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

FORM 10-K

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

For the fiscal year ended December 31, 2024

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: **1-37649**

FIEE, INC.
f/k/a
Minim, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**04-2621506**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

Flat A1, 29/F, Block A, TML Tower, 3 Hoi Shing Road, Tsuen Wan, Hong Kong
(Address of Principal Executive Office) (Zip Code)

852-28166813
(*Registrant's telephone number, including area code)*

Securities Registered Pursuant to Section 12 (b) of the Act:

Title of Each Class	Trading Symbol	Name of Exchange on which Registered
Common Stock, $0.01 par value	MINM	The Nasdaq Capital Market*

Currently suspended. *

Securities Registered Pursuant to Section 12 (g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Yes ☐ No ☒

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 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. (Check one):

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

Based on the closing price as of June 28, 2024, which was the last business day of the registrant’s most recently completed second fiscal quarter, the aggregate market value of the common stock held by nonaffiliates of the registrant was $3.9 million.

The number of shares outstanding of the registrant’s common stock, $0.01 par value, as of April 8, 2025 was 4,913,792 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Certain parts of Item 1 of Part 1, certain parts of Part 5, and Items 10, 11, 12, 13 and 14 of Part III of this Form 10-K incorporate information by reference from the definitive proxy statement for our 2025 annual meeting of stockholders, which is to be filed within 120 days after the end of the fiscal year ended December 31, 2024. Except with respect to the information specifically incorporated by reference in this Form 10-K, the Proxy Statement is not deemed to be filed as part hereof.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, including the information contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as information contained in "Risk Factors" in Item 1A and elsewhere in this Annual Report on Form 10-K, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend that these forward-looking statements be subject to the safe harbors created by those provisions. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, to continue as a going concern 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 such forward-looking statements. These forward-looking 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, performance or achievements expressed or implied by the forward-looking statements. All forward-looking statements are based upon estimates, forecasts and assumptions that, while considered reasonable by the Company and its management, are inherently uncertain and many factors that could cause or contribute to differences in our future financial results include, but are not limited to, risks associated with:

- our ability to meet listing requirements for the Nasdaq Stock Market (the "Nasdaq"), including the ability to satisfy the continued listing criteria of the Nasdaq or obtain the Nasdaq approval to resume trading on the Nasdaq;
- our ability to predict revenue and reduce costs related to our products or service offerings;
- our ability to raise substantial additional capital to finance our planned operations and to continue as a going concern;
- the sufficiency of our capital resources and the availability of debt and equity financing; and
- our reliance on the continued service of key employees.

Although we believe that the assumptions underlying the forward-looking statements contained in this Annual Report are reasonable, any of the assumptions could be inaccurate, and therefore there can be no assurance that such statements will be accurate. The risks, uncertainties and assumptions referred to above that could cause our results to differ materially from the results expressed or implied by such forward-looking statements include, but are not limited to, those discussed under the heading "Risk Factors" in Part I, Item 1A hereto and the risks, uncertainties and assumptions discussed from time to time in our other public filings and public announcements. All forward-looking statements included in this document are based on information available to us as of the date hereof. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved. Furthermore, past performance in operations and share price is not necessarily indicative of future performance. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

As used in the Annual Report on Form 10-K, the terms "we," "us," "our," "FiEE" and the "Company" mean FiEE, Inc. (formerly, Minim, Inc.) and its wholly owned subsidiaries, unless the context indicates otherwise.

PART I

ITEM 1 – BUSINESS

Overview

We were incorporated in Delaware in 1993 and have gone through several iterations in our lines of businesses, including, most recently for the fiscal year ended December 31, 2024, our legacy business of providing consumer networking and intelligent software services.

On March 12, 2024, we entered into a merger agreement with MME Sub 1 LLC, a Florida corporation and our wholly-owned subsidiary that was incorporated solely for the purpose of entering into such merger agreement, and e2Companies LLC, a Florida limited liability company. The merger has since been abandoned and we are in the process of dissolving MME Sub 1 LLC.

On February 18, 2025, we entered into, and simultaneously closed the transactions under, a purchase agreement (as further described under *Material Contracts – Securities Purchase Agreement*) with a group of new purchasers who purchased certain of our securities and receivables.

On March 25, 2025, we entered a non-binding letter of intent (as further described under *Material Contracts – Non-binding letter of intent*), through our newly established subsidiary, FiEE (HK) Limited, a Hong Kong limited liability company, which was incorporated on March 5, 2025, with certain sellers for their equity interests in Suzhou Yixuntong Network Technology Co., Ltd, and commenced new business operations focused on integrating the use of artificial and big data into rendering artistic works.

As of April 10, 2025, we have stopped substantially all of our legacy business from fiscal year ended December 31, 2024.

We are currently a digital service provider focused on integrating artificial intelligence and data analytics into content creation and brand management. We offer a range of services designed to support creators, artists, and businesses in developing, managing, and optimizing their digital presence across global platforms, including customized graphic and posts, short videos, and editorial calendars aligned with brand goals.

Services Overview

We provide digital content management solutions and brand growth strategies primarily through three service verticals: (1) digital account management, (2) content operations and growth analytics, and (3) community engagement and creator partnerships. These services are structured to support clients at varying stages of digital development, from initial account setup to multi-platform brand promotion.

Digital Account Management

We offer a tiered set of service plans that support clients in establishing and maintaining digital accounts on international platforms. Services range from basic setup and content scheduling to advanced search engine optimization (SEO), visual branding, and content performance analysis. Our service plans include:

- **Global Premium Plan**: Includes setup and management of up to three accounts, advanced SEO strategies, brand visual design, production of over 120 posts and 24 short videos annually, monthly performance reporting, influencer marketing coordination, and unlimited strategic consultations.

- **Overseas Basic Plan**: Includes setup of one account, quarterly SEO updates, production of 48 posts and 12 short videos annually, and competitor analysis twice a year.

- **Starter Plan**: Includes basic account setup, fundamental SEO support, 24 posts per quarter, and access to simplified performance analytics.

Content Operations and Analytics

We support content creation through customized graphic, text, and video production tailored to the client's brand objectives. We also provide strategic guidance on traffic growth, including trend-based optimization and third-party influencer engagement. Monthly reporting includes performance metrics, competitor benchmarking, and actionable recommendations for content refinement.

Community Engagement

We offer daily interaction support for managed accounts, including fan engagement, comment moderation, and community management. Crisis response strategies and tailored growth support are available based on client needs.

Multi-Channel Network (MCN) Partnerships

We operate under a centralized content ownership and monetization model in its partnerships with content creators. Under its standard agreement:

- We retain full operational control over content, monetization, and analytics.

- Creators are provided with content review windows via a proprietary software platform.

- All commercial revenue, including advertising, livestream sales, and brand collaborations, is retained by us, unless otherwise contractually negotiated.

- Intellectual property rights to produced content are held by us, with attribution to creators.

- Termination prior to the end of a contract term may require compensation related to audience development and data transfer.

Strategy

We position ourselves at the intersection of technology and creative production, offering infrastructure and strategic support to clients seeking to expand their visibility in digital markets. We leverage emerging technologies such as artificial intelligence and predictive analytics to enhance content workflows and improve reach and engagement outcomes for its clients.

Suspended Trading Status from the Nasdaq

On June 26, 2024, we received a letter from the staff at the Listing Qualifications Department of the Nasdaq (the "Staff") notifying us that the Staff had determined that we did not meet the terms of the minimum stockholders' equity requirement of at least $2,500,000 (the "Stockholders' Equity Requirement") for continued listing on the Nasdaq Capital Market pursuant to the Nasdaq Listing Rule 5550(b)(1). On June 28, 2024, we appealed the Staff's determination of delisting our securities from the Nasdaq Capital Market because of our failure to meet the Stockholders' Equity Requirement to the Nasdaq Listing and Hearing Review Council.

On October 25, 2024, we filed with the Securities and Exchange Commission (the "SEC") an application for review ("Review Proceeding"), pursuant to 15 U.S.C.S. § 78s(d), the October 24, 2024 decision of the Nasdaq to delist our securities and to deny us the right to a hearing on such delisting, by incorrectly deeming our appeal abandoned, and then denying us the right to appeal the Nasdaq's decision deeming the Company's right to a hearing as abandoned requests. In conjunction with the submission of this appeal, we also submitted to the SEC a motion for an emergency stay of the delisting, pursuant to the SEC's Rule of Practice 401. On November 1, 2024, the SEC granted us an administrative stay of the delisting pending further order of the SEC, to give the SEC an opportunity to consider our motion for a stay.

On February 25, 2025, the SEC granted our motion for a stay of the delisting, pending the completion of the Review Proceeding, and found that we had shown a sufficient likelihood that we will prevail on our claim that the Nasdaq did not follow its own rules when it denied us the ability to appeal the hearing abandonment determination to the Nasdaq Hearings Panel.

On April 7, 2025, we received a letter from the Staff on its additional determinations (the "Additional Deficiencies") that we failed to comply with the Nasdaq's shareholder approval requirements pursuant to the Nasdaq Listing Rule 5635 (b), (c) and (d) for the closing of the transactions under the Purchase Agreement (as defined and further described under *Material Contracts – Securities Purchase Agreement*), and do not currently comply with the Nasdaq's majority independent board, independent audit committee, compensation committee and nomination committee requirements as set forth in the Nasdaq Listing Rule 5605(b)(1), 5605(c)(2), 5605(d)(2) and 5605(e), respectively.

The Nasdaq has offered us an opportunity to present our views in writing with respect to the Additional Deficiencies and the previously noticed shareholder equity requirement deficiency to the Nasdaq Hearings Panel in advance of a hearing in front of the Nasdaq Hearings Panel. Consistent with the Nasdaq Listing Rule 5815(a)(4)-(5), the Nasdaq Hearings Panel will set the applicable deadlines for written submissions, and the hearing shall take place, to the extent practicable, within 45 days of the date of the Nasdaq's letter on April 7, 2025.

As of April 10, 2025, our common stock remains suspended from trading on the Nasdaq.

Material Contracts

Securities Purchase Agreement

On February 18, 2025, we entered into, and simultaneously closed the transactions under, that certain Amended and Restated Securities Purchase Agreement ("Purchase Agreement") among Cao Yu, Hu Bin, and Youxin Consulting Limited, a Hong Kong company (collectively, the "Purchasers"), David Lazar ("Seller") and the Company, whereby Seller (a) sold to the Purchasers (i) 2,219,447 shares of Series A Convertible Preferred Stock, $0.001 par value per share ("Seller Preferred Stock"), and (ii) a warrant to purchase up to an additional 2,800,000 shares of common stock, par value $0.01 per share ("Common Stock"), with an exercise price equal to $1.00 per share, subject to adjustment therein (the "Warrant", and together with the Seller Preferred Stock, the "Securities"), and (b) granted Youxin Consulting Limited a power of attorney over 2,656,980 shares of Common Stock and 85,910 shares of Series A Convertible Preferred Stock, $0.001 par value per share). Purchasers also purchased certain receivables that we owed to Seller (the "Lazar Receivables"). The purchase price for the Securities and the Lazar Receivables was $500,000.

As further consideration for the sale of the Securities, Seller has the opportunity to be paid by the Purchasers an additional $3,400,000, less any indemnity and other obligations payable by Seller, if (i) Seller has used best efforts to obtain a decision from the SEC that the Nasdaq must hold a hearing to consider the merits of the Company's appeal from being delisted from the Nasdaq, (ii) the Company's common stock is listed on the Nasdaq on or before December 31, 2025 and (iii) Seller has continued to provide services to the Company in furtherance of achieving such Nasdaq listing through the listing date. Additionally, if the foregoing is achieved, Seller will also receive a number of newly issued shares of common stock of the Company equal to 3% of the then outstanding shares of common stock on the date the Company's common stock is listed on the Nasdaq.

The Purchase Agreement includes a covenant that, promptly following the closing, the Company will take all actions reasonably necessary to amend its certificate of incorporation to increase the Stated Value (as defined in the certificate of incorporation) of the Series A Convertible Preferred Stock from $1.40 to $2.75 in consideration for cancelling the Warrant and forgiving the Lazar Receivables.

The Purchase Agreement also contains customary representations, warranties and agreements of the Company, Seller and the Purchasers, indemnification rights and other obligations of the parties.

Non-Binding Letter of Intent

On March 25, 2025, we entered into a non-binding letter of intent ("LOI") with Hongyan Sun and Lin Lin (collectively, the "LOI Sellers"), pursuant to the terms of which the LOI Sellers will transfer 100% of their equity interests in Suzhou Yixuntong Network Technology Co., Ltd. ("Target Company") to the Company (the "Potential Transaction") for a purchase price not to exceed $2,000,000. The Company shall make a prepayment of $300,000 to the LOI Sellers, as soon as practicable, upon the signing of the LOI.

Upon the signing of this LoI, the Target Company and the LOI Sellers (i) have granted the access of the Target Company's service ports to the Company; (ii) have connected the Company to the Target Company's Software as a Service platform; (iii) and is working with the Company to ensure it can carry out the Multi-Channel Network business in the second quarter of 2025.

The Potential Transaction is subject to the Company's satisfactory completion of legal, tax, financial, operation, human resources and administration, and environmental due diligence of the Target Company and such other due diligence as the Company may deem necessary.

The Company and the LOI Sellers expect to complete the Potential Transaction as soon as reasonably practicable, but in no event later than six (6) months after signing of the LOI (the "Long-Stop Date"). The LOI Sellers have agreed that that, from the date of the LOI through the Long-Stop Date, or the date when the Company informs the LOI Sellers that the exclusivity expires, whichever occurs earlier, the Sellers shall refrain, directly or indirectly from (i) soliciting offers from third parties to acquire Target Company and/or its business, and from offering Target Company or its business to any person, firm, group or corporation other than the Company; and (ii) entering into any agreement aimed at selling or otherwise transferring Target Company or the business or that may otherwise prevent the parties from consummating the Potential Transaction.

Name Change

In connection with the closing of the Purchase Agreement, we have changed our name from Minim, Inc. to FiEE, Inc., effective as of February 27, 2025. We have submitted an Issuer Company-Related Action Notification Form to the Financial Industry Regulatory Authority ("FINRA") to request that the Company's name be updated in FINRA's records to its current name.

Human Capital

As of December 31, 2024, we had no full-time employees.

ITEM 1A. – RISK FACTORS

Risks Related to Our Company

After the cessation of our legacy business and since transitioning to new product offerings upon the closing of the Purchase Agreement, we do not have a significant revenue generating business.

Prior to the cessation of our legacy business, our principal assets, product offerings and business primarily consisted of providing consumer networking and intelligent software services. After the closing of the transactions under the Purchase Agreement on February 18, 2025, we have transitioned to becoming a digital service provider and our current business operations focus on integrating artificial intelligence and data analytics into content creation and brand management. However, as we are still in the early stages of our new business offerings as of April 10, 2025, we have had limited operations and have received limited revenue from our operations. As a result, it may be difficult for an investor to make a determination as to the possible success or failure of our business.

We may fail to successfully execute our business plan.

Our shareholders may lose their investment if we fail to execute our business plan. Our prospects must be considered in light of the certain risks and uncertainties, including but not limited to, competition and the ability to retain experienced personnel and general economic conditions. We cannot guarantee that we will be successful in executing our business plan. If we fail to successfully execute our business plan, our shareholders may lose their entire investment.

The Company may suffer from lack of availability of additional funds.

We expect to have ongoing needs for working capital in order to fund operations and to continue to expand our operations. To that end, we will be required to raise additional funds through equity or debt financing. However, there can be no assurance that we will be successful in securing additional capital on favorable terms, if at all. If we are successful, whether the terms are favorable or unfavorable, there is a potential that we will fail to comply with the terms of such financing, which could result in severe liability for our Company. If we are unsuccessful, we may need to (a) initiate cost reductions; (b) forego business development opportunities; (c) seek extensions of time to fund liabilities, or (d) seek protection from creditors. In addition, any future sale of our equity securities would dilute our existing shareholders and could be at prices substantially below prices at which our shares currently trade. Our inability to raise capital could require us to significantly curtail or terminate our operations altogether. We may seek to increase our cash reserves through the sale of additional equity or debt securities. The sale of convertible debt securities or additional equity securities could result in additional and potentially substantial dilution to our shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations and liquidity. In addition, our ability to obtain additional capital on acceptable terms is subject to a variety of uncertainties.

In addition, if we are unable to generate adequate cash from operations, and if we are unable to find sources of funding, it may be necessary for us to sell all or a portion of our assets, enter into a business combination, or reduce or eliminate operations. These possibilities, to the extent available, may be on terms that result in significant dilution to our shareholders or that result in our shareholders losing all of their investment in us.

Our acquisition strategy creates risks for our business.

We expect that we will pursue acquisitions of other businesses, assets or technologies to grow our business. We may fail to identify attractive acquisition candidates or we may be unable to reach acceptable terms for future acquisitions. We might not be able to raise enough cash to compete for attractive acquisition targets. If we are unable to complete acquisitions in the future, our ability to grow our business will be impaired.

We may pay for acquisitions by issuing additional shares of our common stock, which would dilute our stockholders, or by issuing debt, which could include terms that restrict our ability to operate our business or pursue other opportunities and subject us to meaningful debt service obligations. We may also use significant amounts of cash to complete acquisitions. To the extent that we complete acquisitions in the future, we likely will incur future depreciation and amortization expenses associated with the acquired assets. We may also record significant amounts of intangible assets, including goodwill, which could become impaired in the future. Acquisitions involve numerous other risks, including:

- difficulties integrating the operations, technologies, services and personnel of the acquired companies;
- challenges maintaining our internal standards, controls, procedures and policies;
- diversion of management's attention from other business concerns;
- over-valuation by us of acquired companies;
- litigation resulting from activities of the acquired company, including claims from terminated employees, customers, former stockholders and other third parties;
- insufficient revenues to offset increased expenses associated with the acquisitions and unanticipated liabilities of the acquired companies;
- insufficient indemnification or security from the selling parties for legal liabilities that we may assume in connection with our acquisitions;
- entering markets in which we have no prior experience and may not succeed;
- risks associated with foreign acquisitions, such as communication and integration problems resulting from geographic dispersion and language and cultural differences, compliance with foreign laws and regulations and general economic or political conditions in other countries or regions;
- potential loss of key employees of the acquired companies; and
- impairment of relationships with clients and employees of the acquired companies or our clients and employees as a result of the integration of acquired operations and new management personnel.

We may be unable to scale our operations successfully.

Our growth strategy will place significant demands on our management and financial, administrative and other resources. Operating results will depend substantially on the ability of our officers and key employees to manage changing business conditions and to implement and improve our financial, administrative and other resources. If we are unable to respond to and manage changing business conditions, or the scale of its operations, then the quality of our services, our ability to retain key personnel, and our business could be harmed.

We may suffer from a lack of liquidity.

By incurring indebtedness, we subject ourselves to increased debt service obligations which could result in operating and financing covenants that would restrict our operations and liquidity. This would impair our ability to hire the necessary senior and support personnel required for our business, as well as carry out our acquisition strategy and other business objectives.

We do not currently have an independent board of directors, or committees of the board of directors.

Our board of directors currently consists of one sole director, our former Chief Executive Officer, David Lazar, and we have determined that he is not considered “independent” under the definition set forth in the listing standards of the Nasdaq. We do not have a board of directors that consists of a majority of independent directors. Nor have we established committees of the board of directors. However, we plan to establish an independent audit committee, compensation committee and nomination committee pursuant to the Nasdaq listing standards in connection with seeking re-listing on the Nasdaq.

The requirements of remaining a public company may strain our resources and distract our management, which could make it difficult to manage our business.

We are required to comply with various regulatory and reporting requirements, including those required by the SEC. Complying with these reporting and other regulatory requirements are time-consuming and expensive and could have a negative effect on our business, results of operations and financial condition.

We are required to comply with certain provisions of Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”) and if we fail to continue to comply, our business could be harmed, and the price of our securities could decline.

Rules adopted by the SEC pursuant to Section 404 of the Sarbanes-Oxley Act require an annual assessment of internal control over financial reporting, and for certain issuers an attestation of this assessment by the issuer’s independent registered public accounting firm. The standards that must be met for management to assess the internal control over financial reporting as effective are evolving and complex, and require significant documentation, testing, and possible remediation to meet the detailed standards. We expect to incur significant expenses and to devote resources to Section 404 compliance on an ongoing basis. It is difficult for us to predict how long it will take or costly it will be to complete the assessment of the effectiveness of our internal control over financial reporting for each year and to remediate any deficiencies in our internal control over financial reporting. As a result, we may not be able to complete the assessment and remediation process on a timely basis. In the event that we determine that our internal control over financial reporting is not effective as defined under Section 404, we cannot predict how regulators will react or how the market prices of our securities will be affected; however, we believe that there is a risk that investor confidence and the market value of our securities may be negatively affected.

Risks Related to Our Common Stock

We have not been in compliance with the Nasdaq's requirements for continued listing and as a result our common stock has been suspended from trading on the Nasdaq, and in the future it may be delisted from trading on the Nasdaq, which has had and will continue to have a material effect on us and our stockholders.

We currently do not meet the Nasdaq's Stockholders' Equity Requirement and are suspended from trading on the Nasdaq. Additionally, the Nasdaq, in its letter to us on April 7, 2025, also raised the Additional Deficiencies that we failed to comply with the Nasdaq's shareholder approval requirements pursuant to the Nasdaq Listing Rule 5635 (b), (c) and (d) for the closing of the transactions under the Purchase Agreement, and that we do not currently comply with the Nasdaq's majority independent board, independent audit committee, compensation committee and nomination committee requirements as set forth in the Nasdaq Listing Rule 5605(b)(1), 5605(c)(2), 5605(d)(2) and 5605(e), respectively.

There can be no assurance whether or when the suspension of trading on the Nasdaq will be lifted. If our common stock is delisted, there can be no assurance whether or when it would again be listed for trading on the Nasdaq or any other exchange. If our common stock is delisted, the market price of our shares will likely decline further and become more volatile, and our stockholders may find that their ability to trade in our stock will be adversely affected. Furthermore, institutions whose charters do not allow them to hold securities in unlisted companies might sell our shares, which could have a further adverse effect on the price of our stock. In addition, our ability to hire and retain key personnel and employees may be adversely affected by volatility or reductions in the price of our common stock, since these employees are generally granted equity-based awards. We have previously experienced and may continue to experience employee attrition and difficulty attracting talent as a result of these issues. We may not be successful in attracting, integrating, or retaining qualified personnel to fulfill our current or future needs, nor may we be successful in keeping the qualified personnel we currently have.

Our common stock currently trades on the Pink Tier of OTC Markets and investors may have difficulty buying and selling our shares or obtaining market quotations for them.

Our common stock currently trades on the Pink Tier of OTC Market Group LLC's Marketplace. The Company plans to update its symbol, pending FINRA's update of our name in its records. The OTC Market is a network of security dealers who buy and sell stock. The dealers are connected by a computer network that provides information on current "bids" and "asks," as well as volume information. The trading of securities on the OTC Pink is often sporadic and investors may have difficulty buying and selling our shares or obtaining market quotations for them, which may have a negative effect on the market price of our common stock.

A large portion of our common stock is controlled by a small number of shareholders.

A large portion of our common stock is held by a small number of shareholders, including shares held by Youxin Consulting Limited, a Hong Kong company wholly controlled by our Chief Executive Officer, Li Wai Chung, and shares held by our Chief Financial Officer, Cao Yu, Hu Bin, one of the three purchasers under the Purchase Agreement, and David Lazar, our current sole director. As a result, these shareholders are able to influence the outcome of shareholder votes on various matters, including the election of directors and extraordinary corporate transactions including business combinations.

Furthermore, any additional equity financing or purchases of additional shares of our common stock from these shareholders may further reduce the public float and liquidity of our common stock which can in turn affect the market price of our common stock.

The sale of the additional shares of common stock could cause dilution as well as the value of our common stock to decline.

The sale of a substantial number of shares of our common stock, or anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish. Further, if we do sell or issue more common stock, any investors' investment in us will be diluted. Dilution is the difference between what you pay for your stock and the net tangible book value per share immediately after the additional shares are sold by us. If dilution occurs, any investment in our common stock could seriously decline in value.

Our common stock constitutes restricted securities and is subject to limited transferability.

All of our common stock shares, should be considered a long-term, illiquid investment. In addition, our common stock, is not registered under any state securities laws that would permit their transfer. Because of these restrictions and the absence of an active trading market for our securities, a stockholder will likely be unable to liquidate an investment even though other personal financial circumstances would dictate such liquidation.

Our common stock price may decrease due to factors beyond our control.

The stock market from time to time has experienced extreme price and volume fluctuations, which have particularly affected the market prices for early stage companies and which often have been unrelated to the operating performance of the companies. These broad market fluctuations may adversely affect the market price of our stock if a trading market for our stock ever develops. If our shareholders sell substantial amounts of their stock in the public market, the price of our stock could fall. These sales also might make it more difficult for us to sell equity, or equity-related securities, in the future at a price we deem appropriate.

The market price of our stock may also fluctuate significantly in response to, but not limited, to the following factors, most of which are beyond our control:

- variations in our quarterly operating results,
- changes in general economic conditions,
- changes in market valuations of similar companies,
- announcements by us or our competitors of significant acquisitions, strategic partnerships or joint ventures, or capital commitments; and
- poor reviews from equity research analysts.

Any such fluctuations may adversely affect the market price or value of our common stock, regardless of our actual operating performance. As a result, stockholders may be unable to sell their shares, or may be forced to sell them at a loss.

Our common stock is subject to the application of the "penny stock" rules which could adversely affect the market price of our common stock and increase transaction costs to sell those shares.

The SEC has adopted rule 3a51-1 which establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than $5.00 per share or with an exercise price of less than $5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, Rule 15g-9 requires:

- that a broker or dealer approve a person's account for transactions in penny stocks, and
- the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

- obtain financial information and investment experience objectives of the person, and
- make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the SEC relating to the penny stock market, which, in highlight form:

- sets forth the basis on which the broker or dealer made the suitability determination and

- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our stock.

The market price for our common stock is particularly volatile which could lead to wide fluctuations in our share price. You may be unable to sell your common stock shares at or above your purchase price, or at all, which may result in substantial losses to you.

The market for our common stock is characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price will continue to be more volatile than a seasoned issuer for the indefinite future. As a consequence of this enhanced risk, more risk-adverse investors may, under the fear of losing all or most of their investment in the event of negative news or lack of progress, be more inclined to sell their shares on the market more quickly and at greater discounts than would be the case with the stock of a seasoned issuer. Many of these factors are beyond our control and may decrease the market price of our common stock regardless of our operating performance. We cannot make any predictions or projections as to what the prevailing market price for our common stock shares will be at any time, or as to what effect the sale of shares or the availability of common stock shares for sale at any time will have on the prevailing market price.

Because we will likely issue additional shares of our common stock, investment in the Company could be subject to substantial dilution.

Investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per share when we issue additional shares. We are authorized to issue 60,000,000 shares of common stock. We anticipate that all or at least some or potentially all of our future funding, if any, will be in the form of equity financing from the sale of our common stock. If we do sell or issue more common stock, any investors' investment in the Company will be diluted. Dilution is the difference between what you pay for your stock and the net tangible book value per share immediately after the additional shares are sold by us. If dilution occurs, any investment in the Company's common stock could seriously decline in value.

FINRA sales practice requirements may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, FINRA has adopted FINRA Rule 2111 that requires a broker-dealer to have reasonable grounds for believing that an investment is suitable for a customer before recommending the investment. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any cash dividends on our stock and do not intend to pay any cash dividends in the foreseeable future. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors.

If we are unable to comply with the financial reporting requirements mandated by the SEC's regulations, investors may lose confidence in our financial reporting and the price of our common stock, if a market ever does develop for it, could decline.

If we fail to maintain effective internal controls over financial reporting, our ability to produce timely, accurate and reliable periodic financial statements could be impaired. If we do not maintain adequate internal control over financial reporting, investors could lose confidence in the accuracy of our periodic reports filed under the Exchange Act. Additionally, our ability to obtain additional financing could be impaired or a lack of investor confidence in the reliability and accuracy of our public reporting could cause our stock price to decline.

ITEM 1B. – UNRESOLVED STAFF COMMENTS

None.

ITEM 2 – PROPERTIES

The Company's headquarters are located at Flat A1, 29/F, Block A, TML Tower, 3 Hoi Shing Road, Tsuen Wan, Hong Kong, which are provided to the Company at no cost. We believe that these facilities are adequate at this time and that we will be able to obtain appropriate additional facilities or alternative facilities on commercially reasonable terms if and when necessary.

ITEM 3 – LEGAL PROCEEDINGS

From time to time, the Company and its subsidiaries subject to lawsuits, arbitrations, claims, and other legal proceedings arising in the ordinary course of business. Such legal actions may include claims for substantial or unspecified compensatory and/or punitive damages. Absolute assurance cannot be given that such actions will be resolved without costly litigation in a manner that is not adverse to our financial position, results of operations or cash flows. The Company is not currently a party to any material pending legal proceedings.

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5 – MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is currently traded on the OTC under the symbol "MINM". The closing price of our common stock on OTC was $0.95 per share on April 9, 2025. As of April 9, 2025, there were 4,913,792 shares of our common stock outstanding and 57 holders of record of our common stock.

Dividend Policy

We have never declared or paid cash dividends on our capital stock and do not plan to pay any cash dividends in the foreseeable future. Our current policy is to retain all of our earnings to finance future growth.

Repurchases by the Company

During the fiscal year ended December 31, 2024, we did not repurchase any shares of our common stock.

Equity Compensation Plan Information

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

ITEM 6 – SELECTED FINANCIAL DATA - [Reserved]

ITEM 7 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and related notes included in this Annual Report on Form 10-K. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties including those discussed under Part I, Item 1A, "Risk Factors." These risks and uncertainties may cause actual results to differ materially from those discussed in the forward-looking statements.

Overview

In our legacy business, we historically provided consumer networking and intelligent software service, including delivering comprehensive WiFi as a service platform to make everyone's connected home safe and supportive for life and work.

Generally, our gross margin for a given product depended on a number of factors, including the type of customer to whom we were selling. The gross margin for products sold to retailers tended to be higher than for some of our other customers; but the sales, support, returns, and overhead costs associated with products sold to retailers also tended to be higher.

Our cash and cash equivalents balance on December 31, 2024 was $30 thousand compared to $709 thousand on December 31, 2023. On December 31, 2024, we had no outstanding borrowings. Our working capital was $(0.3) million as of December 31, 2024.

The major changes in cash and cash equivalents during fiscal 2024 was a decrease of approximately $3.2 million in accounts payable, a decrease of $0.7 million in accounts receivable, a decrease of $0.4 million in inventory, and decrease in accrued expense of $0.8 million, offset by $2.2 million in vendor forgiveness, net of asset transfers and proceeds from common stock and preferred stock of $3.5 million. In fiscal 2024, the Company also had a net loss of $4.2 million, which contributed to a decrease in cash and cash equivalents.

The Company's ability to maintain adequate levels of liquidity depends in part on our ability to generate cash from operations and its ability to raise additional funds through equity or debt financing. The Company is evaluating options related to its liquidity. The Company will continue to monitor its costs in relation to its sales and adjust its cost structure accordingly.

In the years ended December 31, 2024 and 2023, we generated net sales of $0.6 million and $26.1 million, respectively.

Recent Accounting Standards

Please refer to Note 2 of the Notes to the Consolidated Financial Statements, which is incorporated herein by reference.

Critical Accounting Policies and Estimates

Following is a discussion of what we view as our more significant accounting policies and estimates pertaining to the operations of the Company. As described below, management judgments and estimates must be made and used in connection with the preparation of our consolidated financial statements. We have identified areas where material differences could result in the amount and timing of our net sales, costs, and expenses for any period if we had made different judgments or used different estimates.

Revenue Recognition. We primarily sold hardware products to computer peripherals retailers, computer product distributors, OEMs, and direct to consumers and other channel partners via the Internet. The hardware products included cable modems and gateways, mobile broadband modems, wireless routers, MoCA adapters and mesh home networking devices. We also sold the Minim subscription service that enabled and secured a better-connected home using the Minim AI-driven smart home WiFi management and security platform.

The SaaS was offered over a defined contract period, generally one year. These services were available as an on-demand application over the defined term. The agreements included service offerings, which deliver applications and technologies via cloud-based deployment models that we develop functionality for, provide unspecified updates and enhancements for, and host, manage, provide upgrades and support for the customers' access by entering into solution agreements for a stated period. The monthly fees charged to the customers were based on the number of subscribers utilizing the services each month, and the revenue recognized generally corresponded to the monthly billing amounts as the services were delivered. Customers did not have the contractual right or ability to take possession of the hosted software.

We considered each product and each service contract to be a distinct performance obligation. Revenue is recognized when a performance obligation is satisfied, which occurs when control of the promised products or services is transferred to the customer in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue from product sales is recognized at a point in time when management has determined that control has transferred to the customer, which is generally when legal title has transferred to the customer. Revenue from SaaS contracts is recognized as the output of the service is transferred to the customer over time, typically evenly over the contract term. Revenue is recognized net of allowances for returns and any taxes collected from customers, which are subsequently remitted to governmental authorities.

Our contracts with customers often included promises to transfer multiple products and services to a customer. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. Judgment is also required to determine the stand-alone selling price ("SSP") for each distinct performance obligation. We used an observable price to estimate SSP for items that are sold separately. In instances where SSP is not directly observable, such as when we do not sell the product or service separately, we determined the SSP using information that may include market conditions and other observable inputs.

Product Returns. Products are returned by retail stores and distributors for inventory balancing and warranty repair or replacements. Analyses of actual returned product are compared to analyses of the product return estimates. We have concluded that the process of estimating the return reserve represents a fair measure with which to adjust revenue. Returned goods are variable and under ASC Topic 606, Revenue from Contracts with Customers, are estimated and recognized as a reduction of revenue as performance obligations are satisfied (e.g., upon shipment of goods). Under ASC Topic 606, the Company monitors pending authorized returns of goods and, if deemed appropriate, records the right of return asset accordingly.

Inventory Valuation and Cost of Goods Sold. Inventory is valued at the lower of cost, determined by the first-in, first-out method, or its net realizable value. We reviewed inventories for obsolete and slow-moving products and made provisions based on our estimate of the probability that the material will not be consumed or that it will be sold below cost. Additionally, material product certification costs on new products were capitalized and amortized over the expected period of value of the respective products.

Valuation of Deferred Tax Assets. We estimate our income tax expense and deferred income tax position. This process involves the estimation of our actual current tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included in our balance sheet. We then assess the likelihood that our deferred tax assets will be recovered from future taxable income. To the extent we believe that recovery is not likely, we establish a valuation allowance. Changes in the valuation allowance are reflected in the statement of operations.

Significant management judgment is required in determining our provision for income taxes and any valuation allowances. We have recorded a 100% valuation allowance against our deferred income tax assets. It is management's estimate that, after considering all available objective evidence, historical and prospective, with greater weight given to historical evidence, it is more likely than not that these assets will not be realized. If we establish a record of continuing profitability, at some point we will be required to reduce the valuation allowance and recognize an equal income tax benefit which will increase net income in that period.

Results of Operations

The following table sets forth certain financial data derived from our consolidated statements of operations for the years ended December 31, 2024 and 2023 presented in absolute dollars and as a percentage of net sales, with dollars and percentage change year over year.

	Years ended December 31,				Change	
	2024		2023		$	%
Net sales	$ 639,893	100.0%	$ 26,106,271	100.0%	$ (25,466,379)	(97.5)%
Cost of goods sold	432,634	67.6	25,635,383	98.2	(25,202,749)	(98.3)
Gross profit	207,259	32.4	470,888	1.8	(263,630)	(56.0)
Operating expenses:						
Selling and marketing	66,171	10.3	9,472,527	36.3	(9,406,356)	(99.3)
General and administrative	2,062,441	322.3	4,758,357	18.2	(2,695,916)	(56.7)
Research and development	113,294	17.7	3,446,595	13.2	(3,333,301)	(96.7)
Vendor liability forgiveness, net of asset transfers	2,200,929	344.0	-	-	2,200,929	100.0
Total operating expenses	4,442,835	694.3	17,677,479	67.7	(15,435,573)	(87.3)
Operating loss	(4,235,576)	(661.9)	(17,206,591)	(65.9)	15,171,943	(88.2)
Total other income (expense)	82	-	(384,715)	(1.5)	384,796	(100.0)
Loss before income taxes	(4,235,494)	(661.9)	(17,591,305)	(67.4)	15,556,739	(88.4)
Income tax provision	11,216	1.8	42,619	0.2	53,835	126.3
Net loss	$ (4,224,278)	(660.2)%	$ (17,633,924)	(67.5)%	$ 15,610,574	(88.5)%

Comparison of Fiscal Years 2024 and 2023

The following table sets forth our revenues by product and the changes in revenues for fiscal year ended December 31, 2024, as compared to fiscal year ended December 31, 2023:

	Years ended December 31,			
	2024	2023	$ Change	% Change
Cable Modems & gateways	$ 638,904	$ 23,972,003	$ (23,333,099)	(97.3)%
Other networking products	-	571,517	(571,517)	(100.0)
Software as a Service	989	1,562,751	(1,561,762)	(99.9)
Total	$ 639,893	$ 26,106,271	$ (25,466,378)	(97.5)%

Net Sales

Our total net sales decreased year-over-year by $25.5 million or 97.5%. The decline in net sales is directly attributable to decreased sales of Motorola branded cable modems and gateways. In both 2024 and 2023, we primarily generated our sales by selling cable modems and gateways. Sales related to SaaS offerings were $0.0 million and $1.6 million in the years ended December 31, 2024 and 2023, respectively. The decrease in other networking products of $0.6 thousand in 2024 compared to 2023 is primarily due to a reduction in MoCA products.

Cost of Goods Sold and Gross Margin

Cost of goods sold consisted primarily of the following: the cost of finished products from our third-party manufacturers; overhead costs, including purchasing, product planning, inventory control, warehousing and distribution logistics; third-party software licensing fees; inbound freight; import duties/tariffs; warranty costs associated with returned goods; write-downs for excess and obsolete inventory; amortization of certain acquired intangibles and software development costs; and costs attributable to the provision of service offerings.

The decrease in gross profit was attributable to less sales, largely resulting from the Motorola license termination. Our gross margin can be affected by a number of factors, including fluctuation in foreign exchange rates, sales returns, changes in average selling prices, end-user customer rebates and other channel sales incentives, changes in our cost of goods sold due to fluctuations and increases in prices paid for components, overhead costs, inbound freight and duty/tariffs, conversion costs, and charges for excess or obsolete inventory.

The following table presents net sales, cost of goods sold, and gross margin, for the periods indicated:

	Years ended December 31,			
	2024	2023	$ Change	% Change
Net sales	$ 639,893	$ 26,106,271	$ (25,466,379)	(97.5)%
Cost of goods sold	$ 432,634	$ 25,635,383	$ (25,202,749)	(98.3)%
Gross margin	32.4%	1.8%		

Gross profit decreased and gross margin increased in fiscal 2024 compared to the prior fiscal year, primarily due to the decline in net sales offset by inventory reserves of $1.8 million in 2023.

Selling and Marketing

Selling and marketing expenses consisted primarily of advertising, trade shows, corporate communications and other marketing expenses, product marketing expenses, outbound freight costs, personnel expenses for sales and marketing staff, technical support expenses, and facility allocations. The following table presents sales and marketing expenses, for the periods indicated:

	Years ended December 31,			
	2024	2023	$ Change	% Change
Selling and marketing	$ 66,171	$ 9,472,527	$ (9,406,356)	(99.3)%

Sales and marketing expenses decreased in fiscal 2024, as compared to the prior year, primarily due to a decrease in Motorola royalty fees of $5.2 million, marketing programs of $2.1 million, personnel costs of $1.4 million, and other market support costs of $0.7 million.

General and Administrative

General and administrative expenses consist of salaries and related expenses for executives, finance and accounting, human resources, information technology, professional fees, including legal costs associated with defending claims against us, allowance for doubtful accounts, facility allocations, and other general corporate expenses. The following table presents general and administrative expenses, for the periods indicated:

	Years ended December 31,			
	2024	2023	$ Change	% Change
General and administrative	$ 2,062,441	$ 4,758,357	$ (2,695,916)	(56.7)%

General and administrative expenses decreased $2.6 million primarily due to a decrease of $0.9 million in personnel costs, software costs of $0.9 million, $0.5 million in professional services fees, and $0.4 in other general and administrative support costs.

Future general and administrative expense increases or decreases in absolute dollars are difficult to predict due to the lack of visibility of certain costs, including legal costs associated with defending claims against us, and other factors.

Research and Development

Research and development expenses consist primarily of personnel expenses, payments to suppliers for design services, safety and regulatory testing, product certification expenditures to qualify our products for sale into specific markets, prototypes, IT, and other consulting fees. Research and development expenses are recognized as they are incurred. Our research and development organization is focused on enhancing our ability to introduce innovative and easy-to-use products and services. The following table presents research and development expenses, for the periods indicated:

	Years ended December 31,			
	2024	2023	$ Change	% Change
Research and development	$ 113,294	$ 3,446,595	$ (3,333,301)	(96.7)%

The decrease of $3.3 million was primarily due to personnel costs of $2.3 million, $0.2 million software licenses, $0.4 million professional services fees, and $0.4 million in other research and development support costs.

Other Income (Expense)

	Years ended December 31,			
	2024	2023	$ Change	% Change
Other income (expense)	$ 82	$ (384,715)	$ 384,796	100.0%

Other income (expense), net was an expense of $82 in fiscal 2024 and expense of $385 thousand in fiscal 2023, primarily due to the Company paying in full the outstanding balance of the SVB Loan Agreement in October 2023

Income Tax Expense. We recorded minimum state income tax for a few states and tax related to our operations in Mexico, which was $11 thousand and $43 thousand in fiscal 2024 and fiscal 2023, respectively.

	Years ended December 31,			
	2024	2023	$ Change	% Change
Income taxes	$ (11,216)	$ 42,619	$ (53,835)	(126.3)%

Liquidity and Capital Resources

Our principal sources of liquidity are cash and cash equivalents. As of December 31, 2024, we had cash and cash equivalents of $30 thousand as compared to $709 thousand in cash and cash equivalents on December 31, 2023. On December 31, 2024, we had no outstanding borrowings and working capital of $(0.3) million. We have continued to fund our operations through proceeds of common and preferred stock.

Our historical cash outflows have primarily been associated with: (1) cash used for operating activities such as the purchase and growth of inventory, expansion of our sales and marketing and research and development and other working capital needs; (2) capital expenditures related to the acquisition of equipment; and (4) cash used to repay our debt obligations and related interest expense. Fluctuations in our working capital due to timing differences of our cash receipts and cash disbursements also impact our cash inflows and outflows.

Our consolidated financial statements as of December 31, 2024 were prepared under the assumption that we will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, substantial doubt exists about our ability to continue as a going concern, and we will require additional liquidity to continue operations beyond the next 12 months.

Our consolidated financial statements as of December 31, 2024, do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if we were unable to continue as a going concern. If we are unable to continue as a going concern, we may have to liquidate our assets and may receive less than the value at which those assets are carried on our financial statements, and it is likely that investors will lose all or part of their investment.

Cash Flows

The following table presents our cash flows for the periods presented:

	Years ended December 31,	
	2024	2023
Cash provided by (used in) provided by operating activities	$ (3,772,008)	$ 4,849,555
Cash provided by (used) in investing activities	11,642	(381,865)
Cash provided by (used in) financing activities	3,081,206	(4,788,478)
Net (decrease) increase in cash and cash equivalents	$ (679,160)	$ 320,788

Cash Flows from Operating Activities.

Cash used in operating activities of $3.7 million for 2024 reflected our net loss of $4.2 million, adjusted for non-cash expenses, consisting primarily of $0.4 million of depreciation and amortization, $0.9 million of stock-based compensation expense, $(0.3) million credit losses, and $2.2 million in vendor forgiveness, net of asset transfers. Uses of cash included a reduction in accounts payable of $3.2 million, accrued expenses and other liabilities of $0.8 million, and prepaid expenses and other current assets of $0.1 million. Sources of cash included a decrease of accounts receivable of $1.0 million and inventory of $0.4 million.

Cash provided by operating activities of $4.9 million for 2023 reflected our net loss of $17.6 million, adjusted for non-cash expenses, consisting primarily of $0.6 million of depreciation and amortization, $0.3 million of stock-based compensation expense, and a $0.2 million provision for accounts receivable allowance. Uses of cash included a reduction in accrued expenses of $3.3 million and decrease in deferred revenue of $1.4 million. Sources of cash included a decrease of accounts receivable of $1.9 million, a decrease in inventory of $15.5 million, and decrease in prepaid expenses and other current assets of $0.3 million.

Cash Flows from Investing Activities.

In 2024, the Company had $12 thousand generated in investing activities related to sales of property and equipment.

In 2023, $162 thousand was used to purchase equipment and $219 thousand was used for certification costs.

Cash Flows from Financing Activities. Cash provided in financing activities in 2024 consisted of proceeds of issuance of preferred stock of $3.1 million.

Cash used in financing activities in 2023 consisted of $4.8 million in borrowing repayments under our SVB line-of-credit.

Future Liquidity Needs

At December 31, 2024, we believe our current cash and cash equivalents may not be sufficient to fund working capital requirements, capital expenditures and operations during the next twelve months. Our ability to continue as a going concern will depend on our ability to obtain additional equity or debt financing, attain further operating efficiencies, and generate cash from operations. Based on these factors, management determined that there is substantial doubt regarding our ability to continue as a going concern. The Company will continue to monitor its costs in relation to its sales and adjust accordingly.

Our future liquidity and capital requirements will be influenced by numerous factors, including the extent and duration of any future operating losses, the level and timing of future new formed operations to generate sales and expenditures, the results and scope of ongoing research and product development programs, working capital required to support our sales growth, funds required to service our debt, our sales and marketing programs, our need for infrastructure to support our sales growth, the acceptance of our products in the marketplace, competing technologies and changes in the market and regulatory environment.

Our ability to fund our longer-term cash needs is subject to various risks, many of which are beyond our control—See “Risk Factors—We may require significant additional capital to pursue our growth strategy, and our failure to raise capital when needed could prevent us from executing our growth strategy.” Should we require additional funding, such as additional capital investments, we may need to raise the required additional funds through bank borrowings or public or private sales of debt or equity securities. We cannot assure that such funding will be available in needed quantities or on terms favorable to us, if at all.

At December 31, 2024, we have Federal net operating loss carry forwards of approximately $73.9 million available to reduce future taxable income. A valuation allowance has been established for the full amount of deferred income tax assets as management has concluded that it is more likely than-not that the benefits from such assets will not be realized.

Contractual Obligations

For a description of our operating leases, refer to Note 6 and for a description of our bank credit line and bridge loan agreement, license agreement and purchase commitments, refer to Note 5 in the Notes to the Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K.

Off-Balance Sheet Arrangements

In 2006, the Company entered into a maquiladora agreement with North American Production Sharing, Inc. (“NAPS”). This agreement provided that NAPS provide certain personnel and other services for a production facility in Mexico on our behalf. Although the maquiladora agreement expired on September 25, 2019, the agreement automatically renewed annually unless otherwise cancelled per provisions in the agreement. The agreement expired and was not renewed in 2023. Any related assets, liabilities, or expenses are reported in the accompanying financial statements. Additionally, the Company was obligated to pay future minimum required royalty payments associated with certain licensing agreements which are not included in our consolidated balance sheet, refer to Note 7 in the Notes to the Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 7A. – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 8 – CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

FiEE, INC.
f/k/a
Minim, Inc.

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Beckles & Co.
Accounting, Tax and Business Advisors

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the board of directors of
FiEE, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of FiEE, Inc. f/k/a Minim, Inc. (the "Company") as of December 31, 2024 and 2023, the related statements of operations, stockholders' equity (deficit), and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company's significant operating losses raise substantial doubt about its ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or are required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved especially challenging, subjective, or complex judgments.

We determined that there are no critical audit matters.

/s/ Beckles & Co (PCAOB ID 7116)
We have served as the Company's auditor since 2024.
West Palm Beach, FL
April 9, 2025

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FiEE, INC.
f/k/a
Minim, Inc.

CONSOLIDATED BALANCE SHEETS
As of December 31, 2024 and 2023

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 30,162	$ 709,322
Accounts receivable, net of allowance for doubtful accounts of $0 and $312,983 as of December 31, 2024 and, 2023, respectively	-	701,377
Inventories, net	-	9,952,647
Prepaid expenses and other current assets	134,757	35,768
Total current assets	164,919	11,399,114
Equipment, net	119,871	432,505
Operating lease right-of-use assets	-	22,512
Intangible assets, net	-	33,247
Other assets	22,245	472,587
Total assets	$ 307,035	$ 12,359,965
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities		
Accounts payable	$ 143,414	$ 11,143,693
Accrued expenses	293,613	1,077,843
Current maturities of operating lease liabilities	-	22,512
Total current liabilities	437,027	12,244,048
Commitments and Contingencies (Note 7)		
Stockholders' equity		
Preferred Stock, Authorized: 3,000,000 shares at $0.001 par value; issued and outstanding: 2,305,357 shares and 0 shares at December 31, 2024 and 2023, respectively.	1,639,779	-
Common Stock: Authorized: 60,000,000 shares at December 31, 2024 and 2023, at $0.01 par value; issued and outstanding: 3,713,792 shares and 2,789,020 shares at December 31, 2024 and 2023, respectively	490,145	480,897
Additional paid-in capital	94,433,140	92,103,798
Accumulated deficit	(96,693,056)	(92,468,778)
Total stockholders' (deficit) equity	(129,992)	115,917
Total liabilities and stockholders' equity	$ 307,035	$ 12,359,965

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

FiEE, INC.
f/k/a
Minim, Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended December 31, 2024 and 2023

	2024	2023
Net sales	$ 639,893	$ 26,106,271
Cost of goods sold	432,634	25,635,383
Gross profit	207,259	470,888
Operating expenses:		
Selling and marketing	66,171	9,472,527
General and administrative	2,062,441	4,758,357
Research and development	113,294	3,446,595
Vendor liability forgiveness, net of asset transfers	2,200,929	-
Total operating expenses	4,442,835	17,677,479
Operating loss	(4,235,576)	(17,206,591)
Other income (expense):		
Interest income	82	2,554
Interest expense	-	(385,952)
Other, net	-	(1,316
Total other income (expense)	82	(384,714)
Loss before income taxes	(4,235,494)	(17,591,305)
Income tax provision	11,216	42,619
Net loss	$ (4,224,278)	$ (17,633,924)
Basic and diluted net loss per share	$ (1.34)	$ (8.65)
Weighted average common and common equivalent shares:		
Basic and diluted	3,159,061	2,038,461

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

FiEE, INC.
f/k/a
Minim, Inc.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
Years Ended December 31, 2024 and 2023

	Preferred Stock		Common Stock		Additional Paid In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance at December 31, 2022	-	$ -	1,877,970	$ 469,492	$ 90,710,030	$ (74,834,854)	$ 16,344,668
Net loss	-	-	-	-	-	(17,633,924)	(17,633,924)
Stock option exercises	-	-	176,707	4,062	(4,062)	-	-
Common stock issued in exchange for debt conversion	-	-	734,343	7,343	1,118,435	-	1,125,778
Stock-based compensation	-	-	-	-	279,395		279,395
Balance at December 31, 2023	-	-	2,789,020	480,897	92,103,798	(92,468,778)	115,917
Net loss	-	-	-	-	-	(4,224,278)	(4,224,278)
Preferred stock issuance	2,305,357	1,639,779	-	-	-	-	1,639,779
Issuance of warrants	-	-	-	-	1,441,427	-	1,441,427
Stock-based compensation	-	-	924,772	9,248	887,915	-	897,163
Balance at December 31, 2024	2,305,357	$ 1,639,779	3,713,792	$ 490,145	$ 94,433,140	$ (96,693,056)	$ (129,992)

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

FiEE, INC.
f/k/a
Minim, Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows provided by (used in) operating activities:		
Net loss	$ (4,224,278)	$ (17,633,924)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	347,671	612,138
Amortization of right-of-use assets	22,512	150,968
Amortization of debt issuance costs	-	29,845
Stock-based compensation	897,163	279,395
Provision for (recovery of) credit losses	(312,983)	174,652
Vendor liability forgiveness, net of asset transfers	2,200,929	-
Changes in operating assets and liabilities:		
Accounts receivable	1,014,360	1,882,377
Inventories	404,299	15,462,559
Prepaid expenses and other current assets	(98,990)	324,963
Other assets	33,384	53,458
Accounts payable	(3,249,333)	8,306,503
Accrued expenses	(784,230)	(3,237,131)
Deferred revenue	-	(1,405,280)
Operating lease liabilities	(22,512)	(150,968)
Net cash provided by (used in) operating activities	(3,772,008)	4,849,555
Cash flows provided by (used in) investing activities:		
Purchases of equipment	-	(162,270)
Sales or property and equipment	11,642	
Certification costs incurred and capitalized	-	(219,595)
Net cash provided by (used in) investing activities	11,642	(381,865)
Cash flows provided by (used in) financing activities:		
Net repayment on the bank credit line	-	(4,788,478)
Proceeds from preferred stock issuance	3,081,206	-
Net cash provided by (used in) financing activities	3,081,206	(4,788,478
Net change in cash, cash equivalents, and restricted cash	(679,160)	(320,788)
Cash, cash equivalents, and restricted cash - Beginning	709,322	1,030,110
Cash, cash equivalents, and restricted cash - Ending	$ 30,162	$ 709,322
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	$ -	$ 238,329
Income taxes	$ 11,125	$ 42,619

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

FiEE, INC.
f/k/a
Minim, Inc.

Notes to Consolidated Financial Statements
Years Ended December 31, 2024 and 2023

(1) NATURE OF OPERATIONS AND BASIS OF PRESENTATION

FiEE, Inc. (formerly, Minim, Inc.) and its wholly owned subsidiaries, MME Sub 1 LLC, Cadence Connectivity, Inc., MTRLC LLC, and Minim Asia Private Limited, are herein collectively referred to as "FiEE" or the "Company". The Company formerly delivered intelligent networking products that reliably and securely connected homes and offices around the world. We were the exclusive global license holder to the Motorola brand for home networking hardware until 2023. The Company designed and manufactured products including cable modems, cable modem/routers, mobile broadband modems, wireless routers, Multimedia over Coax ("MoCA") adapters and mesh home networking devices. Our former AI-driven cloud software platform and applications made network management and security simple for home and business users, as well as the service providers that assisted them.

On February 27, 2025, the Company filed with the Secretary of State of the State of Delaware a Certificate of Amendment to its Amended and Restated Certificate of Incorporation (the "Certificate of Amendment") to change the name of the Company from Minim, Inc. to FiEE, Inc., effective as of February 27, 2025.

Merger Agreement with e2 Companies, LLC

On March 12, 2024, the "Company", and its wholly owned subsidiary, MME Sub 1 LLC, a Florida limited liability company ("Merger Sub"), formed in March 2024, entered into an Agreement and Plan of Merger ("Merger Agreement") with e2Companies LLC, a Florida limited liability company ("e2Companies"). The Merger Agreement did not close by the end date, and as such, by the terms of the agreement, in July 2024 it terminated of its own accord.

Going Concern

The Company's consolidated financial statements as of December 31, 2024 were prepared under the assumption that the Company will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, as of December 31, 2024, substantial doubt exists about the Company's ability to continue as a going concern. The Company has incurred recurring losses and negative cash flows from operations, and our ability to continue as a going concern will depend on our ability to obtain additional equity or debt financing, attain further operating efficiencies, reduce or contain expenditures and increase revenues. As of December 31, 2024, the Company had cash and cash equivalents of $30 thousand and during the year ended December 31, 2024, the Company recorded a net loss of $4.2 million. The Company will require additional liquidity to continue operations beyond the next 12 months.

The Company is evaluating strategies to obtain the required additional funding for future operations. These strategies may include but are not limited to equity offerings, debt financings, and cost reductions. However, given a variety of external factors, the Company may not be able to access further equity or debt financing when needed. The Company may engage in cost-cutting measures in an attempt to extend its cash resources. The Company may explore sale or merger of its operations. As such, there can be no assurance that the Company will be able to obtain additional liquidity when needed or under acceptable terms, if at all. As referred in Note 12 on March 25, 2025, the Company entered into a non-binding letter of intent ("LOI") with Hongyan Sun and Lin Lin (collectively, the "Sellers"), pursuant to the terms of which the Sellers will transfer 100% of their equity interests in Suzhou Yixuntong Network Technology Co., Ltd. ("Target Company") to the Company (the "Potential Transaction"). Upon the signing of this LOI, the Target Company and the Sellers shall (i) grant the access of the Target Company's service ports to the Company; (ii) connect the Company to the Target Company's Software as a Service platform; (iii) and work with the Company to ensure it can carry out the Multi-Channel Network business in the second quarter of 2025. The Company and the Sellers expect to complete the Potential Transaction as soon as reasonably practicable, but in no event later than six (6) months after signing of the LOI (the "Long-Stop Date"). If the Potential Transaction is successfully executed, the Company anticipates generating revenues that will convert to operational cash while managing expenses in relation to those revenues.

The Company's consolidated financial statements as of December 31, 2024, do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern. If the Company is unable to raise additional capital and is therefore unable to continue as a going concern, it may have to liquidate its assets and may receive less than the value at which those assets are carried on its consolidated financial statements, and it is likely that investors will lose all or part of their investment.

Liquidity

The Company's operations have historically been financed through the issuance of common stock and borrowings. Since inception, the Company has incurred significant losses and negative cash flows from operations. During the year ended December 31, 2024, the Company incurred a net loss of $4.2 million, and used cash in operations of $4.2 million, which was offset by $3.5 million in combined generation of cash from financing activities. As of December 31, 2024, the Company had an accumulated deficit of $96.7 million and cash and cash equivalents of $30 thousand. The Company will continue to monitor its costs in relation to its sales and adjust its cost structure accordingly.

Basis of Presentation

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). All significant intercompany balances and transactions have been eliminated in the consolidation.

Certain amounts in the consolidated financial statements and associated notes may not add up due to rounding. All percentages have been calculated using unrounded amounts.

On April 17, 2023, the Company effected a 25:1 reverse stock split for each share of common stock issued and outstanding. All shares and associated amounts have been retroactively restated to reflect the stock split.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expense during the reporting period. These judgments, estimates and assumptions made by the Company include, but are not limited to revenue recognition, expected credit losses; contract liabilities (sales returns); valuation allowance for deferred income tax assets; write-downs of inventory for slow-moving and obsolete items and stock-based compensation. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results may differ from those estimates under different assumptions or conditions and the differences may be material.

Foreign Currencies

The Company's reporting currency is the U.S. dollar. The Company generates a portion of its revenues in markets outside North America principally in transactions denominated in foreign currencies, which exposes the Company to risks of foreign currency fluctuations. Foreign currency transaction gains (losses) are included in the consolidated statements of operations under other income (expense).

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. As of December 31, 2024 and 2023, the Company's cash equivalents were held in institutions in the U.S. and include deposits in higher-interest bank accounts which were unrestricted as to withdrawal or use.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents, restricted cash and accounts receivable. Substantially all the Company's cash and cash equivalents and restricted cash are held at one financial institution. The Company has not experienced any credit losses on its cash and cash equivalents through December 31, 2024 and has not experienced any credit losses as of the date of filing this Form 10-K

For the year ended December 31, 2024, two customers accounted for 10% or greater individually, and 96% in the aggregate of the Company's total net sales. For the year ended December 31, 2023, two customers accounted for 10% or greater individually, and 80% in the aggregate of the Company's total net sales. Accounts receivable are unsecured and the Company does not require collateral; however, the Company does assess the collectability of accounts receivable based on a number of factors, including past transaction history with, and the creditworthiness of, the customer. Accordingly, the Company is exposed to credit risk associated with accounts receivable. At December 31, 2024, the Company did not have outstanding accounts receivable from its customers. At December 31, 2023, one customer with an accounts receivable balance of 10% or greater individually accounted for 96% of the Company's accounts receivable. To reduce risk, the Company closely monitors the amounts due from its customers and assesses the financial strength of its customers through a variety of methods that include, but are not limited to, engaging directly with customer operations and leadership personnel, visiting customer locations to observe operating activities, and assessing customer longevity and reputation in the marketplace. As a result, the Company believes that its accounts receivable credit risk exposure is limited.

The Company depends on many third-party suppliers for key components contained in its product offerings. For some of these components, the Company may only use a single source supplier, in part due to the lack of alternative sources of supply. During 2024, the Company did not have vendor concentrations exceeding 10% of its purchases. During 2023, the Company had one supplier that provided 86% of the Company's purchased inventory.

Accounts Receivable, Net

Accounts receivable are recorded at invoice value, net of any allowance for doubtful accounts that are based on credit losses. Estimates of the allowance for doubtful accounts are determined based on existing contractual payment terms, historical payment patterns of customers, and individual customer circumstances. The Company maintains an allowance for doubtful accounts for estimated losses resulting from the failure or inability of its customers to make required payments. In determining the allowance for doubtful accounts, the Company considers the probability of recoverability of its accounts receivable based on past experience, taking into account current collection trends as well as general economic factors. Credit risks are assessed based on historical write-offs, net of recoveries, as well as analysis of the aged accounts receivables balances with allowances generally increasing as the receivables age.

Inventories

Inventories are stated at the lower of cost, or net realizable value. Cost is determined using the weighted average cost method, which approximates actual costs as determined on a first-in, first-out basis. The Company regularly monitors inventory quantities on hand and records write-downs for excess and obsolete inventories based on the Company's estimate of demand for its products, potential obsolescence of technology, product life cycles and whether pricing trends or forecasts indicate that the carrying value of inventory exceeds its estimated selling price. These factors are impacted by market and economic conditions, technology changes and new product introductions and require significant estimates that may include elements that are uncertain. Actual demand may differ from forecasted demand and may have a material effect on gross profit. If inventory is written down, a new cost basis is established that cannot be increased in future periods. The carrying value of inventories is reduced for any difference between cost and net realizable value of inventories that is determined to be obsolete or unmarketable, based upon assumptions about future demand and market conditions.

Equipment, net

Equipment is stated at cost, net of accumulated depreciation. Depreciation is generally computed using the straight-line method based on the estimated useful lives of the assets, which is generally three to five years. Maintenance and repairs are charged to expense as incurred. Significant improvements that substantially enhance the useful life of an asset are capitalized and depreciated. When assets are retired or disposed of, the cost together with related accumulated depreciation is removed from the balance sheet and any resulting gain or loss is reflected in the Company's statements of operations in the period realized.

Intangible Asset and Long-Lived Assets

Intangible asset is comprised of purchased technology (web domain). The Company's intangible asset is amortized using the straight-line method over their estimated useful life.

The Company reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. Each impairment test is based on a comparison of the undiscounted cash flows estimated to be generated by those assets over their estimated economic life to the related carrying value of those assets to determine if the assets are impaired. If an impairment is indicated, the asset is written down to its estimated fair value. The cash flow estimates used to identify the potential impairment reflect our best estimates using appropriate assumptions and projections at that time. In evaluating potential impairment of these assets, we specifically consider whether any indicators of impairment are present, including, but not limited to:

- whether there has been a significant adverse change in the business climate that affects the value of an asset:
- whether there has been a significant change in the extent or way an asset is used; and
- whether there is an expectation that the asset will be sold or disposed of before the end of its originally estimated useful life.

As of December 31, 2024, the Company has fully amortized its intangible asset.

Leases

The Company determines if an arrangement is a lease at inception by assessing whether the arrangement contains an identified asset and whether it has the right to control the identified asset. Right-of-use (ROU) assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the lease term. ROU assets are based on the measurement of the lease liability and also include any lease payments made prior to or on lease commencement and exclude lease incentives and initial direct costs incurred, as applicable.

As the implicit rate in the Company's leases is generally unknown, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The lease terms may include options to extend or terminate the lease when the Company is reasonably certain it will exercise such options. Lease costs for the Company's operating leases are recognized on a straight-line basis over the reasonably assured lease term. Variable lease payments include lease operating expenses. Lease expense for operating leases is recognized on a straight-line basis over the lease term. Lease expense is included in general and administrative expenses on the consolidated statements of operations.

The Company has elected to not separate lease and non-lease components for any leases within its existing classes of assets and, as a result, accounts for any lease and non-lease components as a single lease component. The Company has also elected to not apply the recognition requirement to any leases within its existing classes of assets with a term of 12 months or less and does not include an option to purchase the underlying asset that the Company is reasonably certain to exercise.

Other Assets

Other assets are stated at cost, less accumulated amortization, and primarily include certain certification costs and long-term insurance policies. Certain certification costs incurred that are necessary to market and sell products are capitalized and reported as "other assets" in the accompanying consolidated balance sheets when the costs are measurable, significant, and relating to products that are projected to generate revenue beyond twelve months. These costs are amortized over an 18- month period, beginning when the related products are available to be sold. As of December 31, 2024 and 2023, the balance outstanding for certifications costs, net of accumulated amortization, was $0 thousand and $417 thousand, respectively.

The long-term insurance policies are amortized over the term of the coverage period. As of December 31, 2024 and 2023, the balance outstanding for long-term insurance policies, net of accumulated amortization, was $22 thousand and $47 thousand, respectively.

Income Taxes

We compute deferred income taxes based on the differences between the financial statement and tax basis of assets and liabilities using enacted rates in effect in the years in which the differences are expected to reverse. We establish a valuation allowance to offset temporary deductible differences, net operating loss carryforwards and tax credits when it is more likely than not that the deferred tax assets will not be realized.

We recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained upon examination by the taxing authorities, based on the technical merits of the tax position. The evaluation of an uncertain tax position is based on factors that include, but are not limited to, changes in the tax law, the measurement of tax positions taken or expected to be taken in tax returns, the effective settlement of matters subject to audit, and changes in facts or circumstances related to a tax position. Any changes to these estimates, based on the actual results obtained and/or a change in assumptions, could impact our tax provision in future periods. Interest and penalty charges, if any, related to unrecognized tax benefits would be classified as a provision for income tax in the consolidated statements of operations.

Loss Per Common Share

Basic loss per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding plus additional common shares that would have been outstanding if dilutive potential common shares had been issued. For the purposes of this calculation, stock options are considered common stock equivalents in periods in which they have a dilutive effect. Stock options that are antidilutive are excluded from the calculation.

Net loss per share for the year ended December 31, 2024 and 2023, respectively, are as follows:

	Years ended December 31,	
	2024	**2023**
Numerator:		
Net loss	$ (4,224,278)	$ (17,633,924)
Denominator:		
Weighted average common shares - basic	3,159,061	2,038,461
Effect of dilutive common share equivalents	-	-
Weighted average common shares - dilutive	3,159,061	2,038,461
Basic and diluted net loss per share	$ (1.34)	$ (8.65)

Diluted loss per common share for the years ended December 31, 2024 and 2023 excludes the effects of 5,536,126 and 0 common share equivalents, respectively, since such inclusion would be anti-dilutive. The common share equivalents consist of shares of common stock issuable upon exercise of outstanding stock options.

Revenue Recognition

The Company primarily sold hardware products to its customers. The hardware products included cable modems and gateways, mobile broadband modems, wireless routers, MoCA adapters and mesh home networking devices. The Company derived its net sales primarily from the sales of hardware products to computer peripherals retailers, computer product distributors, OEMs, and direct to consumers and other channel partners via the Internet. The Company accounts for point-of-sale taxes on a net basis.

The Company also sold and earned revenues from Software as a Service ("SaaS"), including services that enabled and secured a better-connected home with the AI-driven smart home WiFi management and security platform. Customers did not have the contractual right or ability to take possession of the hosted software.

The Company concluded that transfer of control of its hardware products transfers to the customer upon shipment or delivery, depending on the delivery terms of the purchase agreement. Revenues from sales of hardware products are recognized at a point in time upon transfer of control.

The SaaS agreements were offered over a defined contract period, generally one year, and were sold to Internet service providers, who then promoted the services to their subscribers. These services were available as an on-demand application over the defined term. The agreements included service offerings, which deliver applications and technologies via cloud-based deployment models that the Company developed functionality for, provided unspecified updates and enhancements for, and hosts, manages, provided upgrade and support for the customers' access by entering into solution agreements for a stated period. The monthly fees charged to the customers were based on the number of subscribers utilizing the services each month, and the revenue recognized generally corresponded to the monthly billing amounts as the services were delivered.

Multiple Performance Obligations

The Company had hardware products that included SaaS services as a bundled product. The Company accounts for these sales in accordance with the multiple performance obligation guidance of ASC Topic 606. For multiple performance obligation contracts, the Company accounts for the promises separately as individual performance obligations if they are distinct. Performance obligations are determined to be distinct if they are both capable of being distinct and distinct within the context of the contract. In determining whether performance obligations meet the criteria of being distinct, the Company considers a number of factors, such as degree of interrelation and interdependence between obligations, and whether or not the good or service significantly modifies or transforms another good or service in the contract. SaaS included with certain hardware products is considered distinct from the hardware, and therefore the hardware and SaaS offerings are treated as separate performance obligations.

After identifying the separate performance obligations, the transaction price is allocated to the separate obligations on a relative standalone selling price basis ("SSP"). SSP's are generally determined based on the prices charged to customers when the performance obligation is sold separately or using an adjusted market assessment. The estimated SSP of the hardware and SaaS offerings are directly observable from the sales of those products and SaaS based on a range of prices.

Revenue is recognized for each distinct performance obligation as control is transferred to the customer. Revenue attributable to hardware products bundled with SaaS offerings are recognized at the time control of the product transfers to the customer. The transaction price allocated to the SaaS offering is recognized ratably beginning when the customer is expected to activate their account and over a three-year period that the Company has estimated based on the expected replacement of the hardware.

Other considerations of ASC 606 include the following:

- *Returned Goods* - analyses of actual returned products are compared to the product return estimates and historically have resulted in immaterial differences. The Company has concluded that the process of estimating the return reserve represents a fair measure to adjust revenue. Returned goods are a form of variable consideration and under ASC Topic 606 are estimated and recognized as a reduction of revenue as performance obligations are satisfied (e.g., upon shipment of goods). The sales returns accrual was $0 thousand and $578 thousand at December 31, 2024 and 2023, respectively.

- *Warranties* - the Company does not offer its customers a separate warranty for purchase. Therefore, there is no separate performance obligation. The Company accrues for assurance-type warranties, which do not include any additional distinct services other than the assurance that the goods comply with agreed-upon specifications. The warranty reserve was not material at December 31, 2024 and December 31, 2023.

- *Price protection* - if the Company reduces the price on any products sold to the customer, the Company will guarantee an account credit for the price difference for all quantities of that product that the customer still holds. Price protection is variable and under ASC Topic 606 is estimated and recognized as a reduction of revenue as performance obligations are satisfied (e.g., upon shipment of goods). The price protection accrual was not material at December 31, 2024 and December 31, 2023.

- *Volume Rebates and Promotion Programs* - volume rebates are variable dependent upon the volume of goods sold-through the Company's customers to end-users and under ASC Topic 606 are estimated and recognized as a reduction of revenue as performance obligations are satisfied (e.g., upon shipment of goods). The rebate and promotion accrual was not material at December 31, 2024 and 2023, respectively.

Contract Balances

Accounts receivable is recorded when the Company has an unconditional right to the consideration. When the timing of the Company's delivery of goods or services is different from the timing of payments made by customers, the Company recognize either a contract asset (performance precedes contractual due date) or a contract liability (customer payment precedes performance). When a customer prepays, that payment is reflected as deferred revenue until the performance obligation is satisfied. Contract assets consist of unbilled receivables (see Note 3).

The Company's business is controlled as a single operating segment that consists of the manufacture and sale of cable modems and gateway, and the majority of the Company's customers are retailers and distributors.

Stock-Based Compensation Expense

Stock-based compensation expense relates to stock options with a service condition and restricted stock units (RSUs). Stock-based compensation expense for the Company's stock-based awards is based on their grant date fair value.

Service-based options initially granted to an optionee generally vest at a rate of 25% on the first anniversary of the original vesting date, with the balance vesting monthly over the remaining three years. The fair value of stock options with a service condition on the grant date is estimated using the Black-Scholes option-pricing model. The fair value of these awards is recognized as compensation expense on a straight-line basis over the requisite service period in which the awards are expected to vest and forfeitures are recognized as they occur.

The Black-Scholes model considers several variables and assumptions in estimating the fair value of service-based stock options. These variables include the per share fair value of the underlying common stock, exercise price, expected term, risk-free interest rate, expected annual dividend yield and expected stock price volatility over the expected term. The risk-free interest rate is based on the yield available on U.S. Treasury zero-coupon issues similar in duration to the expected term of the equity-settled award.

RSUs initially granted to an optionee generally vest at a rate of 25% on the first anniversary of the original vesting date, with the balance vesting quarterly over the remaining three years. The fair value of RSUs is based on the market price of the Company's common stock on the date of grant.

Advertising Costs

Advertising costs are expensed as incurred and reported in selling expense in the accompanying consolidated statements of operations, and include costs of advertising, production, trade shows, and other activities designed to enhance demand for the Company's products. The Company reported advertising costs of approximately $0 million and $2.0 million in 2024 and 2023, respectively.

Shipping and Freight Costs

The Company records the expense associated with customer-delivery, shipping and freight costs in selling and marketing expense. The Company reported shipping and freight costs of $0 thousand and $363 thousand in 2024 and 2023, respectively.

Segment

The Company operates as a single operating segment. The Company's chief operating decision maker, its Chief Executive Officer, reviews financial information on an aggregate basis for the purposes of allocating resources and evaluating financial performance. The Company's primary operation is in the United States, and it has derived substantially all of its revenue from sales to customers in the U.S.

Recently Issued Accounting Standards

The FASB also issued ASU 2023-07: Segment Reporting Topic 280 - Improvements to Reportable Segment Disclosures. This update requires expanded annual and interim disclosures for significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. This update will be effective for fiscal years beginning after December 15, 2023, and is to be applied retrospectively to all periods presented in the financial statements. The Company believes the adoption of ASU 2023-07 will not have a material impact on the consolidated financial statements.

In 2023, the FASB issued ASU 2023-09, Income Taxes (Topic *740*): Improvements to Income Tax Disclosures. This update standardizes categories for the effective tax rate reconciliation, requires disaggregation of income taxes and additional income tax-related disclosures. This update is required to be effective for the Company for fiscal years beginning after December 15, 2024. The Company is evaluating the effect that ASU 2023-09 will have on its financial statements and disclosures.

In March 2024, the Financial Accounting Standards Board (FASB) issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic *220-40*): Disaggregation of Income Statement Expenses. This guidance focuses on the disaggregation of income statement expenses. This update requires entities to provide more detailed disclosures about the components of significant expense categories, enhancing the transparency and decision-usefulness of financial statements. The objective is to provide users with a clearer understanding of the nature and variability of expenses reported in the income statement. The standard is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently assessing the impact of ASU 2024-03 on our financial statement disclosures. While the Company anticipates that the adoption of this standard will require additional disclosures, the Company does not expect it to have a material impact on our financial position or results of operations.

In January 2025, the Financial Accounting Standards Board (FASB) issued ASU 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which provides clarification regarding the effective date for implementing the expense disaggregation disclosures outlined in ASU 2024-03. This update is intended to ensure that entities have a clear understanding of the timeline for adopting the new disclosure requirements, thereby promoting consistency and comparability in financial reporting. The clarification specifies that the standard is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the implications of ASU 2025-01 on our implementation timeline and disclosure practices. The Company remains committed to providing transparent and comprehensive financial information and will ensure compliance with the clarified effective date.

(3) REVENUE AND OTHER CONTRACTS WITH CUSTOMERS

Revenue is recognized for each distinct performance obligation as control is transferred to the customer. Revenue attributable to hardware products bundled with SaaS offerings are recognized at the time control of the product transfers to the customer. The transaction price allocated to the SaaS offering is recognized ratably beginning when the customer is expected to activate their account and over a three-year period that the Company has estimated based on the expected replacement of the hardware.

Transaction Price Allocated to the Remaining Performance Obligations

The remaining performance obligations represent the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied as of the end of the reporting period. Unsatisfied and partially unsatisfied performance obligations consist of contract liabilities, in-transit orders with destination terms, and non-cancellable backlog. Non-cancellable backlog includes goods for which customer purchase orders have been accepted, that are scheduled or in the process of being scheduled for shipment, and that are not yet invoiced.

As of December 31, 2024, the aggregate amount of the transaction price allocated to the remaining performance obligations related to SaaS performance obligations that are unsatisfied or partially unsatisfied was $0.

Contract costs

The Company recognizes the incremental costs of obtaining a contract with a customer if the Company expects the benefit of those costs to be longer than one year. The Company has determined that certain sales commissions meet the requirements to be capitalized, and the Company amortizes these costs on a consistent basis with the pattern of transfer of the goods and services in the contract. Total capitalized costs to obtain a contract were immaterial during the periods presented and are included in other current and long-term assets on our consolidated balance sheets.

The Company applied a practical expedient to expense costs as incurred for costs to obtain a contract when the amortization period is one year or less. These costs include sales commissions on software maintenance contracts with a contract period of one year or less as sales commissions on contract renewals are commensurate with those paid on the initial contract.

Contract Balances

The Company records accounts receivable when it has an unconditional right to the consideration. Contract liabilities consist of deferred revenue, which represents payments received in advance of revenue recognition related to SaaS agreements and for prepayments for products or services yet to be delivered.

Payment terms vary by customer. The time between invoicing and when payment is due is not significant. For certain products or services and customer types, payment is required before the products or services are delivered to the customer.

The following table reflects the contract balances as of the year ended:

	December 31,	
	2024	**2023**
Accounts receivable	$ -	$ 701,377
Deferred revenue - current	$ -	$ -
Deferred revenue - noncurrent	$ -	$ -

During the year ended December 31, 2024, the Company did not have deferred revenue. During the year ended December 31, 2023, the change in deferred revenue was as follows:

Balance at December 31, 2022	$ 1,405,280
Billings	767,832
Revenue recognized	(2,173,112)
Balance at December 31, 2023	$ -

The Company records accounts receivable from its customers. Accounts receivable, net of allowances, was $0 thousand, $701 thousand, $2.8 million as of December 31, 2024, 2023, and 2022, respectively.

Disaggregation of Revenue

The following table sets forth our revenues by distribution channel:

	Years ended December 31,	
	2024	2023
Retailers	$ 638,904	$ 23,675,014
Distributors	-	88,847
Other	989	2,342,770
	$ 639,893	$ 26,106,271

The following table sets forth our revenues by product:

	Years ended December 31,	
	2024	2023
Cable Modems & gateways	$ 638,804	$ 23,972,004
Other networking products	1,089	571,517
Software as a Service	-	1,562,750
	$ 639,893	$ 26,106,271

(4) BALANCE SHEET COMPONENTS

Inventories

Inventories, net consists of the following:

	December 31,	
	2024	2023
Materials	$ -	$ 210,318
Work in process	-	1,640,347
Finished goods	-	8,101,982
Total	$ -	$ 9,952,647

The Company reviews inventory for obsolete and slow-moving products each quarter and makes provisions based on its estimate of the probability that the material will not be consumed or that it will be sold below cost. The inventory reserves were $0 million and $1.7 million for the years ended December 31, 2024 and 2023, respectively.

Equipment

Equipment, net consists of the following:

	December 31,		Estimated Useful lives in years
	2024	2023	
Computer hardware and software	$ 603,836	$ 603,836	3
Machinery and equipment	726,326	726,326	5
Molds, tools and dies	1,212,398	1,242,711	5
Office furniture and fixtures	79,147	79,147	5
	2,621,706	2,652,020	
Accumulated depreciation	(2,501,835)	(2,219,515)	
	$ 119,871	$ 432,505	

Depreciation expense was $282 thousand and $368 thousand for the years ended December 31, 2024 and 2023, respectively.

Intangible Assets

Intangible assets consisted of the following at December 31, 2024 and 2023:

	Estimated Useful Life (in years)	As of December 31, 2024			As of December 31, 2023		
		Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Customized internal use software	2.5	$ -	$ -	$ -	$ -	$ -	$ -
Acquired web domain	5.0	-	-	-	86,732	(53,485)	33,247
		$ -	$ -	$ -	$ 86,732	$ (53,485)	$ 33,247

Amortization expense was $33 thousand and $40 thousand in the years ended December 31, 2024 and 2023, respectively.

As of December 31, 2024, the Company has fully amortized its intangible assets.

Accrued expenses

Accrued expenses consists of the following:

	December 31,	
	2024	2023
Professional fees	110,000	229,950
Board of Director fees	75,000	-
Sales allowances	26,905	697,884
Sales and use tax	81,708	150,009
Other	-	-
Total accrued other expenses	$ 293,613	$ 1,077,843

(5) BANK CREDIT LINE, BRIDGE LOAN, AND GOVERNMENT LOANS

Bank Credit Line

In 2021 and later amended, the Company entered into a loan and security agreement with Silicon Valley Bank (the “SVB Loan Agreement”). The SVB Loan Agreement, as amended, provided for a revolving facility up to a principal amount of $10.0 million. The SVB Loan Agreement was secured by substantially all of the Company’s assets but excludes the Company’s intellectual property. Loans under the credit facility bore interest at a rate per annum equal to the greater of (a) one percent (1.0%) above the Prime Rate and (b) four and one-quarter of one percent (4.25%). The amended maturity was January 15, 2024. The SVB Loan Agreement, as amended, provided a waiver for an existing default under the SVB Loan Agreement by virtue of the Company having entered into a Bridge Loan and Security Agreement dated as of November 23, 2022 by and among Borrower and Slingshot Capital, LLC, under which Borrower incurred certain Indebtedness and granted a Lien to Slingshot Capital.

The Company incurred $143 thousand in origination costs in connection with entering into the SVB Loan Agreement. These origination costs were recorded as a debt discount and are being expensed over the remaining term of the facility. Interest expense was $0 thousand and $30 thousand for the years ended December 31, 2024 and 2023, respectively.

On October 18, 2023, the Company paid in full the outstanding balance and immediately terminated the SVB Loan Agreement. As of December 31, 2024 and 2023, the Company had no outstanding balances under the SVB Loan Agreement.

Bridge Loan

On November 30, 2022 (the "Effective Date"), the Company and Slingshot Capital, LLC ("Slingshot Capital") entered into a Bridge Loan Agreement (the "Bridge Loan Agreement") pursuant to which Slingshot Capital agreed to make available a bridge loan in the principal amount up of up to $1,500,000. In conjunction with the Bridge Loan Agreement, the Company executed a bridge term note (the "Bridge Term Note") in favor of Slingshot Capital. The Company has drawn down $1,000,000 under the Bridge Loan Agreement. Subject to Slingshot Capital's sole discretion, the other $500,000 may be drawn by the Company.

Principal amounts borrowed under the Bridge Loan Agreement bear interest for the period from the Effective Date until February 28, 2023 of 8.00% per annum. Unpaid principal after February 28, 2023 bears an interest of 14.00% per annum until paid in full. In the event of default, all outstanding principal and interest shall bear interest at an annual rate of 18%.

In connection with the Bridge Loan Agreement, the Company, Slingshot Capital, and Silicon Valley Bank (the "Senior Lender") executed a subordination agreement (the "Subordination Agreement") on November 30, 2022. The Loan Agreement is subordinated to the outstanding indebtedness and obligations under the Company's senior credit facility. Subject to the Senior Lender's written consent, the Company shall grant Slingshot Capital a second-priority security interest in all of the Company's collateral, which shall be subordinated to any and all security interests granted to the Senior Lender and at all times shall be limited to the same collateral granted to the Senior Lender under the senior credit facility.

Principal and interest are not due and payable until the maturity date, which is January 15, 2024, unless the Company's senior credit facility with the Senior Lender is paid in full in cash on an earlier date.

The Company reimbursed Slingshot Capital $20,000 for its reasonable and documented expenses and fees related to the negotiations, documentation, and execution of the Bridge Loan Agreement, Subordination Agreement, and Bridge Term Note.

On December 6, 2023, the Company and Slingshot Capital entered into a Debt Conversion Agreement ("Conversion Agreement") pursuant to which the Company agreed to issue 734,343 shares of the Company's common stock (based on $1.533 per share) (the "Shares") in exchange for the cancellation of a total principal amount of $1,000,000 ("Principal Amount") outstanding under the Bridge Loan Agreement and Bridge Term Note (collectively, the "Loan Agreements"), with Slingshot Capital, plus $125,778 in accrued and unpaid interest on such Principal Amount as of December 6, 2023. The price per share used in the exchanged was determined by the weighted average price per share and trade volume on September 13, 2023 and November 28, 2023.

Slingshot Capital is owned by the Company's former Chairperson of the Board and a former Board of Director, Jeremy Hitchcock and Elizabeth Hitchcock, respectively.

(6) Leases

The Company performed most of the final assembly, testing, packaging, warehousing and distribution at two production and warehouse facilities, totalling approximately 24,000 square feet, in Tijuana, Mexico. In November 2021, the Company entered into operating lease agreements extending each lease through November 30, 2023. The Company did not renew the lease, and the lease expired on November 30, 2023. Lease payments total approximately $9 thousand per month. Rent expense was $0 thousand and $101 thousand for the years ended December 31, 2024 and 2023, respectively.

In May 2020, the Company signed a two-year lease agreement for 3,218 square feet of office space at 275 Turnpike Executive Park in Canton, MA. The agreement includes a one-time option to cancel the second year of lease with three months advance notice. The location was utilized by the Company's research and development group. Rent expense was $23 thousand and $55 thousand for the year ended December 31, 2024 and 2023, respectively. On December 1, 2021, the Company executed an amendment to extend the lease from June 2022 to May 2024 with monthly payments of approximately $5 thousand. The Company did not renew the lease, and the lease expired on May 31, 2024.

The Company leased the facility that comprises its headquarters at 848 Elm Street in Manchester, NH. The facility lease agreement was effective from August 1, 2019 to July 31, 2021 and was renewed for a one-year extension until July 31, 2022. On July 18, 2022, the lease agreement was amended to a month-to-month lease arrangement and may be terminated by either party with a 60-day notice. The lease was cancelled in December 2024. The facility lease agreement provided for the lease of 2,656 square feet of office space. Rent expense was $14 thousand and $42 thousand for the years ended December 31, 2024 and 2023, respectively.

The components of lease costs were as follows:

	Years ended December 31,	
	2024	**2023**
Operating lease costs	$ 22,512	$ 155,379
Short-term lease costs	14,050	41,550
Total lease costs	$ 36,562	$ 196,929

The weighted-average remaining lease term and discount rate were as follows:

	Years ended December 31,	
	2024	**2023**
Operating leases:		
Weighted average remaining lease term (years)	-	0.4
Weighted average discount rate	-%	4.2%

Supplemental cash flow information and non-cash activity related to our operating leases are as follows:

	Years ended December 31,	
	2024	**2023**
Operating cash flow information:		
Amounts included in measurement of lease liabilities	$ 22,512	$ 150,968
Non-cash activities:		
ROU asset obtained in exchange for lease liability	$ -	$ -

As of December 31, 2024, the Company has no operating leases.

(7) COMMITMENTS AND CONTINGENCIES

(a) Contingencies

The Company is a party to various lawsuits and administrative proceedings arising in the ordinary course of business. The Company evaluates such lawsuits and proceedings on a case-by-case basis, and its policy is to vigorously contest any such claims which it believes are without merit.

The Company reviews the status of its legal proceedings and records a provision for a liability when it is considered probable that both a liability has been incurred and the amount of the loss can be reasonably estimated. This review is updated periodically as additional information becomes available. If either or both of the criteria are not met, the Company reassesses whether there is at least a reasonable possibility that a loss, or additional losses, may be incurred. If there is a reasonable possibility that a loss may be incurred, the Company discloses the estimate of the amount of the loss or range of losses, that the amount is not material, or that an estimate of the loss cannot be made. The Company expenses its legal fees as incurred.

In the ordinary course of their business, the Company and its subsidiaries are subject to lawsuits, arbitrations, claims, and other legal proceedings in connection with their business. Some of the legal actions include claims for substantial or unspecified compensatory and/or punitive damages. A substantial adverse judgment or other unfavorable resolution of these matters could have a material adverse effect on the Company's financial condition, results of operations, and cash flows. Management believes that the Company has adequate legal defenses with respect to the legal proceedings to which it is a defendant or respondent, and that the outcome of these pending proceedings is not likely to have a material adverse effect on the financial condition, results of operations, or cash flows of the Company. However, the Company is unable to predict the outcome of these matters.

(b) Commitments

The Company was a party to a license agreement with Motorola Mobility LLC pursuant to which the Company has an exclusive license to use certain trademarks owned by Motorola Trademark Holdings, LLC for the manufacture, sale and marketing of consumer cable modem products, consumer routers, WiFi range extenders, MoCa adapters, cellular sensors, home powerline network adapters, and access points worldwide through a wide range of authorized sales channels. The license agreement had a term ending December 31, 2025 prior to its cancellation in 2023.

In connection with the license agreement, the Company had committed to reserve a certain percentage of wholesale prices for use in advertising, merchandising and promotion of the related products. Additionally, the Company was required to make quarterly royalty payments equal to a certain percentage of the preceding quarter's net sales with minimum annual royalty payments. Following the Company's agreement with Motorola Mobility LLC on January 22, 2024, the Company's quarterly royalty payments, in addition to current and future obligations, were satisfied in exchange for certain assets of the Company.

On January 22, 2024, the Company, entered into a Letter Agreement re Product Purchase (the "Letter Agreement") and a Debt Settlement Agreement (the "Settlement Agreement," and the Letter Agreement, the "Agreements") with Motorola Mobility, LLC ("Motorola"). Pursuant to the Letter Agreement, the Company (A) initially transferred a portion of its inventory to Motorola and (B) agreed to transfer the reminder of such inventory upon receipt of certain funding in order to satisfy liabilities owed to Motorola, while agreeing to continue to provide certain customer and technical support. Pursuant to the Settlement Agreement, the Company agreed (i) to pay Motorola a settlement amount of $1,167,071 and (ii) to transfer additional funds as collected from the Company's customers in an amount up to $263,752. The Company believes that the Agreements, together with arrangements it has finalized with other major vendors, will allow the Company to streamline its operations while reducing its current liabilities.

Royalty expense under the License Agreement amounted to $0 and $6,600,000 for the years ended December 31, 2024 and 2023, respectively, and is reported in selling and marketing expense on the accompanying consolidated statements of operations.

(c) Vendor Obligation Releases

In its efforts to manage its liquidity and cash-flow position, the Company negotiated and executed liability release agreements with certain vendors in Q4 2023 who comprised $5.0 million of outstanding accounts payable as of December 31, 2023. In aggregate, the executed release agreements resulted in a reduction of outstanding accounts payable obligations by $3.6 million from $5.0 million to $1.4 million. The executed release agreements became effective and are contingent upon payment of the $1.4 million negotiated amounts received during the period of Q1 2024. In addition, the Company agreed to pay certain vendors an additional $0.4 million contingent upon successful collection of customer receivables. After the collection of customer receivables, the contingent amount was amended to $0.3 million during the period ended September 30, 2024. In July 2024, the Company paid the contingent amount of $0.3 million to its vendors.

(8) STOCKHOLDERS' EQUITY

In July 2021, the Company's shareholders voted to increase the number of authorized shares of capital stock to 62,000,000 shares, consisting of 60,000,000 shares of Common Stock and 2,000,000 shares of Preferred Stock. On October 8, 2024, the Company filed an amended and restated certificate of designation increasing it designated Series A Convertible Preferred Stock from 2,000,000 shares to 3,000,000 shares at $0.001 par value per share.

On April 17, 2023, the Company effected a 25:1 reverse stock split for each share of common stock issued and outstanding. All shares and associated amounts have been retroactively restated to reflect the stock split.

Preferred Stock and Warrants

The Company is authorized to issue 3,000,000 shares of preferred stock at $0.001 par value per share. As of December 31, 2024 and 2023, the Company had 2,305,357 and 0 shares, respectively, of preferred stock were outstanding.

The Board of Directors may determine the rights, preferences, privileges, qualifications, limitations and restrictions granted or imposed upon any series of preferred stock.

On January 23, 2024, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with David Lazar ("Lazar"), a member of our Board of Directors, whereby, at the closing of the transactions contemplated by the Purchase Agreement (the "Closing"), the Company sold and Lazar (or to any transferee of Lazar's which acquires the Securities Purchase Rights, as defined below, hereinafter a "Lazar Transferee") purchased two million 2,000,000 shares of the Company's preferred stock, $0.001 par value per share (the "Preferred Stock"), at a price per share of $1.40, for an aggregate purchase price of $2,800,000, subject to the conditions described below, pursuant to the exemptions afforded by the Securities Act of 1933, as amended, and Regulation S thereunder. Under the Purchase Agreement, the Company agreed to designate 2,000,000 of the Preferred Stock as Series A Preferred Stock (the "Series A Preferred Stock") for the sale to Lazar (or a Lazar Transferee). Each share of Series A Preferred Stock shall be convertible, at the option of the holder, into 1.4 shares of common stock of the Company, $0.01 par value per share (the "Common Stock"), and vote on an "as-if-converted" basis and shall have full ratchet protection in any subsequent offerings. Pursuant to the Purchase Agreement, the Company shall also issue Lazar (or a Lazar Transferee) warrants to purchase up to an additional 2,800,000 shares of Common Stock, with an exercise price equal to $1.00 per share, subject to adjustment therein (the "Warrants", and together with the Series A Preferred Stock, the "Purchased Securities").

The Company evaluated the Series A Preferred Stock and Warrants for liability or equity classification in accordance with the provisions of ASC 480, *Distinguishing Liabilities from Equity*, and determined that equity treatment was appropriate because neither the Series A Preferred Stock nor the Warrants met the definition of liability instruments.

The Warrants are classified as component of permanent equity because they are freestanding financial instruments that are legally detachable and separately exercisable from the shares of common stock with which they were issued, are immediately exercisable, do not embody an obligation for the Company to repurchase its shares, and permit the holder to receive a fixed number of shares of common stock upon exercise. In addition, the Warrants do not provide any guarantee of value or return. The Company valued the Warrants at issuance using the Black-Scholes option pricing model and determined the fair value of the Warrants to purchase 2,800,000 shares of the Company's common stock at $4.7 million. The key inputs to the valuation model included a weighted average volatility of 162.0% and an expected term of 3.0 years.

The proceeds from the issuance of the Series A Preferred Stock to the Company were allocated based on the relative fair value of the Warrants as compared to the fair value of the Series A Preferred Stock. The fair value of the Warrants incorporates assumptions regarding our common stock price, dividend yield, stock price volatility, as well as assumptions regarding the risk-free interest rate. Using this model, the Warrants was valued at $1.4 million at January 23, 2024 and was included in additional paid in capital on our condensed consolidated balance sheet.

The fair value of the Series A Preferred Stock was determined based on assumptions that incorporated our common stock price and dividend rate. The Company valued the Series A Preferred Stock at $4.5 million. Based on the fair value model to allocate the Series A Preferred Stock proceeds, the Series A Preferred Stock was valued at $1.4 million at January 23, 2024 and was included in Series A Preferred Stock on our condensed consolidated balance sheet.

On February 26, 2024, the Company held a special meeting of stockholders, who voted and approved (i) the issuance of shares of our common stock, par value $0.01 per share ("Common Stock") upon conversion of Series A Preferred Stock or exercise of the Warrants to be issued at Closing of the Purchase Agreement, which conversions or exercise would result in a "change of control" of the Company under the applicable rules of the Nasdaq and (ii) an amendment to the Company's Amended and Restated Certificate of Incorporation to effect the increase in authorized shares of Preferred Stock to 10,000,000.

On October 22, 2024, the Company issued 305,357 shares of Series A Preferred Stock to Lazar in exchange for his services performed on behalf of the Company from January to September 2024.

Common Stock

The Company is authorized to issue 60,000,000 shares of common stock at $0.01 par value per share. As of December 31, 2024 and 2023, the Company had 3,713,792 and 2,789,020, respectively, shares of common stock outstanding.

In January 2024 and September 2024, the Company issued 156,880 and 612,892, respectively, shares of common stock to board members in exchange for services performed and recorded $378,081 in stock-based compensation expense and $465,482 in reduction to accrued expenses, respectively. The Company issued 20,000 and 135,000 shares of common stock to vendors in exchange for services performed in 2024. The Company recorded $48,200 and $5,400 in stock-based compensation expense in January 2024 and September 2024.

Equity Compensation Plans

In July 2019, the Company terminated the 2009 Stock Option Plan and the 2009 Directors Option Plan (collectively, the "Prior Plans") and adopted the 2019 Stock Option Plan (the "2019 Stock Options Plan") and the 2019 Directors Option Plan (the "2019 Directors Option Plan") (collectively, the "2019 Plans", and together with the Prior Plans, the "Plans"). The purpose of the 2019 Plans is to provide certain incentive and non-statutory stock options to employees, directors and certain non-employees. As a result, the Company may not grant any additional awards under the Prior Plans. The Prior Plans will continue to govern outstanding stock options previously granted thereunder. The Company has initially reserved 160,000 shares and 40,000 shares of common stock for issuance of awards under the 2019 Stock Option Plans and the 2019 Directors Option Plan, respectively.

The 2019 Plans authorize grants to purchase shares of authorized but unissued common stock. Stock options can be granted with an exercise price no less than or equal to the stock's fair market value at the date of grant. All awards have 10-year terms. The 2019 Plans permit incentive stock options, or ISOs and non-qualified stock options, or NSOs. If the stock options are granted to a 10% stockholder, then the exercise price per share may not be less than 110% of the fair market value per share of the Company's common stock on the grant date. The board of directors sets the fair value and exercise price for the underlying shares at the grant date.

On November 9, 2021, the Company's Board of Directors approved the Omnibus Incentive Compensation Plan and Non-Employee Directors Compensation Plan (collectively, the "2021 Equity Plans") and terminated the 2019 Plans. The purpose of the 2021 Equity Plans is to provide certain incentive and non-statutory stock options, restricted stock, restricted stock units, and stock appreciation rights to employees, directors, and certain non-employees. As a result, the Company may not grant any additional awards under the 2019 Plans. The Prior Plans and the 2019 Plans will continue to govern outstanding stock options previously granted thereunder. The Company has initially reserved 120,000 shares and 50,000 shares of common stock for issuance of awards under the Omnibus Incentive Compensation Plan and Non-Employee Directors Compensation Plan, respectively. On June 9, 2022, the 2021 Equity Plans were approved by the Company's shareholders.

Stock Option Activity

Stock option activity under Stock Option Plans was as follows:

	Outstanding Options	Weighted average exercise price	Weighted average remaining contractual term	Aggregate Intrinsic Value
Outstanding at December 31, 2022	38,926	$ 46.75	2.20	$ 10.50
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	(38,926)	46.75	-	-
Outstanding at December 31, 2023	-	$ -	-	$ -
Outstanding at December 31, 2024	-			
Exercisable at December 31, 2024	-	$ -	-	$ -

There were no options granted during 2024 and 2023 under the stock option plan. As of December 31, 2024 and 2023, there were no options vested or outstanding.

Stock-based Valuation Assumptions

During 2024 and 2023, the Company did not grant stock options and consequently had no requirement to value stock options.

Restricted Stock Units

During 2023, the Company granted 14,831 RSUs with a total fair value of $80 thousand under the 2021 Equity Plans. As of December 31, 2023, there were no RSUs vested with a fair value of $0 thousand. The Company recorded $118 thousand in stock-based compensation expense for the years ended December 31, 2023. As of December 31, 2023, the total unrecognized stock-based compensation expense was $0 thousand. During 2024 and as of December 31, 2024, there were no RSUs granted or outstanding.

A summary of plan activity for the 2021 Equity Plans is as follows:

	Units	Weighted Average Grant Date Fair value
Unvested at December 31, 2022	44,516	$ 23.75
Granted	14,831	5.39
Vested	(20,498)	(21.63)
Forfeited	(38,849)	(17.86)
Unvested at December 31, 2023	-	$ -

Stock-based Compensation Expense

The following table sets forth stock-based compensation expense included in the Company's consolidated statements of operations:

	Years ended December 31,	
	2024	2023
Cost of goods sold	$ -	$ 17,205
Sales and marketing	-	55,657
General and administrative	897,163	75,921
Research and development	-	130,612
Total stock-based compensation expense	$ 897,163	$ 279,395

(9) INCOME TAXES

Income tax expense consists of:

	Current	Deferred	Total
Year Ended December 31, 2023:			
U.S. Federal	$ -	$ -	$ -
State and local	16,623	-	16,623
Foreign	25,996	-	25,996
	$ 42,619	$ -	$ 42,619
Year Ended December 31, 2024:			
U.S. Federal	$ -	$ -	$ -
State and local	11,216	-	11,216
Foreign	-	-	-
	$ 11,216	$ -	$ 11,216

The principal components of deferred tax assets, net, were as follows at December 31:

	2024	2023
Deferred income tax assets:		
Capitalized research and development	$ -	$ -
Inventories	-	550,023
Accounts receivable	-	261,564
Accrued expenses	-	29,414
Net operating loss and tax credit carry forwards	14,629,440	19,244,464
Plant and equipment	-	85,332
Stock compensation	-	-
Other – interest expense	-	293,932
Total deferred income tax assets	14,629,440	20,464,729
Valuation allowance	(14,629,440)	(20,464,729)
Net deferred tax assets	$ -	$ -

As of December 31, 2024, the Company had Federal net operating loss carry forwards of approximately 70 million, which are available to offset future taxable income. They are due to expire in varying amounts from 2025 to 2044. As of December 31, 2018, federal net operating losses of approximately $37 million may be carried forward indefinitely. A valuation allowance has been established for the full amount of net deferred income tax assets as management has concluded that it is more likely than not that the benefits from such assets will not be realized. The NOL constitutes the majority of the deferred assets and the other components have not been presented as to the immateriality as compared to the NOL.

The Federal NOLs may be subject to certain limitations under Section 382 of the Internal Revenue Code, which could significantly restrict the Company's ability to use the NOLs to offset taxable income in subsequent years.

As result of changes made by the Tax Cuts and Jobs Act of 2017, that became effective as of January 1, 2022, the company is now required to capitalize for tax purposes certain research and development expenses and amortize domestic expenses over a 5 year period and foreign expenses over a 15 year period, resulting in a deferred tax asset for the capitalized amounts as reflected in the above table.

The following is a reconciliation of the statutory Federal income tax rate to the actual effective income tax rate for continuing operations:

	2024	**2023**
Federal tax (benefit) rate	21%	21%
Increase (decrease) in taxes resulting from:		
State income taxes	-	4
Change in valuation allowance	(21)	(21)
Expiration of NOLs	-	(5)
Expiration of stock options	-	(1)
Permanent differences	-	1
Changes in Federal and state rates	-	1
Effective income tax rate	0%	0%

The Company reviews annually the guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold. At December 31, 2024 and 2023, the Company did not have any material uncertain tax positions. No interest and penalties related to uncertain tax positions were accrued at December 31, 2024 and 2023.

The Company files income tax returns in the U.S., India, and Mexico. Tax years subsequent to 2017 remain subject to examination for both U.S. Federal and state tax reporting purposes. Tax years subsequent to 2016 remain subject to examination for Mexico tax reporting purposes. The foreign income tax reported represents tax on operations for the Company that is located in a special economic zone in Mexico. Other than the Mexico facility, the Company has an India operation and has no other operations in a foreign location. The India operation had no tax obligations as of December 31, 2024.

(10) RETIREMENT PLAN

The Company sponsors a 401(k) retirement savings plan for employees. Effective January 1, 2022, the Company increased the Company match to an amount not to exceed 3% of an employee's contribution. Employees could contribute to the 401(k) up to 100% of their wages with a maximum of $23,000 for 2024. Under the Economic Growth and Tax Relief Reconciliation Act, employees who are age 50 or older could contribute an additional $7,500 per year for a maximum of $30,500 for 2024. Contributions by the employees are invested in one or more funds at the direction of the employee; however, employee contributions cannot be invested in Company stock. Contributions by the Company are made in accordance with the investment elections made by each participant for his or her deferral contributions. The matching contribution is applied to the employee accounts after each payroll. The Company matching contributions charged to expense were $0 thousand and $98 thousand in the years ended December 31, 2024, and 2023, respectively.

(11) RELATED PARTY TRANSACTIONS

The Company leased office space located at 848 Elm Street, Manchester, NH. The landlord is an affiliate entity owned by Mr. Hitchcock. The two-year facility lease agreement was effective from August 1, 2019, to July 31, 2021 and was extended to July 31, 2022. On July 18, 2022, the lease agreement was amended to a month-to-month lease arrangement and may be terminated by either party with a 60-day notice. The lease was terminated in December 2024. The facility lease agreement provided for 2,656 square feet. For the twelve-months period ended December 31, 2024 and 2023, the rent expense was $14 thousand and $42 thousand, respectively.

On November 30, 2022, the Company and Slingshot Capital, LLC ("Slingshot Capital") entered into a Bridge Loan Agreement (the "Bridge Loan Agreement") pursuant to which Slingshot Capital agreed to make available a bridge loan in the principal amount up of up to $1,500,000. The Company has drawn down $1,000,000 under the Bridge Loan Agreement. Subject to Slingshot Capital's sole discretion, the other $500,000 may be drawn by the Company.

On December 6, 2023, the Company and Slingshot Capital entered into a Debt Conversion Agreement ("Conversion Agreement") pursuant to which the Company agreed to issue 734,343 shares of the Company's common stock (based on $1.533 per share) (the "Shares") in exchange for the cancellation of a total principal amount of $1,000,000 ("Principal Amount") outstanding under the Bridge Loan Agreement and Bridge Term Note (collectively, the "Loan Agreements"), with Slingshot Capital, plus $125,778 in accrued and unpaid interest on such Principal Amount as of December 6, 2023. The price per share used in the exchanged was determined by the weighted average price per share and trade volume on September 13, 2023 and November 28, 2023.

Slingshot Capital is owned by the Company's former Chairperson of the Board and a former Board of Director, Jeremy Hitchcock and Elizabeth Hitchcock, respectively.

(12) SUBSEQUENT EVENTS

The Company considers events or transactions that occur after the balance sheet date but prior to April 10, 2025 to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. The Company evaluated all subsequent events and determined that there are no material recognized or unrecognized subsequent events requiring disclosure, except as described below.

Private Placement and Securities Purchase Agreement

On February 18, 2025, the Company entered into, and simultaneously closed the transactions under, that certain Amended and Restated Securities Purchase Agreement ("Purchase Agreement") among Cao Yu, Hu Bin, and Youxin Consulting Limited, a Hong Kong company (collectively, the "Purchasers"), David Lazar ("Seller") and the Company, whereby Seller sold to the Purchasers (a) sold to the Purchasers (i) 2,219,447 shares of Series A Convertible Preferred Stock, $0.001 par value per share ("Seller Preferred Stock"), and (ii) a warrant to purchase up to an additional 2,800,000 shares of common stock, par value $0.01 per share, with an exercise price equal to $1.00 per share, subject to adjustment therein (the "Warrant", and together with the Seller Preferred Stock, the "Securities"), and (b) granted Youxin Consulting Limited a power of attorney over 2,656,980 shares of common stock, $0.001 par value per share and 85,910 shares of Series A Convertible Preferred Stock, $0.001 par value per share). Purchasers also purchased certain receivables that the Company owed to Seller (the "Lazar Receivables"). The purchase price for the Securities and the Lazar Receivables was $500,000.

As further consideration for the sale of the Securities, Seller has the opportunity to be paid by the Purchasers an additional $3,400,000, less any indemnity and other obligations payable by Seller, if (i) the Company's common stock is listed on the Nasdaq on or before December 31, 2025 and (ii) the Company has satisfied all applicable initial and continuing listing requirements of the Nasdaq. Additionally, if the foregoing is achieved, Seller will also receive a number of newly issued shares of common stock of the Company equal to 3% of the then outstanding shares of common stock on the date the Company's common stock is listed on the Nasdaq pursuant to Section 4(a) (2) of the Securities Act of 1933, as amended.

The Purchase Agreement includes a covenant that, promptly following the closing, the Company will take all actions reasonably necessary to amend its certificate of incorporation to increase the Stated Value (as defined in the certificate of incorporation) of the Series A Convertible Preferred Stock from $1.40 to $2.75 in consideration for cancelling the Warrant and forgiving the Lazar Receivables (the "Conversion Increase").

The Purchase Agreement also contains customary representations, warranties and agreements of the Company, Seller and the Purchasers, indemnification rights and other obligations of the parties.

Non-binding Letter of Intent

On March 25, 2025, the Company entered into a non-binding letter of intent ("LOI") with Hongyan Sun and Lin Lin (collectively, the "Sellers"), pursuant to the terms of which the Sellers will transfer 100% of their equity interests in Suzhou Yixuntong Network Technology Co., Ltd. (the "Target Company") to the Company (the "Potential Transaction") for a purchase price not to exceed $2,000,000. The Company shall make a prepayment of $300,000 to the Sellers, as soon as practicable, upon the signing of the LOI.

Upon the signing of this LOI, the Target Company and the Sellers (i) have granted the access of the Target Company's service ports to the Company; (ii) have connected the Company to the Target Company's Software as a Service platform; (iii) and is working with the Company to ensure it can carry out the Multi-Channel Network business in the second quarter of 2025.

The Potential Transaction is subject to the Company's satisfactory completion of legal, tax, financial, operation, human resources and administration, and environmental due diligence of Target Company and such other due diligence as the Company may deem necessary.

The Company and the Sellers expect to complete the Potential Transaction as soon as reasonably practicable, but in no event later than six (6) months after signing of the LOI (the "Long-Stop Date"). The Sellers have agreed that that, from the date of the LOI through the Long-stop Date, or the date when the Company informs the Sellers that the exclusivity expires, whichever occurs earlier, the Sellers shall refrain, directly or indirectly from (i) soliciting offers from third parties to acquire Target Company and/or its business, and from offering Target Company or its business to any person, firm, group or corporation other than the Company; and (ii) entering into any agreement aimed at selling or otherwise transferring Target Company or the business or that may otherwise prevent the parties from consummating the Potential Transaction.

The Company expects to announce additional details regarding the Potential Transaction if and when a definitive agreement is executed. No assurances can be made that the Company will successfully negotiate and enter into a definitive agreement with respect to the Potential Transaction, or that the Potential Transaction will be consummated on the terms or timeframe currently contemplated, or at all. Any transaction is subject to board and shareholder holder approval of the Company, regulatory approvals and other customary conditions.

ITEM 9 – CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A. – CONTROLS AND PROCEDURES

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Securities Exchange Act of 1934 reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Principal Executive Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as ours are designed to do, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As of December 31, 2024, we carried out an evaluation, under the supervision and with the participation of our management, including our Principal Executive Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934. Based upon that evaluation, our management has concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report in enabling us to record, process, summarize and report information required to be included in our periodic SEC filings within the required time period.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting., but not absolute, assurance that assets are safeguarded against loss from unauthorized use or Judgments by management are also required in evaluating the expected benefits and related costs of control procedures. The objectives of internal control include providing management with reasonable disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of consolidated financial statements in conformity with accounting principles generally accepted in the U.S. Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2024. In making this assessment, our management used the criteria set forth in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control-Integrated Framework*. Our management has concluded that as of December 31, 2024 that our internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with US generally accepted accounting principles. Our management reviewed the results of their assessment with our Board of Directors.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to an exemption from the internal control audit requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002.

Inherent limitations on effectiveness of controls

Internal control over financial reporting has inherent limitations which include but are not limited to the use of independent professionals for advice and guidance, interpretation of existing and changing rules and principles, segregation of management duties, scale of organization, and personnel factors. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis, however these inherent limitations are known features of the financial reporting process and it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control over Financial Reporting

There have been no significant changes in our internal controls over financial reporting that occurred during the fiscal year ended December 31, 2024 that have materially or are reasonably likely to materially affect, our internal control over financial reporting.

PART III

ITEM 10 – DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

ITEM 11 – EXECUTIVE COMPENSATION

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

ITEM 12 – SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

ITEM 13 – CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

ITEM 14 – PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this part is hereby incorporated by reference from our definitive proxy statement for our 2025 annual meeting of stockholders which will be filed with the SEC within 120 days after the close of our fiscal year.

PART IV

Item 15. Exhibits and Consolidated Financial Statement Schedules

(a) (1) and (2). Financial Statements.

See Index to Financial Statements under Item 8 in Part II hereof where these documents are listed. All schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a) (3). Exhibits.

The following is a list of exhibits:

ITEM 15 – EXHIBITS AND CONSOLIDATED FINANCIAL STATEMENT SCHEDULES *

(a)	Consolidated Financial Statements, Schedules and Exhibits:
(1), (2)	The Consolidated Financial Statements and required schedules are indexed on page F-1.
(3)	Exhibits required by the Exhibit Table of Item 601 of SEC Regulation S-K. (Exhibit numbers refer to numbers in the Exhibit Table of Item 601.)
3.1	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form 10 filed by the Company on September 4, 2009).*
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on November 18, 2015).*
3.3	Certificate of Designation of Series A Junior Participating Preferred Stock (incorporated by reference to Exhibit 3.2 to the Form 8-K filed by the Company on November 18, 2015).*
3.4	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on July 30, 2019).*
3.5	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on June 4, 2021).*
3.6	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.2 to the Form 8-K filed by the Company on June 4, 2021).*
3.7	Certificate of Correction of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K/A filed by the Company on June 30, 2021).*
3.8	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on July 23, 2021).*
3.9	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to Form 8-K filed by the Company on March 31, 2023).*
3.10	Certificate of Designation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on March 1, 2024).*

3.11	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on March 6, 2024).
3.12	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on February 28, 2025).
3.13	Second Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Company on March 28, 2025).
4.1	Description of Securities (incorporated by reference to Exhibit 4.1 to Amendment No. 1 to Form S-1 filed by the Company on July 26, 2021).*
10.1	Amended and Restated Securities Purchase Agreement by and among the Company, the Purchasers and Seller, effective as of February 18, 2025. (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 24, 2025).
21.1	Subsidiaries.**
23.1	Consent of Independent Registered Public Accounting Firm (BF Borgers CPA PC).**
31.1	CEO Rule 13a-14(a)/15d-14(a) Certification.**
31.2	CFO Rule 13a-14(a)/15d-14(a) Certification.**
32.1	CEO Section 1350 Certification.**†††
32.2	CFO Section 1350 Certification.**†††
101.INS	Inline XBRL Instance Document.**
101.SCH	Inline XBRL Taxonomy Extension Schema Document.**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.**
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.**
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.**
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.**
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).**

* In accordance with Rule 12b-32 under the Securities Exchange Act of 1934, as amended, reference is made to the documents previously filed with the Securities and Exchange Commission, which documents are hereby incorporated by reference.

** Filed herewith.

\+ Management contract or compensatory plan, contract or arrangement.

† Confidential portions of this exhibit have been redacted and filed separately with the SEC pursuant to a confidential treatment request in accordance with Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

†† Certain confidential portions of this exhibit were omitted because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.

††† This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

†††† The schedules and exhibits to the Agreement and Plan of Merger have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

FiEE, INC.
(Registrant)

Date: April 10, 2025

By: */s/ Li Wai Chung*
Li Wai Chung
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Li Wai Chung Li Wai Chung	Chief Executive Officer and President (principal executive officer)	April 10, 2025
/s/ Yu Cao Yu Cao	Chief Financial Officer, Treasurer and Secretary (principal financial and accounting officer)	April 10, 2025
/s/ David Lazar David Lazar	Director	April 10, 2025

Exhibit 21.1

SUBSIDIARIES

MTRLC LLC, a wholly owned subsidiary of FiEE, Inc., is a limited liability company organized in Delaware.

MME Sub 1 LLC, a wholly owned subsidiary of FiEE, Inc., is a limited liability company organized in Florida.

Minim Asia Private Limited, a wholly owned subsidiary of FiEE, Inc., is a private company organized in Mumbai, India.

FiEE (HK) Limited, a wholly owned subsidiary of FiEE, Inc., is a limited liability company incorporated under the laws of Hong Kong.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in Registration Statements (No. 333-261110, 333-237698, 333-209807, 333-173143) on Form S-8 of FIEE, Inc. f/k/a Minim, Inc. of our report, which includes an explanatory paragraph related to Minim, Inc.'s ability to continue as a going concern, dated April 9, 2025, on our audits of the consolidated financial statements of FIEE, Inc. f/k/a Minim, Inc. as of December 31, 2024 and for the year then ended, included in this Annual Report on Form 10-K of FIEE, Inc. f/k/a Minim, Inc. for the year ended December 31, 2024.

/s/ Beckles & Co.

West Palm Beach, Florida
April 9, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Li Wai Chung, Principal Executive Officer of FiEE, Inc., certify that:

1) I have reviewed this report on Form 10-K of FiEE, 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) As the registrant's certifying officer, I am 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) As the registrant's certifying officer, 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 registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal 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.

Date: April 10, 2025

By: */s/ Li Wai Chung*
Li Wai Chung
Principal Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Yu Cao, Principal Financial and Accounting Officer of FiEE, Inc., certify that:

1) I have reviewed this report on Form 10-K of FiEE, 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) As the registrant's certifying officer, I am 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) As the registrant's certifying officer, 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 registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal 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.

Date: April 10, 2025

By: */s/ Yu Cao*
Yu Cao
Principal Financial and Accounting Officer

Exhibit 32.1

CERTIFICATION

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code).

In connection with the annual report on Form 10-K of FiEE, Inc. (the "Company") for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned, Li Wai Chung, Principal Executive Officer, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(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.

Date: April 10, 2025

By: */s/ Li Wai Chung*
Li Wai Chung
Principal Executive Officer

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Exhibit 32.2

CERTIFICATION

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code).

In connection with the annual report on Form 10-K of FiEE, Inc. (the "Company") for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned, Yu Cao, Principal Financial and Accounting Officer, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(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.

Date: April 10, 2025

By: */s/ Yu Cao*
Yu Cao
Principal Financial and Accounting Officer

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.