

THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.  
Form 10-K  
April 17, 2018

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

**FORM 10-K**

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

**For the fiscal year ended December 31, 2017**

**OR**

**[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**

Commission File Number: **000-54554**

**Therapeutic Solutions International, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**45-1226465**

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

**4093 Oceanside Boulevard, Suite B**

**Oceanside, California 92056**

(Address of principal executive offices, including zip code)

**(760) 295-7208**

(Registrant's telephone number, including area code)

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

**None**

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

Title of class

**Common Stock, \$0.001 par value per share**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [ ] No [X]

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 [X]

Edgar Filing: THERAPEUTIC SOLUTIONS INTERNATIONAL, INC. - Form 10-K

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [ ] No [X]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation SK (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

---

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates was \$1,491,152 based on a closing price of \$0.006 as of June 30, 2017.

As of April 17, 2018, 832,801,713 shares of the registrant's common stock, par value of \$0.001 per share, were outstanding.

**INDEX**

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**

	<b>PAGE NO</b>	
<b>PART I</b>		
ITEM 1	BUSINESS	5
ITEM 1A	RISK FACTORS	13
ITEM 1B	UNRESOLVED STAFF COMMENTS	18
ITEM 2	PROPERTIES	18
ITEM 3	LEGAL PROCEEDINGS	18
ITEM 4	MINE SAFETY DISCLOSURES	18
<b>PART II</b>		
ITEM 5	MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	19
ITEM 6	SELECTED FINANCIAL DATA	20
ITEM 7	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	20
ITEM 7A	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	22
ITEM 8	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	22
ITEM 9	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	22
ITEM 9A	CONTROLS AND PROCEDURES	22
ITEM 9B	OTHER INFORMATION	23
<b>PART III</b>		
ITEM 10	DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE	23
ITEM 11	EXECUTIVE COMPENSATION	27
ITEM 12	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS	28
ITEM 13	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	28
ITEM 14	PRINCIPAL ACCOUNTANT FEES AND SERVICES	28

**PART IV**

ITEM 15	EXHIBITS AND FINANCIAL STATEMENT SCHEDULES	29
SIGNATURES		30

---

## **PART I.**

### **FORWARD-LOOKING STATEMENTS**

This Annual Report on Form 10-K contains forward-looking statements within the meaning of federal securities laws, which are subject to a number of risks and uncertainties. All statements that are not historical facts are forward-looking statements, including statements about our business strategy, uncertainty regarding our future operating results and our profitability, anticipated sources of funds and all plans, objectives, expectations and intentions and any statements regarding future potential revenue, gross margins and our prospects for 2017 and thereafter. These statements may appear in a number of places and can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "future," "intend," or "certain" or the negative of these terms or other variations or comparable terminology, or by discussions of strategy.

The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

Need for additional capital;

Limited operating history in our new business model;

Limited experience introducing new products;

Our ability to successfully expand our operations and manage our future growth;

Difficulty in managing our growth and expansion;

Dilutive effects of any raising of additional capital;

The deterioration of global economic conditions and the decline of consumer confidence and spending;

Material weaknesses reported in our internal control over financial reporting;

Our ability to protect intellectual property rights and the value of our products;

The potential for product liability claims against us;

Our dependence on third party manufacturers to manufacture our products;

Our common stock is currently classified as a penny stock;

Our stock price may experience future volatility;

The illiquidity of our common stock; and

Substantial sales of shares of our common stock.

Actual results may vary materially from those in such forward-looking statements as a result of various factors, including those identified in "Item 1A. Risk Factors" and elsewhere in this document. No assurance can be given that the risk factors described in this Annual Report on Form 10-K are all of the factors that could cause actual results to vary materially from the forward-looking statements. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, and assumptions. The Company's future results and shareholder values may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements. Forward-looking statements also include statements in which words such as "expect," "anticipate," "intend," "plan," "believe," "estimate," "consider," or similar expressions are used. References in this Annual Report on Form 10-K to the "Company," "TSOI," "we," "our," and "us" refer to Therapeutic Solutions International, Inc.



## ITEM 1 BUSINESS.

### Corporate History

Therapeutic Solutions International, Inc. (“TSI” or the “Company”) was organized August 6, 2007 under the name Friendly Auto Dealers, Inc., under the laws of the State of Nevada. In the first quarter of 2011 the Company changed its name from Friendly Auto Dealers, Inc. to Therapeutic Solutions International, Inc., and acquired Splint Decisions, Inc., a California corporation.

Currently the Company is focused on immune modulation for the treatment of several specific diseases. Immune modulation refers to the ability to upregulate (make more active) or downregulate (make less active) one’s immune system.

Activating one’s immune system is now an accepted method to cure certain cancers, reduce recovery time from viral or bacterial infections and to prevent illness. Additionally, inhibiting one’s immune system is vital for reducing inflammation, autoimmune disorders and allergic reactions.

TSI is developing a range of immune-modulatory agents to target certain cancers, improve maternal and fetal health, fight periodontal disease, and for daily health.

**Nutraceutical Division** – TSI has been producing high quality nutraceuticals. Its flagship product, ProJuvener<sup>®</sup>, is a proprietary mixture containing pterostilbene – one of the most potent antioxidants known. TSI filed a patent application for ProJuvener<sup>®</sup> on 07-08-2015 titled: “Augmentation of Oncology Immunotherapies by Pterostilbene Containing Compositions” and was granted that patent on June 20, 2017.

**Emvolio, Inc.** (“EMVO”) – is a wholly-owned subsidiary of TSI, incorporated in the State of Delaware on October 03, 2016. EMVO intends to focus on developing products that can be used together to attack cancer at different levels, as well as to be used alone or in combination with existing therapies. Mr. Dixon and Mr. Berg, and Dr. Ichim, of the Company, are also officers and officers and/or directors of EMVO. As of April 16, 2018, formal operations have not commenced.

**SandBox Dental Labs, Inc.** – is a wholly-owned subsidiary of TSI consisting of a dental laboratory to manufacture and fill prescriptions from dentists who will use our proprietary Sleep Appliance to treat their patients with mild to

moderate obstructive sleep apnea. The Company is currently in the process of seeking regulatory approval for its device to treat sleep apnea. As of April 16, 2018, formal operations have not commenced.

Management does not expect existing cash as of December 31, 2017 or as of March 31, 2018 to be sufficient to fund the Company's operations for at least twelve months from the issuance date of these December 31, 2017 financial statements. These financial statements have been prepared on a going concern basis which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of December 31, 2017, the Company has incurred losses totaling \$5.3 million since inception, has not yet generated material revenue from operations, and will require additional funds to maintain its operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern within one year after the consolidated financial statements are issued. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due. The Company intends to finance operating costs over the next twelve months through its existing financial resources and we may also raise additional capital through equity offerings, debt financings, collaborations and/or licensing arrangements. If adequate funds are not available on acceptable terms, we may be required to delay, reduce the scope of, or curtail, our operations. The accompanying consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

## **CURRENT BUSINESS DESCRIPTION**

Currently the Company is focused on immune modulation for the treatment of several specific diseases. Immune modulation refers to the ability to upregulate (make more active) or downregulate (make less active) one's immune system.

Activating one's immune system is now an accepted method to treat certain cancers, reduce recovery time from viral or bacterial infections and to prevent illness. Additionally, inhibiting one's immune system is vital for reducing inflammation, autoimmune disorders and allergic reactions.

TSI is developing a range of immune-modulatory agents to target certain cancers, improve maternal and fetal health, fight periodontal disease, and for daily health.

**Nutraceutical Division** – TSI has been producing high quality nutraceuticals. Its flagship product, ProJuvenol<sup>®</sup>, is a proprietary mixture containing pterostilbene – one of the most potent antioxidants known. TSOI filed a patent application for ProJuvenol<sup>®</sup> on 07-08-2015 titled: “Augmentation of Oncology Immunotherapies by Pterostilbene Containing Compositions”. On April 28, 2016 the Company announced the filing of a patent application covering the use of ProJuvenol<sup>®</sup> and its active ingredient pterostilbene for augmentation of stem cell activity.

**Emvolio, Inc.**, (“EMVO”) – is a wholly-owned subsidiary of TSI, incorporated in the State of Delaware on October 3, 2016, where the intellectual property surrounding immune-oncology is housed.

**SandBox Dental Labs, Inc.** SandBox Dental Labs, Inc., is a wholly-owned subsidiary of TSI consisting of a dental laboratory to manufacture and fill prescriptions from dentists who will use our proprietary Sleep Appliance to treat their patients with mild to moderate obstructive sleep apnea.

### **Nutraceutical Division (TSOI)**

**ProJuvenol<sup>®</sup>** is a powerful synergistic blend of complex anti-aging ingredients inspired by nature to help promote cellular rejuvenation and healthy functionality for everyday living, based upon pterostilbene, one of nature’s unique and intelligent antioxidants/anti-inflammatories. ProJuvenol includes a scientifically valid blend of interactive ingredients with anti-aging and cellular protective properties to help support optimal health and provide the benefits of mental alertness and physical well-being.

Pterostilbene (pronounced “tero-STILL-bean”) has created a buzz in the world of nutrition research. Scientists discovered this powerful antioxidant several decades ago and have since found that it rivals its cousin resveratrol’s multi-functional abilities, and may actually exceed its anti-aging and health promoting potential. Found naturally in blueberries, pterostilbene has been shown in emerging experimental studies to exhibit up to 7 times greater bioavailability than resveratrol as well as better metabolic stability. This translates to potentially higher levels of pterostilbene in the blood upon ingestion, and longer lasting effects in the body compared to resveratrol. More simply put, it remains active in your body for a much greater period of time and during this enhanced bio-available period your body has the opportunity to allow it to utilize this powerful antioxidant molecule.

A large body of experimental research has now documented a wide range of potential health effects associated with pterostilbene. In fact, the more researchers study pterostilbene, the greater its human health potential becomes. In addition to being a powerful antioxidant, emerging experimental research suggests this plant compound may also help regulate cell growth, promote fat metabolism, support glucose utilization, influence brain function, and improve the body’s natural detoxification enzymes that are required to help protect cells against potentially damaging compounds from the environment.

**Patents:**

TSOI filed a patent covering the use of its ProJuvenol<sup>®</sup> product, as well as various pterostilbene compositions, for use in augmenting efficacy of existing immuno-oncology drugs that are currently on the market. The patent is based on the ability of pterostilbene, one of the major ingredients of ProJuvenol<sup>®</sup>, to reduce oxidative stress produced by cancer cells, which in turn protects the immune system from cancer mediated immune suppression.

Immuno-Oncology, described by Science Magazine as ‘Breakthrough of the Year’ offers the possibility of not only killing tumor cells in a non-toxic manner, but also establishing immunological memory, which patrols the body and destroys recurrent tumor cells. While great progress has been made in developing drugs that stimulate the immune system to recognize and kill tumors, a major pitfall of current approaches is that tumors produce chemicals and oxidative stress that suppresses the immune system, thus limiting efficacy of immune therapies.

Pterostilbene, which is chemically related to resveratrol, has been published to possess anticancer, antioxidant, and anti-inflammatory activities. Through the filing of the recent patent, the company is exploring whether its lead product, ProJuvenol<sup>®</sup>, may be useful as a nutraceutical adjuvant to conventional cancer immunotherapies.

The importance of proper nutrition in the context of immunotherapy cannot be overstated. Studies on one of the original cancer immunotherapies, interleukin-2, demonstrated that efficacy was related to anti-oxidant content in the patients at time of therapy. Accordingly, we are seeking through the current work to identify whether our currently marketed product, ProJuvenol<sup>®</sup>, may be utilized as part of an integrative approach to building up the immune response of cancer patients.

In addition, on April 28, 2016 the Company filed a patent application covering the use of pterostilbene for augmentation of stem cell activity. Diseases such as diabetes, cardiovascular disease, and neurodegenerative diseases are characterized by deficient stem cell activity. The patent covers the stimulation of stem cells that already exist in the patient’s body, as well as stem cells that are administered therapeutically.

Studies have shown that patients who have higher levels of endogenous stem cell activity have reduced cardiovascular disease risk and undergo accelerated neurological recovery after stroke as compared to patients with lower numbers of such stem cells.

On October 16, 2017 the Company filed a patent application titled "Synergistic Inhibition of Glioma Using Pterostilbene and Analogues Thereof" which was developed to utilize the ability of the immune system to augment the possibility of increasing overall survival of glioma patients after treatment with conventional therapies. Our data suggests that when pterostilbene is combined with brain cancer therapeutics such as Gefitinib, Sertraline, or Temozolomide, the prognosis is vastly improved.

The Company continues their research into the use of pterostilbene the active ingredient in ProJuvenol. To that end we have been able to produce a nanoemulsion of pterostilbene we are tentatively naming "**NanoStilbene**".

**Pterostilbene**, being extracted from many plants, has significant biological activities in preventing cancer, diabetes, and cardiovascular diseases so as to have great potential applications in pharmaceutical fields.

**NanoStilbene** is prepared by low-energy emulsification which allows for better solubility, stability, and the release performance of pterostilbene nanoparticles. The pterostilbene placed in a nanoemulsion droplet is free from air, light, and hard environment; therefore, as a delivery system, nanoemulsion can not only improve the bioavailability of pterostilbene but also protect it from oxidation and hydrolysis, while it possesses an ability of sustained release at the same time.

A typical dose would be 5-10 milliliters yielding between 150 – 300 milligrams per dose. In addition to the benefits of the nanoparticle pterostilbene we chose to use medium chain triglycerides (MCT), derived from coconut oil, as one of our oil mediums in preparing the nanoemulsion. MCTs are not stored as fat, but rather convert quickly into Adenosine triphosphate (ATP), which provides energy for the body and brain at the cellular level.

MCT's are also shown to increase metabolic thermo-genesis, improve stamina, endurance, athletic performance, and energy levels, as well as exhibiting potent anti-microbial properties – providing immune system benefits and helping in balancing candida in the gut.

**NanoStilbene** will soon be available in 150ml & 300ml bottles at a concentration of 30mg per ml with a recommended daily dose of 150mg.

*Pterostilbene*, (trans-3,5-dimethoxy-4-hydroxystilbene) is a stilbene compound that is structurally similar to other popular stilbenes such as resveratrol or piceatannol; it is named after its first discovered source (the pterocarpus genus) but is also a component of blueberries and grape products. It is a phytoalexin (compound produced by plants as a defense against parasites and insects) similar to resveratrol albeit more potent.

*Pterostilbene* has been found to be significantly more stable in vivo than resveratrol, its half-life in vivo is approximately 104 minutes versus resveratrol, for 13 minutes. Further, studies indicate that the body better absorbs pterostilbene than resveratrol, and pterostilbene is more biologically active than resveratrol, and is more efficacious than resveratrol in inhibiting certain biological activities including pro-inflammatory enzymes (providing anti-inflammatory benefits), and cell membranes producing lipid peroxidation (providing anti-oxidant support).

Each of the benefits below are specifically a growing concern within our targeted demographics, the availability of a natural product to the existing medical protocols provides a logical and affordable alternative, without many of the adverse side effects of traditional medicines.

Reduced insulin sensitivity

Reduction in VLDL and LDL (bad) cholesterol levels

Increasing HDL (good) cholesterol levels

Positive vascular smooth muscle cells

Anti-inflammatory benefits

Anti-oxidant benefits

Cognitive function improvement

Skin protection from Ultra Violet light exposure

### ***NanoTechnology***

Therapeutic uses of nanotechnology typically involve the delivery of small-molecule drugs, peptides, proteins, and nucleic acids. Nanoparticles have advanced pharmacological effects compared with the therapeutic entities they contain. Active intracellular delivery and improved pharmacokinetics and pharmacodynamics of drug nanoparticles depend on various factors, including their size and surface properties.

Nanoparticle therapeutics is an emerging treatment modality in cancer and other inflammatory disorders. The National Cancer Institute has recognized nanotechnology as an emerging field with the potential to revolutionize modern medicine for detection, treatment, and prevention of cancer.

To perfect and scale up this product we need to accomplish several important steps.

- 1 . ) Pharmacokinetics of blood serum concentration across a prescribed period of time.
  
- 2 . ) This involves the study of the bodily absorption, distribution, metabolism, and excretion of drugs and the characteristic interactions of a drug and the body in terms of its absorption, distribution, metabolism, and excretion.
  
- 3 . ) Small pilot study to be performed under the direction of Dr. Santosh Kesari at John Wayne Cancer Institute in Santa Monica CA. by conducting a clinical trial assessing the effects of pterostilbene in modulating immune response and inflammatory parameters in a group of advanced solid tumor cancer patients.
  
- 4 . ) Translate our PIC process to our GMP manufacturer.

The data in Granted U.S. Patent No.: 9,682,047 strongly suggest that pterostilbene administration may be an inexpensive and safe method of augmenting efficacy of numerous immunotherapeutic drugs. Although cancer immunotherapy has revolutionized the prognosis of many patients, the majority of patients still possess poor or suboptimal responses to this approach.

We are optimistic that if the proposed trial demonstrates positive results, this will serve as a foundation for initiating combination clinical trials aimed at turning non-responders to responders using pterostilbene.



**ProJuvenol®** - Is a powerful synergistic blend of complex anti-aging ingredients inspired by nature to help promote cellular rejuvenation and healthy functionality for everyday living. Based upon one of nature's unique and intelligent anti-oxidants/anti-inflammatories.

**NanoStilbene** is an easily absorbed nanoemulsion of nanoparticle pterostilbene in the range of 75-100nm at a concentration of 30 milligrams per milliliter. The pterostilbene placed in a nanoemulsion droplet is free from air, light, and hard environment; therefore, as a delivery system, nanoemulsion can not only improve the bioavailability of pterostilbene but also protect it from oxidation and hydrolysis, while it possesses an ability of sustained release at the same time.

## **Dental**

### **SandBox Dental Labs, Inc.**

SandBox Dental Labs, Inc., is a wholly-owned subsidiary of TSI consisting of a dental laboratory to manufacture and fill prescriptions from dentists who will use our proprietary Sleep Appliance named Morpheus™ to treat their patients with mild to moderate obstructive sleep apnea.

The SandBox Dental Sleep Appliance, named Morpheus™, has been tested in a randomized controlled cross over trial against CPAP and a placebo, and it is also one of the most technologically advanced and patient friendly MAS's (mandibular advancement splints) on the market.

The Company has submitted to FDA a new 510(k) application on June 20, 2017. On June 27, 2017, the Company was notified that our Submission for premarket notification was received and has been given Submission Number: K171918. Currently K171918 is in a clinical hold until we are able to conduct cytotoxicity and biocompatibility testing of the plastic and acrylic materials used in the construction of the appliance.

The full clinical trial information is not contained in this document, but the headline success rate of Morpheus was 80.3% in fully apneic patients. The potential exists for the device to be even more successful in non-apneic snorers (Barnes et al. (2004). Efficacy of Positive Airway Pressure and Oral Appliance in Mild to Moderate Obstructive Sleep Apnoea.).

The appliance combines a high clinical success rate with key features that make it more comfortable and flexible for the patient. Unlike some MAS devices, our appliance is fully patient adjustable negating the need for further clinical visits for simple titration. Should the patient need to modify the degree of mandibular advancement they can simply adjust with the key provided.

### **Education, Training & Marketing**

Our goal is to make every effort to educate our physicians and dentists so that evidenced based decision making leads to a patient centric system. Oral appliance therapy will only increase in its value in sleep medicine, if the education of our physicians and patients as well as dentists leads to increased awareness, a patient centric decision becomes more likely.

The Company intends to provide Continuing Education and Training as part of our overall marketing. We are staffed and prepared to offer the high quality courses that are indeed evidenced based and taught with our Dental Advisor and key opinion leader, Dr. Barry Glassman, other carefully chosen and trained dental instructors, and an appropriate physician team as well.

There is no field in medicine that has experienced growth and the dynamic changes more than sleep medicine. Those changes are seen as “traumatic” by traditionalists who do not recognize the problems of the existing model of sleep medicine and how that model actually prevents effective diagnosis and treatment. In an attempt to maintain “status quo” sleep medicine tends to react defensively.

There are many instances of resolution of severe Obstructive Sleep Apnea (OSA) with oral appliance therapy, and at the same time, one can point to instances of failure of oral appliance therapy to treat mild OSA. Clearly the number of outliers using AHI alone is significant. In addition, recent work of Cistuli, Sullivan, Anandam and others make it clear that oral appliance therapy can be as effective as CPAP in prevention of severe cardiovascular accidents in patients with severe OSA. There is no question, then, that Oral Appliance Therapy (OAT) has a real role in treatment, and that programs that do not have OAT as an alternative may not an effective treatment for patients.

### **Market Competition**

According to a new research study from Global Market Insights, Inc., the Sleep Apnea Devices Market size is poised to exceed USD 8.7 billion by 2023.

The '**Morpheus**' is an "in-patent" laboratory-manufactured device molded specifically to patient impressions. As a soft, slim-line two-piece device it allows full lateral movement while retaining high levels of patient comfort and custom made accuracy. By allowing a degree of movement during the night the device remains in the mouth unlike some devices that may dislocate. TSOI has exclusivity in the USA until patent expires in 2033.

The '**Thornton Adjustable Positioner**', or **TAP**, is an "out-of-patent" mandibular (lower jaw) advancement device specifically engineered for keeping your airway open during sleep. Currently the #1 prescribed appliance in the USA.

The '**SomnoDent**' oral appliance is a premium, custom-fitted dental sleep appliance developed for the treatment of snoring and obstructive sleep apnea. Currently the #2 prescribed appliance in the USA with sales of 5000 new appliances monthly.

### **Operational Workflow and Support**

The Company has plans to eventually build-out our own physical dental lab but for a period of time we will engage contract manufacturing to produce our appliances until sufficient capital is available to construct our own laboratory.

**Contract Manufacturing with S4S Dental UK**

The Company has exclusivity in the USA in a licensing agreement with S4S Dental Laboratory of Sheffield England (s4sdental.com). TSOI has had a relationship with S4S Dental for many years and they are more than capable of meeting our needs as we grow our market.

S4S Dental markets the Morpheus in the UK as the “Sleepwell” and so there is no difference between the two appliances and their expertise in manufacturing is to our benefit as we grow our own US Market.

**Workflow:**

SandBox will receive dental impressions and prescription from dentist.

SandBox lab techs will produce dental models from impressions that will be scanned 3-Dimensionally and transmitted to manufacturer.

Appliance will then be fabricated to the specifications of prescribing dentist.

Finished appliance will be returned to SandBox and subsequently delivered to prescribing dentist.

All of this will be accomplished within the general two-week turnaround time of most labs.

**Technical and Clinical Support:**

Tier 1 technical support will be provided through support line and electronic communications.

Tier 2 clinical support (doctor to doctor) will be provided by Dr. Glassman for a period of time with the addition of future assistants as we grow.

The Officers and Directors of the Company are also officers and Directors of SandBox. As of April 16, 2018, formal operations have not commenced. Expenses to date have been funded by TSI.

**Immune-Oncology**

**Emvolio, Inc.**

Emvolio, Inc., (EMVO) is a wholly-owned subsidiary of TSI where the intellectual property surrounding immune-oncology is housed. The Company intends to develop products that can be used together to attack cancer at different levels, as well as to be used alone or in combination with existing therapies.

The Officers and Directors of the Company are also officers and Directors of EMVO. As of April 16, 2018, TSI has licensed certain patents to Emvolio, but formal commercial operations have not commenced. Expenses to date have

been funded by TSI.

On April 10, 2017, TSI licensed to EMVO a patent titled “Targeting the Tumor Microenvironment through Nutraceutical Based Immunoadjuvants” known clinically as “**StemVacs**”.

On May 01, 2017, TSI licensed to EMVO a patent titled “Targeting the Tumor Microenvironment through Nutraceutical Based Immunoadjuvants” known clinically as “**Cancer Metabolic Detox**”.

On May 17, 2017, TSI licensed to EMVO a patent titled “Activated Leukocyte Extract for Repair of Innate Immunity in Cancer Patients” known clinically as “**innaMune**”.

On June 01, 2017, TSI licensed to EMVO a patent titled “Augmentation of Anti-Tumor Immunity by Mifepristone and Analogues Thereof” known clinically as “**LymphoBoost**”.

On June 12, 2017, TSI licensed to EMVO a patent titled “Methods of Re-Activating Dormant Memory Cells with Anticancer Activity” known clinically as “**MemoryMune**”.

**StemVacs:** StemVacs is a subcutaneously administered vaccine comprised of immune stimulatory peptides resembling cancer stem cell specific proteins.

On April 12, 2017, the Company announced the submission of an Investigational New Drug Application with the US FDA for use of its StemVacs cancer immunotherapeutic in patients with solid tumors. The trial seeks to establish safety and immune response of the cancer, targeting a new personalized dendritic cell vaccine.

This is a single center, open label, non-randomized phase I trial to test the safety and potential efficacy of StemVacs in advanced cancer patients. We plan to treat a total of 15 patients that are ineligible for current treatments or have failed standard therapy using a total of 2 intravenously administered ascending doses of irradiated StemVacs. Doses will be 10, 25, and 50 million cells per injection. Injections will be performed on days 0 and 14 and responses will be evaluated at 1, 3, 6 and 12 months based on RECIST criteria (Response Evaluation Criteria In Solid Tumors (RECIST) is a set of published rules that define when tumors in cancer patients improve ("respond"), stay the same ("stabilize"), or worsen ("progress") during treatment.).

Additionally immune response changes will be assessed at baseline, 3, 6 and 12 months. The study will last 1 year. As of April 16, 2018, enrollment has not commenced.

Thomas Ichim, Ph.D., will be the person responsible for monitoring the conduct and progress of the clinical investigation as well as responsibility to review and evaluate information relevant to the safety of StemVacs.

Santosh Kesari, M.D., Ph.D., will be the Principal Investigator and the trial will be conducted at the John Wayne Cancer Institute with the cellular product being generated, tested, and filled by the John Wayne Cancer Institute Cell Processing Facility with cells previously generated from autologous patients.

The Primary Objective is safety and feasibility of StemVacs administration at 12 months as assessed by lack of adverse medical events. The Secondary Objective is efficacy as judged by tumor response, time to progression, and immunological monitoring.

Patients will be divided into 3 groups of 5 and administered: a) Group 1: 10 million cells; b) Group 2; 25 million and c) Group 3; 50 million cells of StemVacs intravenously administered. Each injection will be in a volume of 20 ml. StemVacs administration will be performed on days 0 and 14. Between dose escalation there will be a minimum 1 month break to assess adverse events by the data safety monitoring board.

Stimulation of immunity by Dendritic Cells (DC) has been demonstrated to function via antigen specific and non-specific manner. The current study will test the hypothesis that administration of peripheral blood DC matured by Transfer Factor (TF) will possess a favorable toxicity criteria and induce immune modulation in patients with advanced solid tumors.

Given the known suppression of DC activity by tumor cells, one hypothesis of the clinical trial will be that exogenously generated and matured DC will allow for an antigen non-specific immune modulation in the T cell and Natural Killer (NK) cell compartment. The findings of this study will support the use of StemVacs as an antigen-nonspecific immune modulatory treatment that will be utilized as a monotherapy or as combination with antigen specific modalities such as peptide or protein based vaccines.

In addition to StemVacs, the following four products will also be licensed exclusively to EMVO by TSOI who owns the intellectual property.

**Cancer Metabolic DeTox:** This is an orally administered agent that is derived from various herbs termed apigenin. The unique property of apigenin is that it inhibits a cancer associated metabolic pathway that degrades the amino acid

tryptophan. Specifically, apigenin inhibits the enzyme indolamine 2,3 deoxygenase (IDO), which is responsible for breaking down tryptophan in the vicinity of the tumor and generating by-products such as kynurenine. It is known that immune activation is dependent on tryptophan being present in the tumor environment. The depletion of tryptophan and generation of kynurenine by tumor cells and tumor associated cells is a major cause of immune suppression in cancer. By administering Cancer Metabolic DeTox, the innate arm of the immune system has a chance to regenerate. This positions the patient for better outcome after administration of specific immune stimulating vaccines.

**MemoryMune:** This is a product derived from a two-step culture process of donor blood cells. The product MemoryMune reawakens dormant immune memory cells. It is known that many cancer patients possess memory T cells that enter the tumor, however, once inside the tumor these cells are inactivated. MemoryMune contains a unique combination of growth factors specific for immune system cells called “cytokines”.

**LymphoBoost:** LymphoBoost is a proprietary formulation of Misoprostol, a drug approved for another indication, which we have shown to be capable of stimulating lymphocytes, particularly NK cells and T cells, both critical in maintaining anti-tumor immunity.

**innaMune:** This is a biological product derived from tissue culture of blood cells derived from healthy donors. It is a combination of cytokines that maintain activity of innate immune system cells, as well as having ability to shift M2 macrophages to M1.

The overarching approach to cancer at EMVO is as follows:

- 1 . ) Treat innate immune suppression: Administration of oral apigenin/pterostilbene (Cancer DeTox Product) to decrease immune suppressive toxic molecules made by tumor and tumor microenvironment.
  
- 2 . ) Treat adaptive immune suppression: Administration of MemoryMune to activate dormant memory cells recognizing the tumor. Administration of LymphoBoost to repair deficient IL-12 production.
  
- 3 . ) Stimulation of immune response to cancer stem cells (StemVacs).
  
- 4 . ) Consolidation and maintenance of immunity: Cycles of StemVacs, supported by innaMune and LymphoBoost



## GOVERNMENT REGULATION

The Company's business is subject to varying degrees of regulation by a number of government authorities in the United States, including the United States Food and Drug Administration (FDA), the Federal Trade Commission (FTC), and the Consumer Product Safety Commission. The Company will be subject to additional agencies and regulations if it enters the manufacturing business. Various agencies of the state and localities in which we operate and in which our products are sold also regulate our business, such as the California Department of Health Services, Food and Drug Branch. The areas of our business that these and other authorities regulate include, among others:

product claims and advertising;

product labels;

product ingredients; and

how we package, distribute, import, export, sell and store our products.

The FDA, in particular, regulates the formulation, manufacturing, packaging, storage, labeling, promotion, distribution and sale of vitamins and other nutritional supplements in the United States, while the FTC regulates marketing and advertising claims. The FDA issued a final rule called "Statements Made for Dietary Supplements Concerning the Effect of the Product on the Structure or Function of the Body," which includes regulations requiring companies, their suppliers and manufacturers to meet Good Manufacturing Practices in the preparation, packaging, storage and shipment of their products. Management is committed to meeting or exceeding the standards set by the FDA.

The FDA has also issued regulations governing the labeling and marketing of dietary and nutritional supplement products. They include:

the identification of dietary or nutritional supplements and their nutrition and ingredient labeling;

requirements related to the wording used for claims about nutrients, health claims, and statements of nutritional support;

labeling requirements for dietary or nutritional supplements for which "high potency" and "antioxidant" claims are made;

notification procedures for statements on dietary and nutritional supplements; and

pre-market notification procedures for new dietary ingredients in nutritional supplements.

The Dietary Supplement Health and Education Act of 1994 (DSHEA) revised the existing provisions of the Federal Food, Drug and Cosmetic Act concerning the composition and labeling of dietary supplements and defined dietary supplements to include vitamins, minerals, herbs, amino acids and other dietary substances used to supplement diets. DSHEA generally provides a regulatory framework to help ensure safe, quality dietary supplements and the dissemination of accurate information about such products. The FDA is generally prohibited from regulating active ingredients in dietary supplements as drugs unless product claims, such as claims that a product may heal, mitigate, cure or prevent an illness, disease or malady, trigger drug status.

The Company is also subject to a variety of other regulations in the United States, including those relating to taxes, labor and employment, import and export, and intellectual property.

### **EMPLOYEES**

As of December 31, 2017, we had three full-time employees, all non-union. We believe that our relations with our employees are good.

### **COMPETITION**

The bio-technology, bio-pharma, and nutraceutical industries are subject to rapid technological change. Competition from domestic and foreign companies, large pharmaceutical companies and other interested businesses is intense and expected to increase. A number of companies with significantly greater resources are pursuing the development of pharmaceuticals, biologics, and nutraceuticals in our targeted areas.

### **ITEM 1A RISK FACTORS**

As a smaller reporting company we are not required to provide a statement of risk factors. However, we believe this information may be valuable to our shareholders for this filing. We reserve the right to not provide risk factors in our future filings. Our primary risk factors and other considerations include:

This Annual Report on Form 10-K contains forward-looking statements concerning our future programs, expenses, revenue, liquidity and cash needs as well as our plans and strategies. These forward-looking statements are based on current expectations and we assume no obligation to update this information, except as required by applicable laws and regulations. Numerous factors could cause actual results to differ significantly from the results described in these forward-looking statements, including the following risk factors.

---



***Internal Control***

*Our management has concluded that our internal control over financial reporting is not effective. Material weaknesses in our internal control over financial reporting could cause our financial reporting to be unreliable and could lead to misinformation being disseminated to the public.*

Our management concluded that as of December 31, 2017 our internal control over financial reporting was not effective, and that material weaknesses existed in the following areas as of December 31, 2017:

(1) we do not employ full time in-house personnel with the technical knowledge to identify and address some of the reporting issues surrounding certain complex or non-routine transactions. With respect to material, complex and non-routine transactions, management has and will continue to seek guidance from third-party experts and/or consultants to gain a thorough understanding of these transactions;

(2) we have inadequate segregation of duties consistent with the control objectives including but not limited to the disbursement process, transaction or account changes, and the performance of account reconciliations and approval ;

(3) we have ineffective controls over the period end financial disclosure and reporting process caused by reliance on third-party experts and/or consultants and insufficient accounting staff;

***Based on our current plan, we believe we will need additional capital to support our operations.***

Based on our current business plan, we believe that our cash and cash equivalents at December 31, 2017 will not be sufficient to meet our anticipated cash requirements during the twelve-month period subsequent to the issuance of the financial statements included in this Annual Report on Form 10-K. Our current commercialization of products and clinical trial strategy will undergo continual prioritization and in the future we may adjust our commercialization efforts to preserve our existing cash. We need to raise additional capital to fund our operations. We may raise additional capital through equity offerings, debt financings, collaborations and/or licensing arrangements. Additional funds may not be available when we need them on terms that are acceptable to us, or at all. If adequate funds are not available, we may be required to delay, reduce the scope of, or curtail, our operations. To the extent that we raise additional funds by issuing equity securities, our shareholders will experience dilution, and debt financing or other preferred equity instruments, if available, may involve restrictive covenants.

***There is substantial doubt about our ability to continue as a going concern.***

Our recurring losses from operations raise substantial doubt about our ability to continue as a going concern, and as a result, our independent registered public accounting firm included an explanatory paragraph in its report on our financial statements as of and for the year ended December 31, 2017 with respect to this uncertainty. This going concern uncertainty, and any future going concern uncertainty, could materially limit our ability to raise additional capital. We have incurred significant losses since our inception, and it is possible we will never achieve future profitability. The Company is currently developing its new NanoStilbene product for commercialization. In addition, we are currently seeking regulatory clearance for our subsidiary SandBox's product to treat obstructive sleep apnea in the United States. As a result, we continue to incur significant general and administrative expenses related to our operations. As a result, we have incurred substantial net losses to date. Our net losses for the years ended December 31, 2017 and 2016 were \$0.996 million and \$1.062 million, respectively. As of December 31, 2017, we had an accumulated deficit of \$5.3 million. Meaningful revenues will likely not be available until, and unless, the Company can successfully launch our current TSI product line and our SandBox subsidiary's product is cleared by the FDA and successfully commercialized. The perception that we may not be able to continue as a going concern may cause potential partners or investors to choose not to deal with us due to concerns about our ability to meet our contractual and financial obligations.

***SandBox Dental Labs, Inc.***

We are subject to FDA regulations which have tended to become more stringent over time. Regulatory changes could result in restrictions on our ability to carry on or expand our operations, higher than anticipated costs or lower than anticipated sales. Before we can market or sell our proprietary Sleep Appliance named Morpheus™ in the U.S., we must obtain clearance under Section 510(k) from the FDA.

***Emvolio, Inc.***

The Company is currently on a clinical hold until we can provide additional animal toxicology studies to the FDA. Meaningful revenues will likely not be available until, and unless, the Company can successfully gain approval from the FDA to clinically test our cancer vaccine in humans. The perception that we may not be able to continue as a going concern may cause potential partners or investors to choose not to deal with us due to concerns about our ability to meet our contractual and financial obligations.

***We may not be able to effectively manage our potential growth and the execution of our business plan.***

Our potential growth and the execution of our business plan together are likely to place significant strain on our managerial, operational and financial resources. To effectively manage our potential growth and execute our business plan, we will need to, among other things:

retain additional personnel across several departments in the Company;

develop strong customer loyalty for new products in a crowded competitive marketplace;

continue to establish and continue to increase awareness of our brands;

price our products and services at points which will allow us to maximize sales while at the same time maximizing gross profit margins;

establish, maintain, expand and manage multiple relationships with various vendors, strategic partners, licensees and other third parties, including suppliers of the products we sell on our website and elsewhere, warehousing distributors, shipping companies and others;

rapidly respond to competitive developments, particularly when new high-demand products become available;

build an operations structure to support our business and provide efficient and effective customer service and support;

expand our IT infrastructure to respond to increasing customer traffic to our website, demand for content from site users and to manage growing e-commerce transactions;

establish and maintain effective financial and management controls, reporting systems and procedures;

control our expenses;

provide competitive employee salaries and benefit packages; and,

avoid lawsuits and other adverse claims.

There can be no assurance that we will be able to accomplish any or all of the above goals. If we prove unable to effectively execute our business plan or manage our growth, it is likely to have a material adverse effect on our business, financial condition, including liquidity and profitability, and our results of operations.

***If our proposed product sales model does not successfully operate at a profit our growth strategy may be impeded.***

To effectively expand and meet our growth objectives our products sales model must be executed upon in a profitable manner. Profitability is dependent upon a variety of factors, some beyond our control, including, but not limited to the amount of traffic we can consistently attract to our brand, to retail sales in “brick and mortar” retailers, to our website, and our ability to stock or otherwise make available products that our customers purchase, our ability to stock or otherwise make available the best new products as they enter the market, our ability to provide consistent and superior customer service, the general economic conditions, particularly in the U.S., that could impact the amount of money customers spend collectively on the products we sell, and/or that could reduce the amount of money our average customer spends, and/or could reduce the number or frequency of repeat orders for products, and/or could result in customers finding products in other venues if they can find those products for a lower price. Other factors that could impact our ability to execute on our business model in a profitable manner include, but are not limited to, competition in our markets, recruiting, training and retaining qualified personnel and management, maintenance of required local, state and federal governmental approvals and permits, costs associated with principal component products and supplies, delivery shortages or interruptions, consumer trends, our ability to finance operations externally, changes in supply or prices of the products we sell and disruptions or business failures among our product suppliers, distributors, warehouses or shippers. Any failure to operate in a profitable manner could hurt our ability to meet our growth objectives by attracting licensees, and our business, financial condition, including liquidity and profitability, and our results of operations would be negatively affected.

***We face significant competition for our products.***

The markets in which we operate are intensely competitive, continually evolving and, in some cases, subject to rapid change. Our competitors include:

traditional and well established companies with recognized and well patronized brands in the nutritional supplements and health products industry segment;

entrenched nutritional supplements and health products companies with well known customer on-line services and portals and other high-traffic web sites that provide sales access to healthcare and nutritional supplements and related products; and

companies that focus on providing on-line and/or off-line healthcare related content, including some that promote competitor brands.

Many of our competitors have greater financial, technical, product development, marketing and other resources than we do. These companies may be better known than we are and have more customers than we do. We cannot provide assurance that we will be able to compete successfully against these companies or any alliances they have formed or may form. If we are unable to compete with one or more of our competitors, our growth strategy may be impeded, which could negatively affect our business, financial condition, including liquidity and profitability, and our results of operations.

***Government regulation could adversely affect our business.***

Our products and their associated component ingredients are subject to existing and potential government regulation. Our failure, or the failure of our business partners or third party providers, to accurately anticipate the application of laws and regulations affecting our products and the manner in which we deliver them, or any failure to comply, could create liability for us, result in adverse publicity, or negatively affect our business. In addition, new laws and regulations, or new interpretations of existing laws and regulations, may be adopted with respect to consumer protection and other issues, including pricing, products liability, copyrights and patents, distribution and characteristics and quality of products and services. We cannot predict whether these laws or regulations will change or how such changes will affect our business. Any of this government regulation could impact our growth strategy, which could negatively affect our business, financial condition, including liquidity and profitability, and our results of operations.

***Third parties may claim that we are infringing their intellectual property, and we could suffer significant litigation or licensing expense or be prevented from providing certain services, and which may otherwise harm our business.***

We could be subject to claims that we are misappropriating or infringing intellectual property, trade secrets or other proprietary rights of others. These claims, even if not meritorious, could be expensive to defend and divert management's attention from our operations. If we become liable to third parties for infringing these rights, we could be required to pay substantial damage awards and to develop non-infringing products, obtain a license or cease selling the products that use or contain the infringing intellectual property. We may be unable to develop non-infringing products or obtain a license on commercially reasonable terms, or at all. Any claims against our company for infringement could impede our growth strategy, which could negatively affect our business, financial condition, including liquidity and profitability, and our results of operations.

***We may be subject to claims brought against us as a result of product associated content we provide.***

Consumers are reasonably expected to access health-related information regarding our products through our on-line web site. If our content, or content we obtain from third parties, contains inaccuracies, it is possible that consumers or others may sue us for various causes of action. Although our planned web site contains terms and conditions, including disclaimers of liability, that are intended to reduce or eliminate our liability, the law governing the validity and enforceability of on-line agreements with consumers that provide the terms and conditions for use of our public or



private portals are unenforceable. A finding by a court that these agreements are invalid and that we are subject to liability could harm our business and require costly changes to our business. We have planned editorial procedures in place to provide quality control of the information that we publish or provide. However, we cannot assure you that our editorial and other quality control procedures will be sufficient to ensure that there are no errors or omissions in particular content. Even if potential claims do not result in liability to us, the fact that we would need to investigate and defend against these claims could be expensive and time consuming and could divert management's attention away from our operations. In addition, our business is in part based on establishing a reputation amongst consumers that our portals as trustworthy and dependable sources of healthcare information. Allegations of impropriety or inaccuracy, even if unfounded, could therefore harm our reputation and business, which could negatively affect our business, financial condition, including liquidity and profitability, and our results of operations.

***Changes in commodity and other operating costs or supply chain and business disruptions could adversely affect our results of operations.***

Changes in product costs are a part of our business; any increase in the prices that suppliers charge for their products could adversely affect our operating results. We remain susceptible to increases in prices as a result of factors beyond our control, such as general economic conditions, seasonal fluctuations, weather conditions, demand, safety concerns, product recalls, labor disputes and government regulations. We rely on third-party distribution companies to deliver ingredients to our manufacturers and ultimately our products to customers. Interruption of distribution services due to financial distress or other issues could adversely affect our operations.

***We face substantial competition in attracting and retaining qualified senior management and key personnel and may be unable to develop and grow our business if we cannot attract and retain such senior management and key personnel.***

As an early stage company, our ability to develop and grow our business, to a large extent, depends upon our ability to attract, hire and retain highly qualified and knowledgeable senior management and key personnel who possess the skills and experience necessary to satisfy our business needs. Our ability to attract and retain such senior management and key personnel will depend on numerous factors, including our ability to offer salaries, benefits and professional growth opportunities that are comparable with and competitive to those offered by more established companies operating in our marketplace. We may be required to invest significant time and resources in attracting and retaining additional senior management and key personnel as needed. Moreover, many of the companies with which we will compete for any such individuals have greater financial and other resources, affording them the ability to undertake more extensive and aggressive hiring campaigns, than we can. The normal running of our operations may be interrupted, and our financial condition and results of operations negatively affected, as a result of any inability on our part to attract or retain the services of qualified and experienced senior management and key personnel, or should our prospective key personnel refuse to serve, or, once appointed, leave prior to a suitable replacement being found.

#### **Risks Associated With Our Restricted Securities**

***Because there is currently a limited public trading market for our common stock, investor may not be able to resell stock.***

Our stock is now traded in OTC Markets under the stock symbol TSOI, which results in a very illiquid and limited market for our common stock.

***There is currently no liquid trading market for our common stock and we cannot ensure that one will ever develop or be sustained.***

The trading market for our common stock is currently not liquid. We cannot predict how liquid the market for our common stock might become. Our common stock is quoted in OTC Markets under the symbol TSOI.

***Our common stock may be deemed a “penny stock”, which would make it more difficult for investors to sell their shares.***

Our common stock is subject to the “penny stock” rules adopted under the Exchange Act. The penny stock rules apply to companies whose common stock is not listed on the NASDAQ Stock Market or other national securities exchange and trades at less than \$4.00 per share, other than companies that have had average revenue of at least \$6,000,000 for the last three years or that have tangible net worth of at least \$5,000,000 (\$2,000,000 if the company has been operating for three or more years). These rules require, among other things, that brokers who trade penny stock to persons other than “established customers” complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Many brokers have decided not to trade penny stocks because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. If we remain subject to the penny stock rules for any significant period, it could have an adverse effect on the market, if any, for our securities and investors may find it more difficult to dispose of our securities.

***Offers or availability for sale of a substantial number of shares of our common stock may cause the price of our common stock to decline.***

If our stockholders have the right to sell substantial amounts of common stock in the public market, e.g. upon the expiration of any statutory holding period under Rule 144, it could create a circumstance commonly referred to as an “overhang” and in anticipation of which the market price of our common stock could fall. The existence of an overhang, whether or not sales have occurred or are occurring, also could make our ability to raise additional financing through the sale of equity or equity-related securities in the future, at a time and price that we deem reasonable or appropriate, more difficult.

***The elimination of monetary liability against our directors and officers under the Company’s Articles of Incorporation and Nevada law, and the existence of indemnification rights to our directors, officers and employees, may result in substantial expenditures by the Company.***

Article 6 of our Articles of Incorporation exculpates our directors and officers from certain monetary liabilities. Article 7 of our Articles of Incorporation provides that we shall indemnify all directors (and all persons serving at our request as a director or officer of another corporation) to the fullest extent permitted by Nevada law.

Further pursuant to Article 7, the expenses of the indemnified person incurred in defending a civil suit or proceeding must be paid by us as incurred and in advance of the final disposition of the action, suit, or proceeding under receipt of an undertaking by or on behalf of the indemnified person to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by us.

The foregoing indemnification obligations could result in us incurring substantial expenditures, which we may be unable to recoup. These provisions and resultant costs may also discourage us from bringing a lawsuit against directors and officers for breaches of their fiduciary duties even though such actions, if successful, might otherwise benefit us and our stockholders.

*Public company compliance may make it more difficult to attract and retain officers and directors.*

The Sarbanes-Oxley Act and related rules implemented by the SEC have required changes in corporate governance practices of public companies. As a public entity, these rules and regulations increase compliance costs and make certain activities more time consuming and costly. As a public entity, these rules and regulations also make it more difficult and expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve as directors or as executive officers.

*We do not plan to pay any cash or stock dividends in the foreseeable future.*

The payment of dividends upon our capital stock is solely within the discretion of our future board of directors and is dependent upon our financial condition, results of operations, capital requirements, restrictions contained in our future financing instruments and any other factors our board of directors may deem relevant. We have never declared or paid any cash or stock dividends on our capital stock and we currently anticipate that we will retain earnings, if any, to finance the development and expansion of our business and, as such, do not intend on paying any cash or stock dividends in the foreseeable future.

## **ITEM 1B UNRESOLVED STAFF COMMENTS**

As a Smaller Reporting Company, we are not required to furnish information under this Item 1B.

## **ITEM 2 PROPERTIES.**

We do not own any real-estate property or manufacturing equipment. Our business is conducted in approximately 1,300 square feet of rented offices and warehouse space located at 4093 Oceanside Blvd., Suite B, Oceanside, CA 92056.

**ITEM 3 LEGAL PROCEEDINGS.**

From time to time, claims are made against us in the ordinary course of business, which could result in litigation. Claims and associated litigation are subject to inherent uncertainties and unfavorable outcomes could occur, such as monetary damages, fines, penalties or injunctions prohibiting us from selling one or more products or engaging in other activities. The occurrence of an unfavorable outcome in any specific period could have a material adverse effect on our results of operations for that period or future periods.

However, as of the date of this report, management believes the outcome of currently identified potential claims and lawsuits will not have a material adverse effect on our financial condition or results of operations.

**ITEM 4 MINE SAFETY DISCLOSURES.**

No disclosure required.

**PART II**

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

Our stock is now traded in OTC Markets under the stock symbol TSOI, which results in a very illiquid and limited market for our common stock. As of the date of Annual Report on Form 10-K there are approximately 171 stockholders of record of our common stock.

The following table sets forth the quarterly high and low closing sales prices for our common stock from January 1, 2016 through December 31, 2017.

Quarter Ended	High	Low
December 31, 2017	\$0.009	\$0.004
September 30, 2017	\$0.02	\$0.005
June 30, 2017	\$0.018	\$0.004
March 31, 2017	\$0.013	\$0.002
December 31, 2016	\$0.007	\$0.002
September 30, 2016	\$0.01	\$0.004
June 30, 2016	\$0.012	\$0.003
March 31, 2016	\$0.007	\$0.002

**Dividends**

We did not declare or pay dividends during 2016 to 2017.

**Issuances of Unregistered Securities**

On January 4, 2016, we issued 2,500,000 shares of common stock, valued at \$0.0025 per share, for consulting services.

On January 22, 2016, we issued 2,500,000 shares of common stock, valued at \$0.0035 per share, for consulting services.

On February 1, 2016, we issued 2,500,000 shares of common stock, valued at \$0.003 per share, for consulting services.

On February 5, 2016, we issued 8,000,000 shares of common stock, valued at \$0.0025 per share, for an investment in the Company's Private Placement.

On February 22, 2016, we issued 5,451,000 shares of common stock, valued at \$0.003 per share, in regard to a License Agreement (Form 8-K filed on February 25, 2016).

On February 26, 2016, we issued 1,000,000 shares of common stock, valued at \$0.0025 per share, for an investment in the Company's Private Placement.

On March 7, 2016, we issued 10,000,000 shares of common stock, valued at \$0.0004 per share, for consulting services.

On March 21, 2016, we issued 100,800,000 shares of common stock, valued at \$0.0025 per share, for an investment in the Company's Private Placement.

On May 2, 2016, we issued 1,000,000 shares of common stock, valued at \$0.0025 per share, for an investment in the Company's Private Placement and 1,000,000 shares of common stock, valued at \$0.0025 per share, for consulting services.

On May 26, 2016, we issued 2,500,000 shares of common stock, valued at \$0.0066 per share, for consulting services.

On May 26, 2016, we issued 2,000,000 shares of common stock, valued at \$0.0025 per share, for an investment in the Company's Private Placement.

On May 31, 2016, we issued 2,500,000 shares of common stock, valued at \$0.0066 per share, for legal services.

On September 16, 2016, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement.

---



Edgar Filing: THERAPEUTIC SOLUTIONS INTERNATIONAL, INC. - Form 10-K

On October 18, 2016, we issued 40,000,000 shares valued at \$0.0045 to the officers and directors of the Company for services, and 5,000,000 shares valued at \$.0045 for consulting services.

On January 17, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

On March 2, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

On April 3, 2017, we issued 1,000,000 shares of common stock, valued at \$0.0067 per share for consulting services.

On April 20, 2017, we issued a six month convertible note in the amount of \$100,000 with an annual interest rate of 10% to a related party.

On April 28, 2017, we issued 10,000,000 shares of common stock, valued at \$0.008 per share, for legal services and 1,000,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement.

On July 6, 2017, we issued 2,000,000 shares of common stock, valued at \$0.0083 per share for consulting services.

On July 24, 2017, we issued a six month convertible note in the amount of \$28,000 with an annual interest rate of 10%.

On August 21, 2017, we issued 6,250,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement and 1,000,000 shares of common stock, valued at \$0.0053 per share, for consulting services.

On August 28, 2017, we issued 2,000,000 shares of common stock, valued at \$0.0063 per share, for consulting services.

On September 7, 2017, we issued a six month convertible note in the amount of \$28,000 with an annual interest rate of 10%.

On September 20, 2017, we issued 3,000,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

On October 2, 2017, we issued 2,500,000 shares of common stock, valued at \$0.0095 per share for consulting services.

On October 20, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

## **ITEM 6 SELECTED FINANCIAL DATA.**

Not required for a "smaller reporting company".

## **ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.**

The following discussion and analysis should be read in conjunction with the consolidated Financial Statements and Notes thereto appearing elsewhere in this Annual Report.

### **Overview**

Currently the Company is focused on immune modulation for the treatment of several specific diseases. Immune modulation refers to the ability to upregulate (make more active) or downregulate (make less active) one's immune system.

Activating one's immune system is now an accepted method to cure certain cancers, reduce recovery time from viral or bacterial infections and to prevent illness. Additionally, inhibiting one's immune system is vital for reducing inflammation, autoimmune disorders and allergic reactions.

**Nutraceutical Division** – TSI has been producing high quality nutraceuticals. Its flagship product, ProJuvenol<sup>®</sup>, is a proprietary mixture containing pterostilbene – one of the most potent antioxidants known. TSI filed a patent application for ProJuvenol<sup>®</sup> on 07-08-2015 titled: “Augmentation of Oncology Immunotherapies by Pterostilbene Containing Compositions”.

---

## Results of Operations

We had a net loss of approximately \$0.996 million in 2017 compared to a net loss of approximately \$1.06 million in 2016.

Net sales decreased \$2,158, from \$5,009 to \$2,851, for the years ended December 31, 2016 and 2017, respectively. This decrease was mainly lack of marketing resources to promote the Company's nutraceutical line of products.

Cost of goods sold decreased \$783, from \$1,606 to \$823, for the years ended December 31, 2017 and 2016, respectively. This decrease was mainly due to lower net sales of the Company's new nutraceutical line of products in 2017 vs 2016

Operating expenses for the years ended December 31, 2017 and December 31, 2016 were approximately \$0.886 million and \$1.046 million, respectively, a decrease of \$0.158 million. This decrease was mainly due a combination of decreased general and administrative expenses, increased salaries, wages and related costs, a decrease in consulting fees, and an increase in legal and accounting fees.

General and administrative expenses decreased approximately \$14 thousand, from \$121 thousand to \$107 thousand, for the years ended December 31, 2016 and 2017, respectively. This decrease was mainly due to a decrease in bad debt expenses during the year.

Salaries, wages and related expenses increased approximately \$48 thousand, from \$355 thousand to \$403 thousand, for the years ended December 31, 2016 and 2017, respectively. This increase was mainly due to an increase in officers' salaries.

Selling expenses increased approximately \$1.8 thousand, from \$1.5 thousand to \$3.3 thousand, for the years ended December 31, 2016 and 2017, respectively. This increase was mainly due to increased selling and marketing expenses related to the Company's nutraceutical line of products.

Consulting fees decreased approximately \$286 thousand from \$356 thousand to \$70 thousand for the years ended December 31, 2016 and 2017, respectively, due to a decrease in overall consulting services during 2017.

Legal and professional fees increased approximately \$77 thousand, from \$201 thousand to \$278 thousand for the years ended December 31, 2016 and 2017, respectively, due to an increase in overall accounting, patent and general counsel services.

Research and Development costs increased approximately \$14 thousand, from \$11 thousand to \$25 thousand, for the years ended December 31, 2016 and 2017, respectively. This increase was mainly due to research and development expenses related to the Company's nutraceutical line of products.

Loss on derivative liability increased approximately \$84 thousand from \$0 to \$84 thousand for the years ended December 31, 2016 and 2017, respectively. This increase was due to a derivative liability loss from certain convertible notes in 2017 compared to 2016. This loss was partially offset by a \$26 thousand change in the fair value of derivative liability during the year ended December 31, 2017, compared to a \$0 change during the year ended December 31, 2016.

Net interest expense increased approximately \$33 thousand from \$20 thousand to \$53 thousand for the years ended December 31, 2016 and 2017, respectively. This increase was mainly due to increased debt balances.

### **Liquidity and Capital Resources**

We have experienced recurring losses over the past years which have resulted in accumulated deficits of approximately \$5.3 million and a working capital deficit of approximately \$1.3 million at December 31, 2017. These conditions raise significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing, increase sales of its products and attain profitable operations. It is the intent of management to continue to raise additional capital. However, there can be no assurance that the Company will be able to secure such additional funds or obtain such on terms satisfactory to the Company, if at all.

There is no guarantee we will receive the required financing to complete our business strategies, and it is uncertain whether future financing will be available to us on acceptable terms. If financing is not available on satisfactory terms, we may be unable to continue, develop or expand our operations.

### **Off-Balance Sheet Arrangements.**

We currently do not have any off-balance sheet arrangements.

---

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

Not required for a “smaller reporting company”.

**ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.**

Our financial statements and the accompanying notes that are filed as part of this Annual Report on Form 10-K are listed and set forth beginning on page F-1 immediately following the signature page of this Form 10-K.

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

None.

**ITEM 9A CONTROLS AND PROCEDURES**

**Disclosure Controls and Procedures**

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

At the end of the period covered by this Annual Report on Form 10-K for the fiscal year ended December 31, 2017, an evaluation was carried out under the supervision of and with the participation of our management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). Based on that evaluation the CEO and the CFO have concluded that as of the end of the period covered by this Annual Report, our disclosure controls and procedures were not effective.

## **Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a- 15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, a company's principal executive and principal financial officers and effected by a company's board of directors, management and other personnel, 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 and includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations and can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.



Our management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2017. In making our assessment, we used the framework and criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013) in Internal Control-Integrated Framework. Based on that assessment, our management has identified certain material weaknesses in our internal control over financial reporting.

Our management concluded that as of December 31, 2017 our internal control over financial reporting was not effective, and that material weaknesses existed in the following areas as of December 31, 2017:

(1) we do not employ full time in-house personnel with the technical knowledge to identify and address some of the reporting issues surrounding certain complex or non-routine transactions. With respect to material, complex and non-routine transactions, management has and will continue to seek guidance from third-party experts and/or consultants to gain a thorough understanding of these transactions;

(2) we have inadequate segregation of duties consistent with the control objectives including but not limited to the disbursement process, transaction or account changes, and the performance of account reconciliations and approval ;

(3) we have ineffective controls over the period end financial disclosure and reporting process caused by reliance on third-party experts and/or consultants and insufficient accounting staff.

#### Changes in Internal Control Over Financial Reporting

No substantial changes in our internal control over financial reporting occurred during 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, except that we have increased our use of external accounting services, adopted policies to improve timely reviews by management and coordination with accounting consultants, and engaged corporate and securities legal counsel with better capabilities than our previous provider's.

#### **ITEM 9B OTHER INFORMATION.**

None

### **PART III**

**ITEM 10 DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

The Company's executive officers and directors and their respective ages as of December 31, 2017 are as follows:

**Directors:**

<b>Name of Director</b>	<b>Age</b>
Timothy G. Dixon	59
Gerry B. Berg	71
Dr. Thomas E. Ichim	41

**Executive Officers:**

<b>Name of Officer</b>	<b>Age</b>	<b>Office</b>
Timothy G. Dixon	59	President & CEO
Gerry B. Berg	71	Vice President & CFO
Hong Ma	48	Chief Science Officer

The term of office for each director is one year, or until the next annual meeting of the stockholders.

## **Biographical Information**

### **Timothy G. Dixon**

Mr. Dixon currently serves as Chief Executive Officer, President, and Chairman of Therapeutic Solutions International, Inc. Mr. Dixon also serves as President and Chairman of Emvolio, Inc., and President and Chairman of SandBox Dental Labs, Inc. Mr. Dixon previously served as the President of TMD Courses, Inc. from 2006 to 2012 and; as the President of Splint Decisions Inc. from 2010 to 2011. Mr. Dixon has attended hundreds of hours of continuing medical/dental education throughout the years and has produced many educational DVD's used by dental professionals worldwide on the subject of parafunctional control, migraine prevention, therapeutic Botox injections, migraine pathophysiology, dental sleep medicine, and other therapeutic protocols. Mr. Dixon also has extensive experience in dealing with corporate compliance matters with the U.S. Food and Drug Administration, (FDA) as well as many international regulatory bodies.

### **Gerry B. Berg**

Gerry B. Berg has served as our Vice-President and Chief Financial Officer since April 20, 2011. Mr. Berg became a director of the Company on August 24, 2012. Mr. Berg also serves as Director and Chief Financial Officer of Emvolio, Inc., and Director and Chief Financial Officer of SandBox Dental Labs, Inc. Mr. Berg has over 30 years of senior management experience working with private and public companies. From May 2010 to March 2011, Mr. Berg served as President and Chairman of the Board of Directors of Friendly Auto Dealers, Inc., and also served in a consulting capacity from March 2009 to May 2010.

Mr. Berg holds a Bachelors of Science in Accounting from Walsh College where he graduated Cum Laude. Mr. Berg became a Certified Public Accountant in the State of Michigan in 1979 and in the State of California in 1984. Mr. Berg does not currently practice as a Certified Public Accountant.

### **Thomas E. Ichim, Ph.D.**

Dr. Ichim was appointed to the Board of Directors on January 22, 2016. Dr. Ichim also serves as Chief Executive Officer of Emvolio, Inc. Dr. Ichim is a seasoned biotechnology entrepreneur with a track record of scientific excellence. He has founded/co-founded several companies including Batu Biologics, Inc., Medvax Pharma Corp, ToleroTech, Inc, bioRASI, and OncoMune LLC. To date he has published 99 peer-reviewed articles and is co-editor

of the textbooks “RNA Interference: From Bench to Clinical Translation” and “Immuno-Oncology Text Book.”

Dr. Ichim is an ad-hoc editor and sits on several editorial boards. Dr. Ichim is inventor on over 50 patents and patent applications. Dr. Ichim has extensive experience with stem cell therapy and cellular product development through FDA regulatory pathways. Dr. Ichim spent over 7 years as the President and Chief Scientific Officer of Medistem, developing and commercializing a novel stem cell, the Endometrial Regenerative Cell, through drug discovery, optimization, preclinical testing, IND filing, and up through Phase II clinical trials with the FDA. Dr. Ichim has extensive experience in product development, regulatory filings, and business development.

Dr. Ichim has a BSc in Biology from the University of Waterloo, Waterloo, Ontario, Canada, a MSc in Microbiology and Immunology a University of Western Ontario, London, Ontario, Canada and a Ph.D. in Immunology from the University of Sciences Arts and Technology, Olveston Monserrat.

**Hong Ma, MD, Ph.D., M.B.A.**

Dr. Ma has an extensive history in academic and translational research. Subsequent to completing her medical degree, she performed basic research in the area of molecular biology of endothelial-associated pathways in her doctorate and postdoctoral studies. She has been critical in establishing numerous ventures and collaborations in the area of biosciences. Dr. Ma has over 20 peer-reviewed publications and has worked with prestigious institutions in the USA, China, and Japan. She received her M.D. from Dalian Medical University, her Ph.D. in Cardiovascular Pharmacology at Asahikawa Medical College, and has also earned her MBA at the Rady School of Management at the University of California San Diego.

**Information with Respect to Our Board of Directors**

The following is a brief description of the structure and certain functions of our Board of Directors. Each of the current directors is serving until his respective successor is duly elected, subject to earlier resignation. We do not have standing audit, compensation or nominating committees of our Board of Directors. However, the full Board of Directors performs all of the functions of a standing audit committee, compensation committee and nominating committee.

*Audit Committee Related Function*

We do not have a separately designated standing audit committee in place. Our full Board of Directors currently serves in that capacity. This is due to the small number of members of our Board of Directors, the small number of executive officers involved with our company, and the fact that we operate with few employees. Our Board of Directors will continue to evaluate, from time to time, whether a separately designated standing audit committee should be put in place. We do not have an audit committee charter.

The Board of Directors reviews with management and the Company's independent public accountants the Company's financial statements, the accounting principles applied in their preparation, the scope of the audit, any comments made by the independent accountants upon the financial condition of the Company and its accounting controls and procedures and such other matters as the Board of Directors deems appropriate. Because our common stock is traded on the OTC Markets Pink Sheet, we are not subject to the listing requirements of any securities exchange regarding audit committee related matters.

The Board of Directors consisted of two directors: Mr. Dixon and Mr. Berg, until January 22, 2016 when Thomas E. Ichim was elected to the Board of Directors. Because we do not have an audit committee at all, we disclose that we do not have any "audit committee financial expert" serving on an audit committee.

*Compensation Committee Related Function*

We do not currently have a standing compensation committee, and do not have a compensation committee charter. The full Board of Directors currently has the responsibility of reviewing and establishing compensation for executive officers and making policy decisions concerning salaries and incentive compensation for executive officers of the Company.

The Company's executive compensation program is administered by the Board of Directors, which determines the compensation of the Chief/Executive Officer/President and the Chief Financial Officer of the Company. In reviewing the compensation of the individual executive officers, the Board of Directors considers the recommendations of the Chief Executive Officer, other market information and current market conditions, as well as any existing employment agreements with them.

*Nominating Committee Related Function*

We do not currently have a standing nominating committee. We have not adopted procedures by which security holders may recommend nominees to serve on our board of directors.

### SCIENTIFIC ADVISORY BOARD

The following are members of the Company's Scientific Advisory Board as of December 31, 2017:

**Dr. Santosh Kesari** is a board-certified neurologist and neuro-oncologist and is currently Chair, Department of Translational Neuro-Oncology and Neurotherapeutics, John Wayne Cancer Institute. He is also Director of Neuro-Oncology, Providence Saint John's Health Center and Member, Los Angeles Biomedical Research Institute.

Dr. Kesari is ranked among the top 1% of neuro-oncologists and neurologists in the nation, according to Castle Connolly Medical Ltd and an internationally recognized scientist and clinician.

He is a winner of an Innovation Award by the San Diego Business Journal. He is on the advisory board of American Brain Tumor Association, San Diego Brain Tumor Foundation, Chris Elliott Fund, Nicolas Conor Institute, Voices Against Brain Cancer, and Philippine Brain Tumor Alliance. He has been the author of over 250 scientific publications, reviews, or books. He is the inventor on several patents and patent applications, and founder and advisor to many cancer and neurosciences focused biotech startups.

**Dr. Pablo Guzman**, is a cardiologist in Fort Lauderdale, Florida where he is on staff at Holy Cross Hospital. He received his medical degree from University of Puerto Rico School of Medicine and his Cardiology Fellowship at The Johns Hopkins Hospital where he then spent the first part of his career continuing his basic science and clinical research along with his clinical duties. His CV includes over 25 papers published in peer reviewed journals and more than 15 abstracts.

He is a Fellow of the American College of Cardiology and practiced for more than 30 years. Dr. Guzman is well experienced in basic and clinical research, having participated in many clinical trials. He is also the acting Chief Medical Officer of Variant Pharmaceuticals, a Specialty Pharma company developing treatments for kidney diseases.

**Dr. James Veltmeyer**, is a board certified family physician in La Mesa, California. A graduate of UC San Diego and the Ross University School of Medicine, he completed his residency through the UC San Francisco system where he became Chief of Family Medicine Residency, overseeing 36 doctors.

Dr. Veltmeyer, a member of the San Diego Critical Care Medical Group, has been elected for four years (2012, 2014, 2016, and 2017) by his colleagues in the San Diego County Medical Society as a “Physician of Exceptional Excellence,” the most prestigious honor awarded to a “Top Doctor” in San Diego County. He is among a select group of San Diego physicians who was chosen four of the last fifteen years and he consistently ranks in the top 1% to 2% for patient satisfaction. He is currently the Chief of the Department of Family Medicine at Sharp Grossmont Hospital where he provides senior leadership to over 200 doctors.

**Dr. Barry Glassman**, DMD, DAAPM, DAACP, FICCMO, Diplomate ABDSM, FADI, is a Diplomate of the American Academy of Craniofacial Pain and the American Academy of Pain Management, as well as a Fellow of the International College of Craniomandibular Orthopedics and the Academy of Dentistry International, he is also on staff at the Lehigh Valley Hospital where he serves as a resident instructor of Craniofacial Pain and Dysfunction and Dental Sleep Medicine.

Dr. Glassman is a Diplomate of the Academy of Dental Sleep Medicine. He is on the staff at the Sacred Heart Hospital Sleep Disorder Center, as well as serving as the Chief Dental Consultant to three other sleep centers in the Lehigh Valley.

A popular and dynamic speaker, Dr. Glassman lectures internationally, as well as throughout the United States. In addition to his extensive schedule which includes guest lecture appearances and in-depth courses on joint dysfunction, chronic pain, headache, sleep disorders, and migraine headache, Dr. Glassman is a frequent speaker at major chronic pain and joint dysfunction professional conferences.

University of Pittsburgh: Bachelor of Science 1969, Pittsburgh, Pennsylvania

University of Pittsburgh School of Dental Medicine; D.M.D. 1973, Pittsburgh Pennsylvania

Post Graduate Hours in Craniomandibular Dysfunction and Sleep Disorders: Over 2500

**Dr. David P. Hajjar** is currently Professor of Biochemistry, at Weill Cornell Medical College and Professor of Pathology and Laboratory Medicine, Weill Cornell Medical College. Professor Hajjar was also a Frank H.T. Rhodes Distinguished Professor of Cardiovascular Biology and Genetics, Pathology and Laboratory Medicine, Weill Cornell Medical College from 1998 – 2014. Currently Dr. Hajjar is Dean Emeritus and was Executive Vice Provost at Cornell University.

The principal aim of Dr. Hajjar's work is to define the mechanisms by which Nitric Oxide (NO) and prostaglandin synthetic pathways interact to alter eicosanoid biosynthesis as well as to investigate the impact of these mediators on atherosclerosis and thrombosis.

Over the years, he has defined the roles and mechanisms of these complex signaling interactions in order to gain an understanding of the pathophysiological processes in atherosclerosis using animal models and the consequences of pharmacological interventions.

**Dr. Harry M. Lander** was the Assistant Provost of Weill Cornell Medical College in New York City where, similarly, he oversaw the business of science from 2003 to 2013. From 1995-1999, Dr. Lander was an Assistant Professor of Biochemistry at Cornell University Medical College.

His National Institutes of Health-funded laboratory studied the role of reactive nitrogen on the activation of the Ras superfamily of proteins and its role in carcinogenesis. He served on the editorial board of Antioxidants and Redox Signaling and as a reviewer for a National Institutes of Health Study Section – Special Emphasis Panel.

Dr. Lander received a B.S. in Biochemistry and a B.A. in Chemistry from State University at Stony Brook in 1987, a Ph.D. in Biochemistry from Cornell University Graduate School of Medical Sciences in 1992 and an MBA in Finance from the New York University Stern School of Business in 2001.

**Dr. Vijay Mahant** has been involved in Research and Development in the medical industry for close to 30 years. Working in the FDA regulated medical industry, he has headed R&D activities for several bio-medical companies as well as being the founder, CEO & Chairman of MediLite, Inc.

Dr. Mahant has specialized in the areas of assay development, has numerous patents to his credit and has published extensively. Dr. Mahant received his B.S. in Biochemistry from the University of Salford, UK; a M.S. in Medicinal Chemistry and a Ph.D. in Medical Biochemistry from Loughborough University of Technology, UK.



**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other of our equity securities. Officers, directors and greater than 10% stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file.

To our knowledge, based solely on a review of the copies of such reports furnished to us during the fiscal year ended December 31, 2017, all Section 16(a) filing requirements applicable to our officers, directors and greater than 10% beneficial owners were complied with.

**Code of Ethics**

We have adopted a Code of Ethics for our principal executive and financial officers. Our Code of Ethics was filed as an Exhibit to our Annual Report on Form 10-K for fiscal year 2010. We hereby undertake to provide a copy of this Code of Ethics to any person, without charge, upon request. Requests for a copy of this Code of Ethics may be made in writing addressed to: Therapeutic Solutions International, Inc., 4093 Oceanside Blvd, Suite B, Oceanside, California 92056, Attn: Corporate Secretary.

**ITEM 11 EXECUTIVE COMPENSATION.****Summary Compensation Table**

The following table summarizes the compensation paid, with respect to years ended December 31, 2017 and 2016 for services rendered to us in all capacities, to each person who served as an executive officer of the Company.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Nonequity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
		165,000						
Timothy G. Dixon	2017	(1)	-	-	-	-	-	165,000
President and CEO	2016		-	67,500	-	-	-	165,900

98,400  
(2)

		165,000						
Gerry B. Berg	2017	(3)	-	-	-	-	-	165,000
Vice President, Chief Financial Officer	2016	(4)	-	67,500	-	-	-	165,200

(1) \$130,500 was accrued and unpaid as of December 31, 2017

(2) \$65,400 was accrued and unpaid as of December 31, 2016

(3) \$130,500 was accrued and unpaid as of December 31, 2017

(4) \$64,700 was accrued and unpaid as of December 31, 2016

### Outstanding Equity Awards

None

### Employment Agreements

We do not have any employment agreements as of December 31, 2017.

### Director Compensation

When our employees serve on our Board of Directors, we do not give them any additional compensation in respect of such Board service. Directors currently serve without compensation.

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

The following table sets forth, as of December 31, 2017, information regarding the ownership of the Company's outstanding shares of common stock by (i) each person known to management to own, beneficially or of record, more than 5% of the outstanding shares of our common stock, (ii) each director of the Company, (iii) each executive officer of the Company, and (iv) all directors and executive officers as a group. As of December 31, 2017, a total of 806,501,000 shares of our common stock were outstanding.

Name of Beneficial Owners	Amount and Nature of Beneficial Ownership	Percent of Shares Outstanding
Timothy G. Dixon (1)	121,475,671	15.06 %
Gerry B. Berg (2)	107,750,000	13.36 %
Thomas E. Ichim (3)	44,500,000	5.52 %
Robert F. Graham	102,500,000	12.71 %
John Peck, Jr.	175,000,000	21.70 %
All directors and executive officers as a group (3 persons) (1)(2)(3)	273,725,671	33.94 %

(1) Under SEC rules (i) a person is deemed to be the beneficial owner of shares if that person has, either alone or with others, the power to vote or dispose of those shares. The persons named in the table have sole voting and dispositive power with respect to all shares shown as beneficially owned by them, subject to community property laws where applicable.

**ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.**

Our Board of Directors currently consists of three directors, two of whom are officers of the Company. As of December 31, 2017 we disclose that we had no independent directors.

In general, it is our policy to submit all proposed related party transactions (those of the kind and size that may require disclosure under Regulation S-K, Item 404) to the Board of Directors for approval. The Board of Directors only approves those transactions that are on terms comparable to, or more beneficial to us than, those that could be obtained in arm's length dealings with an unrelated third party. Examples of related party transactions covered by our policy are transactions in which any of the following individuals has or will have a direct or indirect material interest: any of our directors or executive officers, any person who is known to us to be the beneficial owner of more than 5% of our common stock, and any immediate family member of one of our directors or executive officers or person

known to us to be the beneficial owner of more than 5% of our common stock.

**ITEM 14 PRINCIPAL ACCOUNTANT FEES AND SERVICES.**

*Audit Fees*

The aggregate fees billed to us by our principal accountants, Squar Milner LLP, for auditing and accounting services for fiscal year 2017 was \$80,000 (inclusive of the review of the quarterly reports on Form 10Q). The aggregate fees billed to us by our principal accountants, Squar Milner LLP, for auditing and accounting services for fiscal year 2016 was \$80,000 (inclusive of the review of the quarterly reports on Form 10Q).

*Audit-Related Fees, Tax Fees and All Other Fees*

There were no fees billed to us by our principal accountant for fiscal year 2017 and 2016 for assurance and related services (audit-related fees), tax services or other products and services.

*Audit Committee Matters*

We do not have an audit committee.

**PART IV**

**ITEM 15 EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

(a) The following documents have been filed as a part of this Annual Report on Form 10-K.

**1 . Financial Statements**

	Page
Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheets	F-2
Consolidated Statements of Operations	F-3
Consolidated Statements of Changes in Stockholders' Deficit	F-4
Consolidated Statements of Cash Flows	F-5
Consolidated Notes to Financial Statements	F-6

**2 . Financial Statement Schedules.**

All schedules are omitted because they are not applicable or not required or because the required information is included in the Financial Statements or the Notes thereto.

**3 . Exhibits.**

The following exhibits are filed as part of, or incorporated by reference into, this Annual Report on Form 10-K:

**EXHIBIT**

NUMBER	DESCRIPTION
<u>3.1</u>	Articles of Incorporation
3.1.1	Certificate of Merger, filed February 22, 2011
<u>3.1.2</u>	

Certificate of Amendment to Articles of Incorporation filed October 15, 2012 (incorporated herein by reference to Form 8-K, filed on October 17, 2012)

- 3.2 Bylaws (incorporated herein by reference to Form SB-2, filed on November 21, 2007)
- 3.2.1 Bylaws amendments adopted August 22, 2012, August 24, 2012 and September 26, 2012
- 31.1 Rule 13a14(a)/Section 302 Certification of Principal Executive Officer
- 31.2 Rule 13a14(a)/Section 302 Certification of Principal Financial Officer
- 32.1 Certification pursuant to 18 U.S.C. Section 1350/Rule 13a14(b)

**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.

THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.

By: */s/ Timothy G. Dixon*

Timothy G. Dixon

Chief Executive Officer and President

Date: April 17, 2018

*/s/ Timothy G. Dixon*

Timothy G. Dixon

Chief Executive Officer, President and Director (Principal Executive Officer)

Date: April 17, 2018

*/s/ Gerry B. Berg*

Gerry B. Berg

Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer)

Date: April 17, 2018

*/s/ Thomas E. Ichim*

Thomas E. Ichim

Director

Date: April 17, 2018

**Report of Independent Registered Public Accounting Firm**

To the Shareholders and Board of Directors of Therapeutic Solutions International, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Therapeutic Solutions International, Inc. and its subsidiaries (the Company) as of December 31, 2017 and 2016, the related consolidated statements of operations, changes in shareholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Going Concern Uncertainty**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has a history of significant recurring losses from operations through December 31, 2017, and does not have sufficient working capital to fund its planned operations during the twelve-month period subsequent to the issuance of these financial statements. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters also are described in Note 1. The 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 audits. 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 U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits 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 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 audits included performing procedures to assess the risks of material misstatement of the 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 financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

*/s/ SQUAR MILNER LLP*

We have served as the Company's auditor since 2016.

San Diego, California

April 17, 2018

---

F-1

---

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**  
**Consolidated Balance Sheets**

	<b>December 31,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 29	\$ 21,910
Inventory	1,515	36,435
Prepaid expenses and other current assets	1,054	14,304
<b>Total current assets</b>	<b>2,598</b>	<b>72,649</b>
<b>Other assets</b>	<b>23,927</b>	<b>32,226</b>
<b>Total assets</b>	<b>\$ 26,525</b>	<b>\$ 104,875</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 343,810	\$ 327,592
Accrued expenses and other current liabilities	432,640	135,164
Convertible notes payable, net of discount of \$28,541 and \$0, at December 31, 2017 and 2016, respectively	27,459	-
Notes payable-related parties	429,201	221,451
Derivative liabilities	107,769	-
<b>Total current liabilities</b>	<b>1,340,879</b>	<b>684,207</b>
<b>Notes payable-related parties, less current portion</b>	<b>-</b>	<b>75,500</b>
<b>Shareholders' Deficit:</b>		
Preferred stock, \$ 0.001 par value; 5,000,000 shares authorized	-	-
Common stock, \$ 0.001 par value; 990,000,000 shares authorized; 806,501,000 and 740,251,000 shares issued and outstanding at December 31, 2017 and 2016, respectively.	806,501	740,251
Additional paid-in capital	3,147,811	2,878,111
Accumulated deficit	(5,268,666)	(4,273,194)

<b>Total shareholders' deficit</b>	(1,314,354)	(654,832)
<b>Total liabilities and shareholders' deficit</b>	\$ 26,525	\$ 104,875

*See accompanying notes to consolidated financial statements.*

---

F-2

---

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**  
**Consolidated Statements of Operations**

	<b>For the Year</b>	<b>For the Year</b>
	<b>Ended</b>	<b>Ended</b>
	<b>December 31,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>Net Sales</b>	\$ 2,851	\$ 5,009
Cost of Goods Sold	823	1,606
<b>Gross Profit</b>	2,028	3,403
<b>Operating expenses:</b>		
General and administrative	107,380	120,625
Salaries, wages, and related costs	402,758	355,244
Selling expenses	3,310	1,508
Consulting fees	69,672	356,250
Legal and professional fees	278,069	200,957
Research and development	25,106	10,990
<b>Total operating expenses</b>	886,295	1,045,574
<b>Loss from operations</b>	(884,267)	(1,042,171)
<b>Other income (expense):</b>		
Loss on derivatives liability	(83,968)	-
Change in fair value of derivative liability	26,199	-
Interest expense	(53,436)	(20,286)
<b>Total other income (expense)</b>	(111,205)	(20,286)
<b>Net loss</b>	\$ (995,472)	\$ (1,062,457)
<b>Net loss per share - basic and diluted</b>	\$ (0.00)	\$ (0.00)
<b>Weighted average shares outstanding - Basic and Diluted</b>	778,150,315	668,115,789

*See accompanying notes to consolidated financial statements.*

**Therapeutic Solutions International, Inc.**  
**Consolidated Statements of Changes in Shareholders' Deficit**  
**For the Years Ended December 31, 2017 and 2016**

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total
<b>Balance at January 1, 2016</b>	<b>541,000,000</b>	<b>\$ 541,000</b>	<b>\$ 2,440,709</b>	<b>\$ (3,210,737)</b>	<b>\$ (229,028)</b>
Common stock issued for services	68,500,000	68,500	219,800		288,300
Common stock issued in exchange for a license agreement	5,451,000	5,451	10,902		16,353
Common stock issued	125,300,000	125,300	206,700		332,000
Net Loss	-	-	-	(1,062,457)	(1,062,457)
<b>Balance at December 31, 2016</b>	<b>740,251,000</b>	<b>\$ 740,251</b>	<b>\$ 2,878,111</b>	<b>\$ (4,273,194)</b>	<b>\$ (654,832)</b>
Common stock issued for services	18,500,000	18,500	126,450		144,950
Common stock issued	47,750,000	47,750	143,250		191,000
Net Loss	-	-	-	(995,472)	(995,472)
<b>Balance at December 31, 2017</b>	<b>806,501,000</b>	<b>\$ 806,501</b>	<b>\$ 3,147,811</b>	<b>\$ (5,268,666)</b>	<b>\$ (1,314,354)</b>

*See accompanying notes to consolidated financial statements*

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**  
**Consolidated Statements of Cash Flows**

	<b>For the Year</b>	<b>For the Year</b>
	<b>Ended</b>	<b>Ended</b>
	<b>December 31,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities</b>		
Net loss	\$ (995,472)	\$ (1,062,457)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock based compensation to consultants	144,950	288,300
Shares issued for license agreement	-	16,353
Accrued interest, notes payable - related parties	28,414	16,244
Loss on derivative liability	83,968	-
Change in fair value of derivative liabilities	(26,199)	-
Amortization of debt discount	27,459	-
Changes in operating assets and liabilities:		
Inventory	34,920	(6,759)
Accounts receivable	-	2,184
Prepaid expenses and other current assets	13,250	199,142
Other assets	8,299	(19,750)
Accounts payable	16,218	50,250
Accrued expenses and other current liabilities	297,476	130,752
<b>Net cash used by operating activities</b>	<b>(366,717)</b>	<b>(385,741)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of common stock	191,000	332,000
Proceeds from convertible notes payable	50,000	-
Proceeds from notes payable - related parties	105,721	76,000
Payments on notes payable - related parties	(1,885)	(2,532)
<b>Net cash provided by financing activities</b>	<b>344,836</b>	<b>405,468</b>
Net (decrease) increase by cash	(21,881)	19,727
Cash at beginning of period	21,910	2,183
Cash at end of period	\$ 29	\$ 21,910

**Supplemental Cash Flow Information:**

Cash paid for interest	\$	3,565	\$	4,040
Cash paid for income taxes	\$	-	\$	800

**Non-cash investing and financing transactions**

Original issuance discount on convertible notes payable	\$	6,000	\$	-
Debt discount recorded in connection with derivative liability	\$	50,000	\$	-

*See accompanying notes to consolidated financial statements.*

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**

**Consolidated Notes to Financial Statements**

**December 31, 2017**

**Note 1 – Nature of business**

Therapeutic Solutions International, Inc. (“TSI” or the “Company”) was organized August 6, 2007 under the name Friendly Auto Dealers, Inc., under the laws of the State of Nevada. In the first quarter of 2011 the Company changed its name from Friendly Auto Dealers, Inc. to Therapeutic Solutions International, Inc., and acquired Splint Decisions, Inc., a California corporation.

Currently the Company is focused on immune modulation for the treatment of several specific diseases. Immune modulation refers to the ability to upregulate (make more active) or downregulate (make less active) one’s immune system.

Activating one’s immune system is now an accepted method to cure certain cancers, reduce recovery time from viral or bacterial infections and to prevent illness. Additionally, inhibiting one’s immune system is vital for reducing inflammation, autoimmune disorders and allergic reactions.

**Nutraceutical Division** – TSI has been producing high quality nutraceuticals. Its flagship product, ProJuvenol<sup>®</sup>, is a proprietary mixture containing pterostilbene – one of the most potent antioxidants known. TSI filed a patent application for ProJuvenol<sup>®</sup> on 07-08-2015 titled: “Augmentation of Oncology Immunotherapies by Pterostilbene Containing Compositions”.

**Emvolio, Inc.** (“EMVO”) – is a wholly-owned subsidiary of TSI, incorporated in the State of Delaware on October 03, 2016. EMVO intends to focus on developing products that can be used together to attack cancer at different levels, as well as to be used alone or in combination with existing therapies. Mr. Dixon and Mr. Berg, and Dr. Ichim, of the Company, are also officers and officers and/or directors of EMVO. As of April 16, 2018, formal operations have not commenced.

**SandBox Dental Labs, Inc.** – is a wholly-owned subsidiary of TSI consisting of a dental laboratory to manufacture and fill prescriptions from dentists who will use our proprietary Sleep Appliance to treat their patients with mild to



moderate obstructive sleep apnea. The Company is currently in the process of seeking regulatory approval for its device to treat sleep apnea. As of April 16, 2018, formal operations have not commenced.

Management does not expect existing cash as of December 31, 2017 or as of March 31, 2018 to be sufficient to fund the Company's operations for at least twelve months from the issuance date of these December 31, 2017 financial statements. These financial statements have been prepared on a going concern basis which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of December 31, 2017, the Company has incurred losses totaling \$5.3 million since inception, has not yet generated material revenue from operations, and will require additional funds to maintain its operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern within one year after the consolidated financial statements are issued. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due. The Company intends to finance operating costs over the next twelve months through its existing financial resources and we may also raise additional capital through equity offerings, debt financings, collaborations and/or licensing arrangements. If adequate funds are not available on acceptable terms, we may be required to delay, reduce the scope of, or curtail, our operations. The accompanying consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

#### **Note 2 – Basis of presentation and significant accounting policies**

These consolidated financial statements have been prepared by management assuming that the Company will be able to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business. However, certain conditions noted above currently exist which raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. If we become unable to continue as a going concern, we may have to liquidate our assets, and might realize significantly less than the values at which our net assets are carried on our financial statements, and stockholders may lose all or part of their investment in our common stock. The accompanying financial statements do not reflect any adjustments related to the outcome of this uncertainty.

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**

**Consolidated Notes to Financial Statements**

**December 31, 2017**

**Note 2 – Basis of presentation and significant accounting policies (continued)**

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Therapeutic Solutions International, Inc. and its subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Derivative Liabilities

A derivative is an instrument whose value is “derived” from an underlying instrument or index such as a future, forward, swap, option contract, or other financial instrument with similar characteristics, including certain derivative instruments embedded in other contracts and for hedging activities. As a matter of policy, the Company does not invest in separable financial derivatives or engage in hedging transactions. However, the Company entered into certain debt financing transactions in fiscal 2017, as disclosed in Note 5, containing certain conversion features that have resulted in the instruments being deemed derivatives. We evaluate such derivative instruments to properly classify such instruments within equity or as liabilities in our financial statements. Our policy is to settle instruments indexed to our common shares on a first-in-first-out basis.

The classification of a derivative instrument is reassessed at each reporting date. If the classification changes as a result of events during a reporting period, the instrument is reclassified as of the date of the event that caused the reclassification. There is no limit on the number of times a contract may be reclassified.

Instruments classified as derivative liabilities are remeasured using the Black-Scholes model at each reporting period (or upon reclassification) and the change in fair value is recorded on our consolidated statement of operations. We recorded \$107,769 of derivative liabilities at December 31, 2017.

Use of Estimates

Estimates were made relating to valuation allowances, impairment of assets, share-based compensation expense and accruals. Actual results could differ materially from those estimates.

#### Comprehensive Loss

Comprehensive loss for the periods reported was comprised solely of the Company's net loss.

#### LOSS PER SHARE

Basic loss per share is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding during the period of computation. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if potential common shares had been issued, if such additional common shares were dilutive. Since we had net losses for all the periods presented, basic and diluted loss per share are the same, and additional potential common shares have been excluded as their effect would be antidilutive.

As of December 31, 2017, a total of 158,677,686 potential common shares, consisting of shares underlying outstanding convertible notes payable were excluded as their inclusion would be antidilutive.

#### Depreciation and Amortization

Depreciation is calculated using the straight line method over the estimated useful lives of the assets. Amortization is computed using the straight line method over the term of the agreement.

#### Intangible Assets

Intangible assets consisted primarily of intellectual properties such as proprietary nutraceutical formulations. Intellectual assets are capitalized in accordance with ASC Topic 350 "Intangibles – Goodwill and Other."

---



**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**

**Consolidated Notes to Financial Statements**

**December 31, 2017**

**Note 2 – Basis of presentation and significant accounting policies (continued)**

Long-lived Assets

In accordance with ASC 360, Property, Plant and Equipment, the carrying value of intangible assets and other long-lived assets is reviewed on a regular basis for the existence of facts or circumstances that may suggest impairment. The Company recognizes impairment when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. Impairment losses, if any, are measured as the excess of the carrying amount of the asset over its estimated fair value.

Income Taxes

The Company accounts for income taxes under ASC 740 *"Income Taxes,"* which codified SFAS 109, *"Accounting for Income Taxes"* and FIN 48 *"Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109."* Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Stock-Based Compensation

Compensation expense for stock issued to employees is determined as the fair value of consideration or services received or the fair value of the equity instruments issued, whichever is more reliably measured.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The new standard requires lessees to recognize most leases on their balance sheets as lease liabilities with corresponding right-of-use assets and eliminates certain real estate-specific provisions. ASU 2016-02 will be effective for the Company in the first quarter of 2019 and will be adopted on a modified retrospective transition basis for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The new standard is based on the principle that revenue should be recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for the Company in the first quarter of 2018 and allows for full retrospective or a modified retrospective adoption approach. The adoption of this standard is not expected to have a material impact on the Company's financial position or results of operations.

### Note 3 – Restricted cash

Included in non-current asset is a \$10,000 certificate of deposit with an annual interest rate of 0.6%. This certificate matures on June 17, 2018, and is used as collateral for a Company credit card, pursuant to a security agreement dated June 20, 2011.

### Note 4 – Fixed assets

Fixed assets consist of the following:

	December 31, 2017	December 31, 2016
Computer Hardware	\$ 10,747	\$ 10,747
Office Furniture and Equipment	3,639	3,639
Shipping and Other Equipment	1,575	1,575
Total	15,961	15,961
Accumulated Depreciation	(15,961)	(15,961)
Property and Equipment, net	\$ -	\$ -

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**

**Consolidated Notes to Financial Statements**

**December 31, 2017**

**Note 5 – Convertible notes payable**

On July 24, 2017 and September 7, 2017, the Company entered into two \$28,000 convertible promissory notes with a third party for which the proceeds were used for operations. The Company received net proceeds of \$50,000 and thus a \$6,000 original issuance discount was recorded. The convertible promissory notes incur interest at 12% per annum for which \$28,000 plus accrued interest are due on April 30, 2018 and June 15, 2018. The convertible promissory notes are convertible to shares of the Company's common stock 180 days after issuance. The conversion price per share is equal to 55% of the average of the three (3) lowest trading price of the Company's common stock during the fifteen (15) trading days immediately preceding the applicable conversion date. The Company has the option to prepay the convertible notes in the first 180 days from closing subject to prepayment penalties ranging from 120 of 145% of principal balance plus interest, depending upon the date of prepayment. The convertible promissory notes include various default provisions for which the default interest rate increases to 22% per annum with the outstanding principal and accrued interest increasing by 150%. The Company was required to reserve a total of 158,677,686 common shares in connection with the promissory notes.

**Derivative liability**

These convertible promissory notes are convertible into a variable number of shares of common stock for which there is not a floor to the number of common stock we might be required to issue. Based on the requirements of ASC 815 Derivatives and Hedging, the conversion feature represented an embedded derivative that is required to be bifurcated and accounted for as a separate derivative liability. The derivative liability is originally recorded at its estimated fair value and is required to be revalued at each conversion event and reporting period. Changes in the derivative liability fair value are reported in operating results each reporting period.

On July 24, 2017 and September 7, 2017, the convertible note issuance dates, the Company valued the conversion feature resulting in initial liability of \$133,968. Since the fair value of the derivatives were in excess of the proceeds received of \$50,000, a full discount to convertible notes payable and a day one loss on derivative liabilities of \$83,968 was recorded. The Company valued the conversion feature using the Black-Scholes option pricing model with the following assumptions: conversion prices ranging from of \$0.003 to \$0.004, the closing stock price of the Company's common stock on the date of valuation ranging from \$0.008 to \$0.009, an expected dividend yield of 0%, expected

volatility ranging from 299% to 319%, risk-free interest rates ranging from 1.21% to 1.23%, and an expected term of 0.77 years. On December 31, 2017, the derivative liabilities were revalued at \$107,769 resulting in a loss of \$57,769 related to the change in fair value of the derivative liabilities. The derivative liabilities were revalued using the Black-Scholes option pricing model with the following assumptions: conversion price of \$0.003, the closing stock price of the Company's common stock on the date of valuation of \$0.008, an expected dividend yield of 0%, expected volatility ranging from 330% to 341%, risk-free interest rate of 1.31%, and an expected term ranging from 0.33 to 0.45 years.

The Company amortizes the discounts over the term of the convertible promissory notes using the interest method. During the year ended December 31, 2017, the Company amortized \$27,459 to interest expense. As of December 31, 2017, discounts of \$28,541 remained which will be amortized through June 30, 2018.



---

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**
**Consolidated Notes to Financial Statements****December 31, 2017****Note 6 – Notes payable-related parties**

Notes payable-related parties consist of:

	2017	2016
Note payable – Scientific Advisory Board Member, unsecured, including interest at 10% per annum, with a maturity date of December 31, 2018	\$ 15,868	\$ 14,721
Three notes payable – Chief Executive Officer, unsecured, including interest at 8%, 10% and 10% per annum, respectively, with maturity dates of December 31, 2018.	132,366	120,330
Note payable – Chief Financial Officer, unsecured, including interest at 8% per annum, with a maturity date of December 31, 2018,	92,800	86,400
Two notes payable – Business Advisory Board Member, unsecured, including interest at 8% and 10% per annum, convertible into common stock at \$0.005 and \$0.004, respectively, with maturity dates of April 20, 2018	188,167	75,500
	\$ 429,201	\$ 296,951

**Note 7 – Related party transactions**

On January 22, 2016, we issued 2,500,000 shares of common stock, valued at \$.0035 per share to a director of the Company for services.

On February 26, 2016, we issued 1,000,000 shares of common stock, valued at \$.0025 per share to a director of the Company for services.

On March 7, 2016, we issued 10,000,000 shares of common stock, valued at \$.004 per share to a director of the Company for services.

On March 21, 2016, we issued 100,000,000 shares of common stock, valued at \$.0025 per share, for an investment in the Company's Private Placement.

On September 16, 2016, we issued 12,500,000 shares of common stock, valued at \$.004 per share, for an investment in the Company's Private Placement.

On October 18, 2016, we issued 40,000,000 shares valued at \$.0045 to the officers and directors of the Company for services.

On March 21, 2016, we issued 100,800,000 shares of common stock, valued at \$.0025 per share, for an investment in the Company's Private Placement.

On November 11, 2016, we issued a six month convertible note in the amount of \$75,000 with an annual interest rate of 8% to a related party.

As of December 31, 2017, the Company accrued officers' salary of \$391,100 as of December 31, 2017.

On January 17, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

On March 2, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

---

**THERAPEUTIC SOLUTIONS INTERNATIONAL, INC.**
**Consolidated Notes to Financial Statements****December 31, 2017****Note 7 – Related party transactions (continued)**

On April 20, 2017, we issued a six month convertible note in the amount of \$100,000 with an annual interest rate of 10% to a related party.

On October 20, 2017, we issued 12,500,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party.

**Note 8 – Income taxes**

The Company is subject to United States federal and state income taxes at an approximate rate of 30%. The reconciliation of the provision for income taxes at the United States federal statutory rate compared to the Company's income tax expense as reported is as follows:

	December 31,	
	2017	2016
Expected income tax at statutory rate	\$ (338,188)	\$ (360,963)
State tax	272	-
Permanent differences	829	1,437
Change in valuation allowance	(223,742)	-
Change in tax rate	561,529	359,526
Other	100	-
Provision for income taxes	\$ 800	\$ -

The provision for income tax of \$800 is included in general and administrative expense on the accompanying consolidated statements of operations.

The significant components of deferred income tax assets and liabilities at December 31, 2017 and 2016 are as follows:

	December 31,	
	2017	2016
Net operating loss carry-forward	\$ 1,208,949	\$ 1,262,691
Valuation allowance	(1,208,949)	(1,262,691)
Net deferred income tax asset	\$	-\$

The Company has net operating losses carried forward of approximately \$4.3 million and \$3.3 million as of December 31, 2017 and 2016, respectively, available to offset taxable income in future years which expire beginning in fiscal 2032.

As of and for the years ended December 31, 2017 and 2016, management does not believe the Company has any uncertain tax positions. Accordingly, there are no unrecognized tax benefits at December 31, 2017 and 2016.

#### **Note 9 – Legal proceedings**

From time to time, claims are made against us in the ordinary course of business, which could result in litigation. Claims and associated litigation are subject to inherent uncertainties and unfavorable outcomes could occur, such as monetary damages, fines, penalties or injunctions prohibiting us from selling one or more products or engaging in other activities. The occurrence of an unfavorable outcome in any specific period could have a material adverse effect on our results of operations for that period or future periods.

However, as of the date of this report, management believes the outcome of currently identified potential claims and lawsuits will not have a material adverse effect on our financial condition or results of operations.

**Note 10 – Subsequent events**

On January 26, 2018, we issued 2,424,242 shares of common stock for the conversion of \$8,000 of convertible note dated July 24, 2017 plus interest.

On February 1, 2018, we issued 6,376,471 shares of common stock for the conversion of \$20,000 of convertible note dated July 24, 2017 plus interest.

On February 20, 2018, we issued 15,000,000 shares of common stock, valued at \$0.004 per share, for an investment in the Company's Private Placement to a related party and 2,500,000 shares of common stock, valued at \$0.0062 for consulting services.

---