts, which are estimated and recorded in the period that the Company deems the receivable to be uncollectable. The Company has a standardized approach to estimate and review the collectability of its receivables based on a number of factors, including the period they have been outstanding. Historical collection is an integral part of the estimation process related to the allowance for doubtful accounts. In addition, the Company regularly assesses the state of its billing operations in order to identify issues that may impact the collectability of these receivables or reserve estimates. Receivables deemed to be uncollectible are charged against the allowance for doubtful accounts at the time such receivables are written-off. Recoveries of receivables previously written-off are recorded as credits to the allowance for doubtful accounts. Revisions to the allowances for doubtful accounts estimates are recorded as an adjustment to the provision for bad debts.

Revenue Recognition

We recognize revenue in accordance with Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)," including subsequently issued updates. This series of comprehensive guidance has replaced all existing revenue recognition guidance. There is a five-step approach outlined in the standard. In determining revenue, we first identify the contract according to the scope of ASU Topic 606 with the following criteria:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when or as you satisfy a performance obligation.

Revenue is recognized when control of the promised services is transferred to the Company's customers in an amount that reflects the consideration expected to be entitled to in exchange for those services. As the Company completes its performance obligations which are identified in Note 10 below, it has an unconditional right to consideration as outlined in the Company's contracts. Generally, the Company's accounts receivable are expected to be collected in 30 days in accordance with the underlying payment terms. For many of the Company's services, the Company typically has one performance obligation; however, it also provides the customer with an option to acquire additional services. The Company typically provides a menu of offerings from which the customer may choose to purchase. The price of each service is generally based upon an agreed hourly rate.

Impairment or Disposal of Long-Lived Assets

The Company accounts for the impairment or disposal of long-lived assets according to the Financial Accounting Standards Board's ("FASB") ASC 360, "Property, Plant and Equipment." Long-lived assets are reviewed when facts and circumstances indicate that the carrying value of the asset may not be recoverable. When necessary, impaired assets are written down to estimated fair value based on the best information available. Estimated fair value is generally based either on appraised value or measured by discounting estimated future cash flows. Considerable management judgment is necessary to estimate discounted future cash flows. Accordingly, actual results could vary significantly from such estimates. As of June 30, 2023 and December 31, 2022, all of the Company's fixed assets were fully depreciated and, therefore, the carrying value of property and equipment represented fair value. Property and equipment are depreciated over lives ranging from three to seven years.

Fair Value of Financial Instruments

In accordance with ASC 820, "*Fair Value Measurements and Disclosures*," the Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities that are required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

- Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; or quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets).
- Level 3 applies to assets or liabilities for which fair value is derived from valuation techniques in which one or more significant inputs are unobservable, including the Company's own assumptions.

The estimated fair value of financial instruments is determined by the Company using available market information and valuation methodologies considered to be appropriate. At June 30, 2023 and December 31, 2022, the carrying value of the Company's accounts receivable, accounts payable, accrued expenses and notes payable, approximate their fair values due to their short-term nature. For the three and six months ended June 30, 2023 and 2022, there were no realized and unrealized gains on instruments valued using fair value evaluation methods.

Income Taxes

The entities within the Group were included in the consolidated income tax returns of its Parent for the years ended December 31, 2020 and prior. A determination was made by Parent's management not to allocate any of the deferred tax assets or liabilities to the Group as of December 31, 2020 and prior. Accordingly, the Group did not provide for income taxes in the combined financial statements. The Company since June 25, 2021 uses the liability method of accounting for income taxes. Under the liability method, future tax liabilities and assets are recognized for the estimated future tax consequences attributable to differences between the amounts reported in the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted income tax rates expected to apply when the asset is realized or the liability settled. The effect of a change in income tax rates on future income tax liabilities and assets is recognized in income in the period that the change occurs. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized. When projected future taxable income is insufficient to provide for the realization of deferred tax assets, the Company will recognize a valuation allowance.

In accordance with U.S. GAAP, the Company has determined whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Derecognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce net assets. The Company has determined that it has not incurred any liability for tax benefits as of June 30, 2023 and 2022. State income taxes will also be due on any income generated in the future.

Convertible Preferred Stock

The Company classifies its Series B-1 and Series C-1 Convertible Preferred Stock as liabilities in accordance with ASC 480 *Distinguishing Liabilities from Equity* since the preferred stock is convertible, at the option of the holder, into a variable number of shares based solely on a fixed dollar amount (stated value) known at issuance of the preferred stock.

Basic and Diluted Net Income (Loss) Per Share

The Company computes net income (loss) per share in accordance with ASC Topic 260, "Earnings per Share" which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. As of June 30, 2023 and 2022 there were approximately 3,339,000,000 and 3,164,000,000, respectively, common stock equivalents which where antidilutive due to the Company's losses.

Note 3 – Acquisition

The Company acquired all the common stock of the HTS Group from Rennova on June 25, 2021, in exchange for Preferred Series A-1, B-1 and C-1 stock with a fair market value of $9,195,692. This acquisition has been accounted for as a reverse acquisition with the HTS Group being the accounting acquiror with the excess fair value of the purchase price over net asset fair value acquired treated as a reduction of additional paid in capital on the date of acquisition.

A summary of that purchase price is as follows:

Fair Value of Preferred Series A-1 Stock	$	100
Fair Value of Preferred Series B-1 Stock		9,086,396
Fair Value of Preferred Series C-1 Stock		122,000
Other		(12,804)
Total	**$**	**9,195,692**

Note 4 – Accounts Receivable

Accounts receivable at June 30, 2023 and December 31, 2022 consisted of the following:

	June 30, 2023	December 31, 2022
Accounts receivable – (including related party receivable of $33,672 and $28,973 at June 30, 2023 and December 31, 2022, respectively)	$ 95,656	$ 36,266
Less:		
Allowance for doubtful accounts	(14,400)	—
Accounts receivable, net	**$ 81,256**	**$ 36,266**

For the three and six months ended June 30, 2023 and 2022, bad debt expense (recovery), was $15,000 and $0, respectively.

Note 5 – Property and Equipment

Property and equipment at June 30, 2023 and December 31 2022 consisted of the following:

	June 30, 2023	December 31, 2022
Software	$ 1,435,875	$ 1,435,875
Furniture	8,227	8,227
Office equipment	30,931	30,931
Computer equipment	324,131	324,131
	1,799,164	1,799,164
Less accumulated depreciation	(1,799,164)	(1,799,164)
Property and equipment, net	**$ —**	**$ —**

Depreciation expense on property and equipment was $0 and $0 for the three and six months ended June 30, 2023 and 2022, respectively. Management periodically reviews the valuation of long-lived assets, including property and equipment, for potential impairment.

Note 6 – Accrued Expenses

Accrued expenses at June 30, 2023 and December 31, 2022 consisted of the following:

	June 30, 2023	December 31, 2022
Accrued payroll and related liabilities	$ 1,361,753	$ 1,420,130
Accrued legal	37,997	37,997
Accrued interest	36,403	23,156
Deferred revenue and customer deposits	21,230	44,544
Other accrued expenses	104,430	112,244
Accrued expenses	**$ 1,561,813**	**$ 1,638,071**

Accrued payroll and related liabilities at June 30, 2023 and December 31, 2022 included approximately $1.0 million and $1.0 million, respectively, of accrued past due payroll taxes, related penalties and interest,

Note 7 – Notes Payable

The carrying amount of notes payable as of June 30, 2023 and December 31, 2022 was as follows:

	June 30, 2023	December 31, 2022
Note payable with the Department of Economic and Community Development in the original amount of $147,372 due in monthly payments of principal and interest totaling $2,132 beginning January 1, 2017 with a final payment due on October 1, 2022. Non-interest bearing. Payments were not made in 2023 or 2022.	$ 134,153	$ 134,153
Loans from Related Parties and Companies due December 2022 ($13,162 in default) and December 31, 2023. Original issue discount of $160,608 which is fully amortized at June 30, 2023, 25 shares of Series C-1 Preferred Stock issued in connection with theses loans.	1,470,414	1,438,269
Paycheck Protection Program Loans (PPP Loans). The PPP Loans and accrued interest are forgivable as long as the Company uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the Company terminates employees or reduces salaries. No collateral or guarantees were provided in connection with the PPP Loans. The unforgiven portion of the PPP Loans are payable over two years at an interest rate of 1.0% per annum, with a deferral of payments for the first sixteen months. Beginning sixteen months from the dates of issuance, the Company is required (if not forgiven) to make monthly payments of principal and interest to the lenders. The Company believes it used all of the proceeds for purposes consistent with the PPP. While the Company currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loans, it cannot assure you that it will not take actions that could cause the Company to be ineligible for forgiveness of the loans, in whole or in part.	60,401	60,401
	1,664,968	1,632,823
Less current portion	1,604,567	1,572,422
Notes payable, long term, net of current portion	**$ 60,401**	**$ 60,401**

Note 8 – Loans from Parent and Other Related Party Transactions

To fund the Company's operations for the six months ended June 30, 2023, the former Parent advanced funds and paid expenses of InnovaQor and the Group in the amount of $876,998 (Non-interest bearing). The amounts as of June 30, 2023, and December 31, 2022 are included in Due to Former Parent and Notes Payable in the accompanying Condensed Consolidated Balance Sheets.

The Company has a loan payable to its former Parent in the amount of $1,457,253 at June 30, 2023. The loan had a 10% Original Issue Discount in the amount of $132,498 which is fully amortized as of June 30, 2023, the due date of the loan. The loan has a default interest rate of 18%.

On August 9, 2023, the Company and Rennova mutually agreed to modify the promissory note to extend the maturity date from June 30, 2023 to December 31, 2023 and to provide for additional interest in the form of 5% of the principal amount to be added to the amount payable under the note.

During the year ended December 31, 2022, Ms. Hollis, the former Chief Executive Officer of the Company, loaned the Company $96,100. The Company entered into promissory notes in the amount of $105,710, representing a 10% original issue discount. During the year ended December 31, 2022, $13,000 of these loans was repaid. A payment of $93,010, representing full payment of the loan including interest outstanding, was made by the Company on May 12, 2023. In addition, the Company issued Ms. Hollis 25 shares of Series C-1 Preferred Stock on March 31, 2022, in connection with one of the loans. These shares of Series C-1 Preferred Stock were valued at $15,250 using the Option Price Method and the same assumptions as used to value the prior issuance of Series C-1 Preferred Stock.

The above amounts are not indicative of what third parties would have agreed to.

Related Parties Transactions

Included in net revenues for the three months ended June 30, 2023 and 2022 is $96,876 and $47,788, respectively, of related party revenue with Rennova (the former parent).

Included in net revenues for the six months ended June 30, 2023 and 2022 is $181,579 and $102,267, respectively, of related party revenue with Rennova (the former parent).

The Group has incurred certain costs that have been allocated from Rennova. Included in the Consolidated Statements of Operations are the following allocated costs:

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
Health insurance	$ 4,838	$ —
Rent and utilities	30,771	33,441
Total allocated costs	$ 35,609	$ 33,441

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Health insurance	$ 10,676	$ —
Rent and utilities	60,958	62,304
Total allocated costs	$ 71,634	$ 60,304

Note 9 – Preferred Stock and Stockholders' Deficit

Common Stock

The Company has authorized 2,000,000,000 shares of $0.0001 par value Common Stock of which 244,953,286 are issued and outstanding as of June 30, 2023 and December 31, 2022. These shares have 1 vote per share. The authorized Common Stock was increased from 325,000,000 to 2,000,000,000 on June 29, 2023.

Preferred Stock Series A-1

The Company has authorized 1,000 shares of $0.0001 par value (stated value $10) Series A-1 Supermajority Voting Preferred Stock of which 1,000 are issued and outstanding as of June 30, 2023 and December 31, 2022. So long as one share of Series A-1 Preferred Stock is outstanding, the outstanding shares of the Series A-1 Preferred Stock shall have the number of votes, in the aggregate, equal to 51% of all votes entitled to be voted at any stockholder meeting. These shares have no rights to receive dividends and liquidation rights are equal to the stated value per share.

Preferred Stock Series B-1

The Company has authorized 25,000 shares of $0.0001 par value (stated value $1,000) Series B-1 Convertible Redeemable Preferred Stock of which 14,950 are issued and outstanding as of June 30, 2023 and December 31, 2022. These shares have no voting rights, dividends on these shares shall accrue at the rate of 5% of the stated value per share and liquidation rights are equal to the stated value per share. These shares are convertible into the Company's Common Stock based on the stated value at a conversion price equal to 90% of the average closing price of the Common Stock on the 10 Trading Days immediately prior to the Conversion Date but in any event no less than the par value of the Common Stock. The Series B-1 Preferred Stock was not convertible prior to the first anniversary of its issuance except with the consent of the holders of a majority of the then outstanding shares, if any, of the Series A-1 Preferred Stock. No conversion can be made to the extent the holder's beneficial interest (as defined pursuant to the terms of the Series B-1 Preferred Stock) in the common stock of InnovaQor would exceed 4.99%. These shares are redeemable at the option of the Company at their stated value plus declared and unpaid dividends. Because these shares are convertible, at the option of the holder, into a variable number of common shares based solely on a fixed dollar amount (stated value) known at issuance of the shares they have been recorded as a long-term liability at the date of issuance in accordance with ASC 480, *Distinguishing Liabilities from Equity.*

Preferred Stock Series C-1

The Company has authorized 2,000 shares of $0.0001 par value (stated value $1,000) Series C-1 Convertible Redeemable Preferred Stock of which 325 and 225 are issued and outstanding as of June 30, 2023 and December 31, 2022, respectively. These shares have no voting rights, dividends on these shares shall accrue at the rate of 10% of the stated value per share and liquidation rights are equal to the stated value per share. These shares are convertible into the Company's Common Stock based on the stated value at a conversion price equal to 90% of the average closing price of the Common Stock on the 10 Trading Days immediately prior to the Conversion Date but in any event no less than the par value of the Common Stock. The Series C-1 Preferred Stock was not convertible prior to the first anniversary of its original issuance except with the consent of the holders of a majority of the then outstanding shares, if any, of the Series A-1 Preferred Stock. No conversion can be made to the extent the holder's beneficial interest (as defined pursuant to the terms of the Series C-1 Preferred Stock) in the common stock of InnovaQor would exceed 4.99%. These shares are redeemable at the option of the Company at their stated value plus declared and unpaid dividends. Because these shares are convertible, at the option of the holder, into a variable number of common shares based solely on a fixed dollar amount (stated value) known at issuance of the shares they have been recorded as a long-term liability at the date of issuance in accordance with ASC 480, *Distinguishing Liabilities from Equity.*

Preferred Stock Series D

On May 12, 2023, the Company authorized 500 shares of Series D Non-Convertible Preferred Stock with a par value of $0.0001 and a stated value of $100. The Company issued 300 shares of Preferred D Stock to three subscribers on May 12, 2023, for a total consideration of $30,000. The Series D Preferred Stock does not have voting rights but each holder of issued and outstanding Series D Preferred Stock shall be entitled to receive monthly as a dividend, an amount equal to (a) the sum of (i) five percent (5%) of the amount of gross sales in excess of $500,000 collected by the Company or any subsidiary (on a consolidated basis) in the ordinary course of business during the month immediately preceding the month in which such dividend becomes payable, which amount shall not exceed $25,000, (ii) ten percent (10%) of the amount of gross sales in excess of $1 million collected by the Company or any subsidiary (on a consolidated basis) in the ordinary course of business during the month immediately preceding the month in which such dividend becomes payable, which amount shall not exceed $100,000 and (iii) two and one-half percent (2.5%) of the amount of gross sales in excess of $2 million collected by the Company or any subsidiary (on a consolidated basis) in the ordinary course of business during the month immediately preceding the month in which such dividend becomes payable.

So long as any shares of Series D Preferred Stock are outstanding, the Company shall not, without the consent of the holders of a majority of the outstanding shares of Series D Preferred Stock, authorize any additional shares of Series D Preferred Stock, create any additional class or series of capital stack that ranks senior to the Series D Preferred Stock, or amend, alter or repeal any provisions of the Certificate of Designation or the Company's articles or bylaws in a manner that adversely affects the powers, preferences or rights of the Series D Preferred Stock.

Note 10 – Revenue

The Company had net revenue for the three and six months ended June 30, 2023 and 2022 as follows:

	Three Months ended June 30, 2023	Three Months ended June 30, 2022
Dashboards	$ 19,420	$ 10,478
IT Managed Services	—	22,620
Software and Interfaces	2,500	5,580
Support and Maintenance	66,167	26,895
vCIO Services	42,356	13,240
Marketing and Management	35,100	—
Software Licenses Fees	25,277	15,247
Other	33	451
Total Net Revenue	$ 190,853	$ 94,511

	Six Months ended June 30, 2023	Six Months ended June 30, 2022
Dashboards	$ 29,320	$ 24,102
IT Managed Services	65,208	48,360
Software and Interfaces	12,120	5,580
Support and Maintenance	112,487	52,736
vCIO Services	84,801	27,431
Marketing and Management	—	—
Software Licenses Fees	51,529	30,744
Other	11,303	2,374
Total Net Revenue	**$ 366,768**	**$ 191,327**

Generally, work is billed monthly by the hour at agreed upon hourly rates for all of the above revenue streams.

For all of the Company's services, the Company typically has one performance obligation; however, it also provides the customer with an option to acquire additional services. The Company typically provides a menu of offerings from which the customer may choose to purchase. The price of each service is separate and distinct and provides a separate and distinct value to the customer. Pricing is generally consistent for each service irrespective of the other services or quantities requested by the customer.

When the Company receives consideration from a customer prior to transferring services to the customer under the terms of the contract, it records deferred revenues on the Company's consolidated balance sheet, which represents a contract liability.

The Company has an internal sales force compensation program where remuneration is based solely on the revenues recognized in the period and does not represent an incremental cost to the Company which provides a future benefit expected to be longer than one year and would meet the criteria to be capitalized and presented as a contract asset on the Company's consolidated balance sheet.

Note 11 – Commitments and Contingencies

Consulting Agreement – The Company entered into a consulting agreement effective June 1, 2021, with a company owned by Mr. Dab, the Company's former CEO, for a period of one year to assist in developing the Company's business including communications with existing shareholders and the general public. The agreement provided that the Company would pay $3,500 a month and an additional $60,000 upon the earlier of receipt of funding from an outside source or within 90 days. The $60,000 payment was made during the six months ended June 30, 2023 but the monthly amounts have not been paid. On June 1, 2022, the agreement was extended for another year. The new agreement increases the monthly fee to $4,500. The agreement was extended further on June 1, 2023 for another year. The monthly amounts remain unpaid by the Company to date. The amounts payable to Mr. Dab under this agreement include the fees payable to him as a director of the Company.

Concentration of Credit Risk - Credit risk with respect to accounts receivable is generally low due to the nature of the customers comprising the customer base and the significant related party component. The Company does not require collateral or other security to support customer receivables. However, the Company continually monitors and evaluates its client acceptance and collection procedures to minimize potential credit risks associated with its accounts receivable and establishes an allowance for uncollectible accounts and, as a consequence, believes that its accounts receivable credit risk exposure beyond such allowance is not material to the condensed consolidated financial statements.

The Company maintains its cash balances in high-credit-quality financial institutions. The Company's cash balances may, at times, exceed the deposit insurance limits provided by the Federal Deposit Insurance Corp.

Guarantees

Certain subsidiaries of the Company have guaranteed debt obligations of their former Parent. As part of the transaction with the Company, the former Parent received a release of guarantees from certain institutional lenders and has been working to settle other debt obligations where certain subsidiaries of the Company remain a guarantor. The Company believes that any risk associated with previous guarantees is now minimal and immaterial.

Legal Matters

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

P2P Staffing Corp. received a judgment against HTS during 2018 in the amount of $58,784 plus accrued interest and court costs for amounts owed. As of each of June 30, 2023 and December 31, 2022, $10,464 was outstanding and owed for this judgment and included in accounts payable in the accompanying Condensed Consolidated Balance Sheets.

Two former employees of CollabRx, Inc., one of the acquired subsidiaries, filed suits in a California state court against the former Parent, Rennova, and CollabRx, Inc., in connection with amounts claimed to be owed under their respective employment agreements with CollabRx, Inc. One former employee received a judgment for approximately $253,000, which Rennova has paid in full. The other former employee received a judgment for approximately $173,000.

Note 13 – Supplemental Disclosure of Cash Flow Information

	Six Months ended June 30,	
	2023	**2022**
Cash paid for interest	$ 118,096	$ 5,937
Cash paid for income taxes	$ —	$ —
Accounts payable, accrued salary and notes payable converted to Series D Preferred stock	$ 30,000	$ —
Advances from former parent converted to notes payable	$ 92,710	$ —
Non-Cash Investing and Financing Activities	—	—
Preferred C-1 Series Stock issued for debt	—	15,250

Note 14 – Recent Accounting Pronouncements

All recent accounting standards issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the SEC did not or are not believed by management to have a material impact on the Company's consolidated financial statements.

Note 15– Subsequent Events

On August 8, 2023 the Company borrowed an additional $55,000 in the form of a convertible note with an Original Issue Discount of $8,250 and a one time interest charge of 14%. The note is payable monthly in the amount of $8,012 with first payment due September 14, 2023. It is convertible into Common Stock at a fixed price of $0.005 per share in the event of default.

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

SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements made in this Form 10-Q are "forward-looking statements." These statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance, or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. We use the words "anticipate", "believe", "could", "design", "estimate", "expect", "intend", "forecast", "goal", "may", "plan", "potential", "predict", "project", "should", "target," "will," "would" or the negatives or other tense of such terms and other similar expressions intended to identify forward-looking statements. Forward-looking statements relate to future events or future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include but are not limited to those contained in the "Risk Factors" section of our Annual Report on Form 10-K and in our subsequent filings with the Securities and Exchange Commission.

The following is a discussion of the financial condition and results of operation of InnovaQor as of the date of this Form 10-Q. This discussion and analysis should be read in conjunction with InnovaQor's audited consolidated financial statements contained in the Form 10-K and with our unaudited condensed consolidated financial statements, including the notes thereto, which are included elsewhere in this report.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of the financial condition and results of operation of InnovaQor as of the date of this filing. This discussion and analysis should be read in conjunction with InnovaQor's audited and unaudited consolidated financial statements including the notes thereto.

Estimates

Management's discussion and analysis of InnovaQor's financial condition and results of operations are based upon its consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent liabilities. Significant areas of estimation include estimating fair value of intangible assets acquired, the impairment of assets, accrued and contingent liabilities, and future income tax obligations (benefits), among other items. On an on-going basis, management evaluates past estimates and judgments, including those related to bad debts, accrued liabilities, derivative liabilities, and contingencies. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. InnovaQor believes the following critical accounting policies affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Critical Accounting Policies

Basis of Presentation and Principles of Consolidation

The acquisition of an operating company by a non-operating public shell corporation typically results in the owners and management of the operating company having actual or effective voting and operating control of the combined company. The Securities and Exchange Commission staff considers a public shell reverse acquisition to be a capital transaction in substance, rather than a business combination. That is, the transaction is a reverse recapitalization, equivalent to the issuance of stock by the operating company for the net monetary assets of the shell corporation accompanied by a recapitalization. The accounting is similar to that resulting from a reverse acquisition, except that no goodwill or other intangible assets are recorded.

The condensed consolidated financial statements include the accounts of only the HTS Group (the accounting acquirer) prior to June 25, 2021 and InnovaQor and the Group since the date of acquisition on June 25, 2021, with the transaction being accounted for as a recapitalization of the Group on June 25, 2021. The condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and require management to make certain judgments, estimates, and assumptions. These may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. They also may affect the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates upon subsequent resolution of identified matters.

The accompanying condensed consolidated financial statements as of and for the six and three months ended June 30, 2023 and 2022, have been derived from unaudited financial information. Intercompany accounts and transactions have been eliminated. The accompanying unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual audited financial statements and in accordance with U.S. GAAP, for interim financial information and the rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial statements. In the opinion of management, such unaudited information includes all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of this interim information.

Cash and Cash Equivalents

InnovaQor considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents.

Fair Value Measurements

In accordance with ASC 820, "*Fair Value Measurements and Disclosures*," the Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities that are required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

- Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

- Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; or quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets).

- Level 3 applies to assets or liabilities for which fair value is derived from valuation techniques in which one or more significant inputs are unobservable, including the Company's own assumptions.

The estimated fair value of financial instruments is determined by the Company using available market information and valuation methodologies considered to be appropriate. At June 30, 2023 and December 31, 2022, the carrying value of the Company's accounts receivable, accounts payable, accrued expenses and notes payable, approximate their fair values due to their short-term nature. For the six months ended June 30, 2023 and 2022, there were no realized and unrealized gains on instruments valued using fair value evaluation methods.

Impairment of Long-lived Assets

The Company accounts for the impairment or disposal of long-lived assets according to the Financial Accounting Standards Board's ("FASB") ASC 360, "Property, Plant and Equipment." Long-lived assets are reviewed when facts and circumstances indicate that the carrying value of the asset may not be recoverable. When necessary, impaired assets are written down to estimated fair value based on the best information available. Estimated fair value is generally either based on appraised value or measured by discounting estimated future cash flows. Considerable management judgment is necessary to estimate discounted future cash flows. Accordingly, actual results could vary significantly from such estimates. As of June 30, 2023 and December 31, 2022, all of the Company's fixed assets were fully depreciated and, therefore, the carrying value of fixed assets represented fair value. Fixed assets are depreciated over lives ranging from three to seven years.

Income Taxes

The entities within the Group were included in the consolidated income tax returns of its Parent for the years ended December 31, 2020 and prior. A determination was made by Parent's management not to allocate any of the deferred tax assets or liabilities to the Group as of December 31, 2020 and prior. Accordingly, the Group did not provide for income taxes in the combined financial statements. The Company since June 25, 2021 uses the liability method of accounting for income taxes. Under the liability method, future tax liabilities and assets are recognized for the estimated future tax consequences attributable to differences between the amounts reported in the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted income tax rates expected to apply when the asset is realized or the liability settled. The effect of a change in income tax rates on future income tax liabilities and assets is recognized in income in the period that the change occurs. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized. When projected future taxable income is insufficient to provide for the realization of deferred tax assets, the Company will recognize a valuation allowance.

In accordance with U.S. GAAP, the Company has determined whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Derecognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce net assets. The Company has determined that it has not incurred any liability for tax benefits as of June 30, 2023 and 2022. State income taxes will also be due on any income generated in the future.

Revenue Recognition

We recognize revenue in accordance with ASC Topic 606), including subsequently issued updates. This series of comprehensive guidance has replaced all existing revenue recognition guidance. There is a five-step approach outlined in the standard. In determining revenue, we first identify the contract according to the scope of ASU Topic 606 with the following criteria:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when or as you satisfy a performance obligation.

Revenue is recognized when control of the promised services is transferred to the Company's customers in an amount that reflects the consideration the Company is expected to be entitled to in exchange for those services. As the Company completes its performance obligations which are identified in Note 10 to the unaudited Condensed Consolidated Financial Statements included herein, it has an unconditional right to consideration as outlined in the Company's contracts. Generally, the Company's accounts receivable are expected to be collected in 30 days in accordance with the underlying payment terms. For many of the Company's services, the Company typically has one performance obligation; however, it also provides the customer with an option to acquire additional services. The Company typically provides a menu of offerings from which the customer may choose to purchase. The price of each service is generally based upon an agreed hourly rate.

Convertible Preferred Stock

The Company classifies its Series B-1 and Series C-1 Convertible Preferred Stock as liabilities in accordance with ASC 480 *Distinguishing Liabilities from Equity* since the preferred stock is convertible, at the option of the holder, into a variable number of shares based solely on a fixed dollar amount (stated value) known at issuance of the preferred stock**.**

Basic and Diluted Net Income (Loss) Per Share

The Company computes net income (loss) per share in accordance with ASC Topic 260, "Earnings per Share" which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. As of June 30, 2023 and 2022, there were approximately 3,339,000,000 and 3,164,000,000 common stock equivalents, respectively, which were antidilutive due to the Company's losses.

Recent Accounting Pronouncements

All recent accounting standards issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the SEC did not or are not believed by management to have a material impact on the Company's consolidated financial statements.

Results of Operations

Financial Presentation

The following sets forth a discussion and analysis of InnovaQor's consolidated financial condition and results of operations as of and for the six months ended June 30, 2023 and 2022.This discussion and analysis should be read in conjunction with our consolidated financial statements appearing elsewhere in this filing. The following discussion contains forward-looking statements. Our actual results may differ significantly from the results discussed in such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" of our Form 10-K.

Comparison of the Three Months Ended June 30, 2023 and 2022

The following summary of our condensed consolidated results of operations should be read in conjunction with our interim consolidated financial statements as of and for the three months ended June 30, 2023, and 2022, which are included herein.

The following table summarizes the results of our consolidated operations for the three months ended June 30, 2023 and 2022 (unaudited):

	Three Months Ended June 30,		
	2023	**2022**	**Change**
Net revenues	$ 190,853	$ 94,511	$ 96,342
Operating expenses:			
Direct costs of revenue	182,412	80,768	101,644
General and administrative expenses	638,603	337,695	300,408
Total operating expenses	820,515	418,463	402,052
Loss from operations	(629,662)	(323,952)	(305,710)
Other (Expense)	(156,333)	(17,835)	(138,498)
Loss before income taxes	(785,995)	(341,787)	(444,208)
Provision for income taxes	—	—	—
Net loss	$ (785,995)	$ (341,787)	$ (444,208)

Net Revenues

Net revenues were $190,853 and $94,511 for the three months ended June 30, 2023, and 2022, respectively. The increased revenues were a result of increased prices, new features and revenue from existing customers.

Direct Costs of Revenue

Direct costs of revenue increased by $101,644 compared to the three months ended June 30, 2022, principally due to an increase in payroll expenses.

General and Administrative Expenses

General and administrative expenses increased by $300,408 compared to the three months ended June 30, 2022, principally due to increases in professional and consultant fees.

Loss from Operations

Our operating loss increased by $(305,710) for the three months ended June 30, 2023, when compared to a loss of $(323,952) for the same period last year. The increase was due principally to an increase in administrative costs and direct operating costs.

Net Loss

Our net loss was $785,995 for the three months ended June 30, 2023, as compared to a net loss of $341,787 for the three months ended June 30, 2022. The $444,208 increase in net loss was principally due to the increase in our general and administrative expenses.

Comparison of the Six Months Ended June 30, 2023 and 2022

The following summary of our condensed consolidated results of operations should be read in conjunction with our interim consolidated financial statements as of and for the six months ended June 30, 2023, and 2022, which are included herein.

The following table summarizes the results of our consolidated operations for the six months ended June 30, 2023 and 2022 (unaudited):

	Six Months Ended June 30,		
	2023	**2022**	**Change**
Net revenues	$ 366,768	$ 191,327	$ 175,441
Operating expenses:			
Direct costs of revenue	302,294	255,856	46,438
General and administrative expenses	945,740	520,974	424,766
Total operating expenses	1,248,034	776,830	471,204
Loss from operations	(881,266)	(585,503)	(295,763)
Other (Expense)	(229,794)	(21,007)	(208,787)
Loss before income taxes	(1,111,060)	(606,510)	(504,050)
Provision for income taxes	—	—	—
Net loss	$ (1,111,060)	$ (606,510)	$ (504,050)

Net Revenues

Net revenues were $366,768 and $191,327 for the six months ended June 30, 2023, and 2022, respectively. The increased revenues were a result of increased prices, new features and revenue from existing customers.

Direct Costs of Revenue

Direct costs of revenue increased by $46,438 compared to the six months ended June 30, 2022, principally due to an increase in payroll and related expenses.

General and Administrative Expenses

General and administrative expenses increased by $424,766 compared to the six months ended June 30, 2022, principally due to increases in professional and consultant fees.

Loss from Operations

Our operating loss increased by $295,763 for the six months ended June 30, 2023, when compared to a loss of $585,503 for the same period last year. The increase was due principally to an increase in our general and administrative expenses.

Net Loss

Our net loss was $1,111,060 for the six months ended June 30, 2023, as compared to a net loss of $606,510 for the six months ended June 30, 2022. The $504,550 increase in net loss was principally due to the increase in our general and administrative expenses.

Liquidity and Capital Resources

As of June 30, 2023, we had $115,607 in total assets including cash and cash equivalents of $34,101, as compared to $41,641 in total assets including cash and cash equivalents of $5,415 as of December 31, 2022. The increase in total assets is primarily attributable to the increase in Cash and Accounts Receivable.

As of June 30, 2023, we had total liabilities of $14,889,511 including accounts payable of $1,450,975, accrued expenses of $1,561,813, related party advances of $876,998, notes payable of $1,664,968, and Preferred Stock liabilities of $9,334,757. As of June 30, 2022, we had total liabilities of $13,734,485 including accounts payable of $1,239,945, accrued expenses of $1,638,071, notes payable of $1,632,823 and Preferred Stock liabilities of $9,223,646. The increase is mainly due to an increase in accounts payable and related party advances to fund the operations.

Cash Flow from Operating Activities

Net cash used in operations for the six months ended June 30, 2023, was $775,602 as compared to $512,491 for the six months ended June 30, 2022.

The increased increase in cash used was mostly attributed to payroll for the quarter.

Cash Flow from Investing Activities

Net cash used in investing activities for the six months ended June 30, 2023 and 2022, was $0.

Cash Flow from Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2023, was $784,288 as compared to $519,043 for the six months ended June 30, 2022. The increase was due to additional advances from the former Parent in the six months ended June 30, 2023.

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

Capitalization

The following table sets forth InnovaQor's capitalization as of June 30, 2023, and December 31, 2022, on an historical basis. In addition, it is not indicative of our future capitalization. This table should be read in conjunction with InnovaQor's financial statements and notes thereto included elsewhere herein.

The following table sets forth our cash and capitalization as of June 30, 2023, and December 31, 2022:

	June 30, 2023	December 31, 2022
Cash	$ 34,101	$ 5,415
Stockholders' Equity		
Preferred Series A-1 Stock, Par Value $0.0001, 1,000 shares authorized, 1,000 shares issued and outstanding	—	—
Preferred Series D Stock, Par Value $0.0001 and stated value $100, 500 shares authorized, 300 shares issued and outstanding June 30, 2023	30,000	—
Common stock, Par Value $0.0001, 2,000,000,000 shares authorized, 244,953,286 issued and outstanding	24,495	24,495
Additional Paid-in Capital	5,906,742	5,906,742
Total capitalization	$ 5,995,338	$ 5,936,652

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable

Item 4. Controls and Procedures.

Management does not expect that its internal controls over financial reporting will prevent all errors and all fraud. Control systems, no matter how well conceived and managed, can provide only reasonable assurance that the objectives of the control system are met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including the principal executive officer and principal financial officer, as of June 30, 2023 the Company conducted an evaluation of its disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended. Based on this evaluation, the principal executive officer and principal financial officer have concluded that, based on the material weaknesses discussed below, the disclosure controls and procedures were not effective as of such date to ensure that information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act were recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that its disclosure controls are not effectively designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act is accumulated and communicated to management, including the principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The Company's internal controls are not effective for the following reasons, (1) there are no entity level controls, because of the limited time of the Company's officers, (2) there is no separate audit committee, and (3) the Company has not implemented adequate system and manual controls. As a result, the Company's internal controls have inherent weaknesses, which may increase the risks of errors in financial reporting under current operations and accordingly are not effective as evaluated against the criteria set forth in the Internal Control – Integrated Framework issued by the committee of Sponsoring Organizations of the Treadway Commission (2013 version). Based on the evaluation, management concluded that the Company's internal controls over financial reporting were not effective as of June 30, 2023.

Even though there are inherent weaknesses, management has taken steps to minimize the risk. The Company uses a third-party consultant CFO to review transactions for appropriate technical accounting, reconcile accounts, review significant transactions and prepare financial statements. Any deviation or errors are reported to management.

The Company can provide no assurance that its internal controls over financial reporting will be compliant in the near future. As revenues permit, the Company will enhance its internal controls through additional software and other means. If and when it obtains funding, the Company will create an audit committee comprised of independent directors.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the last quarterly period covered by this report that have materially affected, or are likely to affect, the internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

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

P2P Staffing Corp. received a judgment against HTS during 2018 in the amount of $58,784 plus accrued interest and court costs for amounts owed. As of June 30, 2023 and December 31, 2022, $10,464 was outstanding and owed for this judgment and included in accounts payable at each respective balance sheet date.

Two former employees of CollabRx, Inc., one of the acquired subsidiaries, filed suits in a California state court against the former Parent, Rennova and CollabRx, Inc., in connection with amounts claimed to be owed under their respective employment agreements with CollabRx, Inc. One former employee received a judgment for approximately $253,000, which Rennova has paid in full. The other former employee received a judgment for approximately $173,000.

Item 1A. Risk Factors.

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

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

On June 26, 2023, the Company issued 100 shares of Series C-1 Preferred Stock to a consultant for services rendered in connection with software development. These securities were not registered under the Securities Act of 1933, as amended (the "Securities Act"), but were issued in reliance upon the exemption from registration contained in Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

31.1	Rule 13a-14(a) Certification by the Principal Executive Officer.*
31.2	Rule 13a-14(a) Certification by the Principal Financial Officer.*
32.1	Certification by the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2	Certification by the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Link base Document
101.DEF	Inline XBRL Definition Link base Document
101.LAB	Inline XBRL Label Link base Document
101.PRE	Inline XBRL Presentation Link base Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

** Furnished herewith

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.

INNOVAQOR, INC.

Date: August 21, 2023

By: */s/ Darrell Peterson*
Darrell Peterson
Chief Executive Officer
(Principal Executive Officer)

By: */s/ Thomas J. Bellante*
Thomas J. Bellante
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 31.1

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

I, Darrell Peterson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of InnovaQor, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s), if any, and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s), if any, and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Darrell Peterson
Darrell Peterson
Chief Executive Officer
(Principal Executive Officer)

Dated: August 21, 2023

EXHIBIT 31.2

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

I, Thomas J. Bellante, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of InnovaQor, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s), if any, and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s), if any, and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Thomas J. Bellante
Thomas J. Bellante
Chief Financial Officer
(Principal Financial Officer)

Dated: August 21, 2023

EXHIBIT 32.1

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

In connection with the Quarterly Report of InnovaQor, Inc., a Nevada corporation (the "Company"), on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Darrell Peterson, Chief Executive Officer of the Company, certify, pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sec. 1350), that to the best of my knowledge:

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

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

/s/ Darrell Peterson

Darrell Peterson
Chief Executive Officer
Dated: August 21, 2023

EXHIBIT 32.2

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

In connection with the Quarterly Report of InnovaQor, Inc., a Nevada corporation (the “Company”), on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission (the “Report”), I, Thomas J. Bellante, Chief Financial Officer of the Company, certify, pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sec. 1350), that to the best of my knowledge:

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

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

/s/ Thomas J. Bellante

Thomas J. Bellante
Chief Financial Officer
Dated: August 21, 2023