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

FORM 10-K

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

For the Year Ended December 31, 2021

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 **000-54987**

Strategic Environmental & Energy Resources, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**02-0565834**
(State or other jurisdiction of Incorporation or organization)	*(IRS Employee Identification Number)*
370 Interlocken Blvd, Suite 680, Broomfield, CO	**80021**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code **720-460-3522**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

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

Common Stock, $.001 par value
(Title of class)

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

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

Indicate by check mark whether the registrant (1) 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 at least the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 229.405 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 ☐

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	☐	Smaller reporting company	☒
Emerging growth company			

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of the last business day of the registrant's most recently completed second fiscal quarter; 61,482,260 shares of common stock held by non-affiliates with an aggregate market value of $14,755,742, based upon a closing price of $0.24 per share.

As of April 14, 2022, there were65,088,575 shares of the registrant's $.001 par value common stock outstanding. No other class of equity securities is issued or outstanding.

Documents incorporated by reference: None

Strategic Environmental & Energy Resources, Inc.
Form 10-K for the year ended December 31, 2021

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PART I

Cautionary Statement Concerning Forward-Looking Statements

The information contained in this Annual Report may contain certain statements about SEER that are or may be "forward-looking statements" that is, statements related to future, not past, events, including forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations of the management of SEER and are subject to uncertainty and changes in circumstances and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause our results to differ materially from current expectations include, but are not limited to factors detailed in our reports filed with the U.S. Securities and Exchange Commission ("SEC"), including but not limited to those under the caption "Risk Factors" contained herein. In addition, these statements are based on a number of assumptions that are subject to change. The forward-looking statements contained in the information in this Annual Report may include all other statements in this document other than historical facts. Without limitation, any statements preceded or followed by, or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "approximates", "projects", "seeks", "sees", "should," "would," "expect," "positioned," "strategy," or words or terms of similar substance or derivative variation or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, losses and future prospects; (ii) business and management strategies and the expansion and growth of SEER; (iii) the effects of government regulation on SEER's business, and (iv) our plans, objectives, expectations and intentions generally.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Additional particular uncertainties that could cause our actual results to be materially different than those expressed in forward-looking statements include: risks associated with our international operations; changes in the general economy, as well as the cyclical nature of our markets; availability and cost of raw materials, parts and components used in our products; the competitive environment in the areas of our planned industrial activities; our ability to identify, finance, acquire and successfully integrate attractive acquisition targets, expected earnings of SEER; the amount of and our ability to estimate known and unknown liabilities; material disruption at any of our significant manufacturing facilities; the solvency of our insurers and the likelihood of their payment for losses; our ability to manage and grow our business and execution of our business and growth strategies; our ability and the ability our customers to access required capital at a reasonable costs; our ability to expand our business in our targeted markets; the level of capital investment and expenditures by our customers in our strategic markets; our financial performance; our ability to identify, address and remediate any material weakness in our internal control over financial reporting; our ability to achieve or maintain credit ratings and the impact on our funding costs and competitive position if we do not do so; and other risk factors as disclosed herein under the caption "Risk Factors". Other unknown or unpredictable factors could also cause actual results to differ materially from those in any forward-looking statement.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. SEER undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of SEER unless otherwise expressly stated.

ITEM 1. BUSINESS

Overview

Strategic Environmental & Energy Resources, Inc. ("the Company" or "SEER") was originally organized under the laws of the State of Nevada on February 13, 2002 for the purpose of acquiring one or more businesses, under the name of Satellite Organizing Solutions, Inc. ("SOZG"). In January 2008, SOZG changed its name to Strategic Environmental & Energy Resources, Inc., reduced its number of outstanding shares through a reverse stock split and consummated the acquisition of both, REGS, LLC and Tactical Cleaning Company, LLC. SEER is dedicated to assembling complementary service and environmental, clean-technology businesses that provide safe, innovative, cost effective, and profitable solutions in the environmental, waste management and renewable energy industries. SEER currently operates five companies with four offices in the western and mid-western U.S. Through these operating companies, SEER provides products and services throughout the U.S. and has licensed and owned technologies with many customer installations throughout the U.S. Each of the five operating companies, which includes our majority owned entities, is discussed in more detail below.

The Company's domestic strategy is to grow internally through SEER's subsidiaries that have well established revenue streams and, simultaneously, establish long-term alliances with and/or acquire complementary domestic businesses in rapidly growing markets for renewable energy, waste and water treatment and industrial services. The focus of the SEER family of companies, however, is to increase margins by securing or developing proprietary patented and patent-pending technologies and then leveraging its 20 plus-year service experience to place these innovations and solutions into the growing markets of emission capture and control, renewable "green gas" capture and sale, compressed natural gas fuel generation, as well as general solid waste and medical/pharmaceutical waste destruction. Many of SEER's current operating companies share customer bases and each provides synergistic services, technologies and products.

The Company now owns and manages three operating entities and two entities that have no significant operations to date, as REGS was abandoned during the third fiscal quarter of 2021. References in this report to abandoned or abandonment refer to the Company's determination not to provide financial support to, or conduct operations in or through, REGS.

Subsidiaries

Wholly owned

MV, LLC (d/b/a MV Technologies), ("MV"): **(operating since 2003)** MV designs and sells patented and/or proprietary, dry scrubber solutions for management of Hydrogen Sulfide (H_2S) in biogas, landfill gas, and petroleum processing operations. These system solutions are marketed under the product names H2SPlus™ and OdorFilter™. The markets for these products include landfill operations, agricultural and food product processors, wastewater treatment facilities, and petroleum product refiners. MV also develops and designs proprietary technologies and systems used to condition biogas for use as renewable natural gas ("RNG"), for a number of applications, such as transportation fuel and natural gas pipeline injection.

SEER Environmental Materials, LLC ("SEM"): (formed September 2015) is a wholly owned subsidiary established as a materials technology business with the purpose of developing advanced chemical absorbents and catalysts that enhance the capability of biogas produced from, landfill, wastewater treatment operations and agricultural digester operations.

REGS, LLC d/b/a Resource Environmental Group Services ("REGS"):**(operated from 1994 to September 2021)** previously designed and manufactured environmental systems and provided general industrial cleaning services and waste management consulting to many industry sectors. During the fourth quarter of 2019, the Company ceased bidding on, and accepting contracts for the services division of its REGS subsidiary. The results from the subsidiary are included in discontinued operations for the years ended 2021 and 2020. No contracts have been uncompleted relating to the services division; therefore, the services division did not have any performance obligations as of December 31, 2020, nor thereafter. After the industrial cleaning services division was discontinued as of 2019, REGS continued with its manufacturing and assembly operations during 2020 and into 2021. These operations consisted primarily of building kilns and related equipment. As of September 2021, the Company wound down REGS, ceased all operations, and abandoned the entity as a subsidiary. REGS operations for the periods reported were included in discontinued operations. Assets and liabilities were stranded and written off in accordance with GAAP; however, the Company cannot provide any assurance as to the treatment of such assets or liabilities or the abandonment by third parties, including governmental authorities.

Majority owned

Paragon Waste Solutions, LLC ("PWS"): (formed late 2010) PWS is an operating company that has developed a patented waste destruction technology using a pyrolytic heating process combined with "non-thermal plasma" assisted oxidation. This technique involves gasification of solid waste by heating the waste in a low-oxygen environment, followed by complete oxidation at higher temperatures in the presence of plasma. The term "non-thermal plasma" refers to a low energy ionized gas that is generated by electrical discharges between two electrodes. This technology, commercially referred to as CoronaLux™, is designed and intended for the "clean" destruction of hazardous chemical and biological waste *(i.e*., hospital "red bag" waste) thereby eliminating the need for costly segregation, transportation, incineration or landfill (with their associated legacy liabilities). PWS is a 54% owned subsidiary.

PelleChar, LLC ("PelleChar"): (formed September 2018) owned 51% by SEER. PelleChar has secured third-party pellet manufacturing capabilities from one of the nation's premier pellet manufacturers. Working closely with Biochar Now, LLC, PelleChar commenced sales in 2019 of its proprietary pellets containing the proven and superior Biochar Now product starting with the landscaping and big agriculture markets. At this time, PelleChar is the only company able to offer a soil amendment pellet containing the Biochar Now product that is produced using the patented pyrolytic process. PelleChar activity to date relates to startup of operations, and an increasing sales effort. Revenue and expenses of PelleChar were not material for the year ended December 31, 2021.

Joint Ventures

PWS MWS Joint Venture: In October 2014, PWS and Medical Waste Services, LLC ("MWS") formed a contractual joint venture to exploit the PWS medical waste destruction technology. In 2015, MWS licensed and installed a CoronaLux™ unit at an MWS facility, and subsequently received a limited permit to operate from the South Coast Air Quality Management District ("SCAQMD") and the California Department of Public Health. In November 2017, PWS received final air quality permit approval from SCAQMD allowing for full operations of the CoronaLux™ unit at the MWS facility.

Paragon Southwest Joint Venture: In December 2017, PWS and GulfWest Waste Solutions, LLC ("GWWS") formed Paragon Southwest Medical Waste, LLC ("PSMW") to exploit the PWS medical waste destruction technology. PSMW has an exclusive license to the CoronaLux™ technology in a six-state area of the Southern United States. In addition to the equity position, PWS is the operating partner for the business and intends to sell a number of additional systems to the joint venture. In 2017, PSMW purchased and installed three CoronaLux™ units at an PSMW facility.

Segment Information

The Company currently has identified three segments as follows:

		% of Annual Revenues	
		2021	2020
MV, SEM, PelleChar	Environmental Solutions	93%	92%
PWS	Solid Waste	7%	8%

Reach is not currently operating but should operations commence it will be part of the Environmental Solutions segment. The MV RCM Joint Venture is not currently operating but should operations commence it will be part of the Environmental Solutions segment.

As of December 31, 2021, we had three customers who comprised 10% or more of our accounts receivable and had a balance of approximately $295,900. As of December 31, 2020, we had one customer who comprised 10% or more of our accounts receivable and had a balance of approximately $229,100. See Item 1A Risk Factors.

Financial Condition

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has an accumulated deficit of approximately $29.4 million as of December 31, 2021, and for the year ended December 31, 2021, we had net income, from continuing operations of $0.2 million, and 2020, we incurred net losses, from continuing operations, of approximately $2.3 million. As of December 31, 2021, and 2020 our current liabilities exceed our current assets by approximately $7.5 million and $9.8 million, respectively. The primary reason for that working capital deficit decreased from December 31, 2020, to December 31, 2021, is due to the abandonment of REGS as an entity, and stranded a net of liabilities that are no longer consolidated liabilities under the Company. The Company has limited shares of authorized and unissued common stock available for issue which may limit the ability to raise capital or settle debt through issuance of shares. These factors raise substantial doubt about the ability of the Company to continue to operate as a going concern for a period of at least one year after the date of the issuance of our audited financial statements for the period ended December 31, 2021.

Realization of a major portion of our assets as of December 31, 2021, is dependent upon our continued operations. The Company is dependent on generating additional revenue or obtaining adequate capital to fund operating losses until it becomes profitable. In addition, we have undertaken a number of specific steps to continue to operate as a going concern. We continue to focus on developing organic growth in our operating companies, diversifying our service customer base and market concentrations and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions, including discontinuing a line of business with insufficient margins. Our ability to license and or sell, permit and operate through our joint ventures and licensees our CoronaLux™ waste destruction units will be critical to achieving profitability. We have increased our business development efforts to address opportunities identified in expanding domestic markets attributable to increased federal and state emission control regulations (particularly in the nation's oil and gas fields) and a growing demand for energy conservation and renewable energies. In addition, the Company is evaluating various forms of financing that may be available to it. There can be no assurance that the Company will secure additional financing for working capital, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. Our financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to report on a going concern basis.

Industry

With its diverse services, technologies, and environmental solution offerings, SEER participates in the worldwide markets of environmental compliance, renewable energy and gaseous and solid waste minimization/management. There are ever-increasing emissions and solid waste regulations, as well as statutory programs at the local, state, federal and international levels that create and mandate the need for renewable energies and waste minimization, proper handling, storage, treatment and disposal of virtually all types of waste.

The industrial waste management industry in North America was shaped first by the Resource Conservation and Recovery Act of 1976 ("RCRA"), which requires waste generators to, among other things, transport, treat, store and dispose of hazardous waste in accordance with specific regulations. After RCRA, growing national awareness of environmental issues, coupled with corporate and institutional awareness of environmental liabilities, have contributed to the growth of the industry and associated governing legislation on the state and federal levels.

Today, collection and disposal of solid and hazardous wastes are subject to local, state, and federal requirements and controls that regulate health, safety, the environment, zoning and land-use. Included in these regulations is the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), of the United States. CERCLA holds generators and transporters of hazardous substances, as well as past and present owners and operators of sites where there has been a hazardous release, strictly, jointly and severally liable for environmental cleanup costs resulting from the release or threatened release of hazardous materials.

The enactment of the federal *Clean Air Act of 1970* (CAA) resulted in a major shift in the federal government's role in air pollution control. This legislation authorized the development of comprehensive federal and state regulations to limit emissions from both stationary (industrial) sources and mobile sources. The Act has been amended and expanded in scope many times since its enactment and remains a major consideration for safely and responsibly conducting business in the U.S.

These and countless other similar regulatory programs mandate the need for environmental services and technologies such as those offered by SEER and its companies.

There are substantial barriers to entry in the waste management industry, including the high degree of expertise and training required, regulatory compliance, insurance, and licensing costs and procedures, strict federal, state, provincial and local permitting and oversight processes, and significant capital costs of equipment and qualified personnel.

Business Strategy

SEER's operations to date have been fueled by a combination of synergistic and vertical integration, acquisitions, strategic alliances and organic growth. SEER acquired MV as a wholly owned subsidiary. In 2015 SEM was created to provide recurring and high-margin revenue to the Company by offering an internal source of diverse media solutions required to treat various waste and off-gas streams, particularly digesters and landfills. This enables pricing flexibility by the technology solutions affiliates that, in turn, should result in increased sales of systems that leads to greater demand for media. We intend to continue pursuing an aggressive strategy of both acquisitions, strategic partnerships, and organic growth while expanding our geographic footprint into other regions of the United States and foreign markets. Potential acquisitions may include businesses that secure supply chain and vendor logistics or complement our core businesses or companies that provide a similar set of services in regions where the Company does not currently have operations.

Upon full development of certain patented and patent-pending technologies, we intend to explore licensing relationships with larger, established companies to generate sustainable revenue streams from domestic and international applications.

Intellectual Property

MV was issued a patent in 2012 related to "Oil-Gas Vapor Collection, Storage, and Recovery System, etc." Patent No. US 8,206,124 B1. MV was issued a second patent in 2014 titled "Fugitive Gas Capture", US Patent No. 8,708,663 B1, that expanded claims in the earlier patent. In 2017, MV was issued a third patent titled "Dry Chemical Scrubber with Ph Adjustment" Patent No. US 9,630,144 B2. The patents will expire in 2029 and 2031, unless otherwise extended. MV is in the process of expanding the scope and number of claims of this issued patent.

In 2013, PWS filed provisional and non-provisional patent applications in the name and for the benefit of SEER arising out of and related to its waste disposal technology involving a pyrolitic first phase and a "cold plasma" second phase system referred to as "plasma light," or CoronaLux™ technology. In October 2014 SEER was issued patent No. 8,870,735 for this CoronaLux™ technology. In 2014, PWS filed a provisional patent related to destruction of volatile organic compounds. A pyrolytic process is basically the decomposition of any material at elevated temperatures in a very low oxygen-containing atmosphere, as compared to conventional incineration or pyrolysis processes. In July 2016 SEER was issued patent No. 9,393,519 for this CoronaLux™ technology. In January 2017 SEER was issued patent No. 9,550,148 for heavy metal control adding to the pollution control aspect of the CoronaLux™ technology. The patents will expire in or around 2033.

Competition

The industrial services industry is highly competitive. We compete with several small and medium-sized companies in the gas treatment sector. In the face of this competition, we have been effective in maintaining, and in some sectors, growing our revenue opportunities due to the wide range of services we offer, a competitive pricing structure, our innovative and proprietary/patent-pending technologies, and a reputation for reliability, built over the nearly 20 years of business operations as well as the care we take in performing and completing each customer project.

The medical waste industry is also highly competitive with fewer, but larger businesses in the space and one entity having a dominant position in the industry.

In all its businesses, the Company currently holds very small parts of very large and growing markets. MV competes by providing superior hydrogen sulfide ("H2S") "scrubbing" solutions that result in more cost-effective removal of H2S from process gas streams. H2S is highly corrosive and is a precursor to sulfur dioxide, a highly regulated air pollutant. Therefore, removing H2S from industrial process waste streams is essential to enhance personnel safety, extend the life of industrial equipment, and minimize resulting air pollution. In the markets served by MV there are a number of competing technologies employed such as: biological scrubbing, chemical scrubbing, and dry scrubbing with activated carbon. PWS competes by offering a unique on-site, on-demand waste destruction solution, eliminating the need for waste segregation, transportation, incineration, autoclaving and/or landfilling; in turn, eliminating all of the associated costs and legacy liabilities associated with current options for medical waste handling. We believe that the patented CoronaLux™ technology results in a superior option in the medical waste management sector and in ultimate emissions cleaner than other solutions available in the market.

Environmental Matters and Regulation

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act, and the Toxic Substances Control Act ("TSCA").

RCRA. RCRA is the principal federal statute governing hazardous waste generation, treatment, transportation, storage and disposal. Pursuant to RCRA, the U.S. Environmental Protection Agency (the "EPA") has established a comprehensive "cradle-to-grave" system for the management of a wide range of materials identified as hazardous or solid waste. States that have adopted hazardous waste management programs with standards at least as stringent as those promulgated by the EPA have been delegated authority by the EPA to administer their facility permitting programs in lieu of the EPA's program. Every facility that treats, stores or disposes of hazardous waste must obtain a RCRA permit from the EPA or an authorized state agency, unless a specific exemption exists, and must comply with certain operating requirements.

The Superfund Act. The Superfund Act is the primary federal statute regulating the cleanup of inactive hazardous substance sites and imposing liability for cleanup on the responsible parties. It also provides for immediate response and removal actions coordinated by the EPA of the release of hazardous substances into the environment. It authorizes the government to respond to the release or threatened release of hazardous substances or to order responsible persons to perform any necessary cleanup. The statute provides for strict, and in certain cases, joint and several liability for these responses and other related costs, and for liability for the cost of damages to natural resources, to the parties involved in the generation, transportation and disposal of such hazardous substances. Under the statute, we may be deemed liable as a generator or transporter of a hazardous substance that is released into the environment, or as the owner or operator of a facility from which there is a release of a hazardous substance into the environment.

The Clean Air Act. The Clean Air Act was passed by Congress to control the emissions of pollutants into the air and requires permits to be obtained for specific sources of toxic air pollutants such as vinyl chloride, or criteria pollutants, such as carbon monoxide. In 1990, Congress amended the Clean Air Act to require further reductions of air pollutants with specific targets for non-attainment areas to meet certain ambient air quality standards. These amendments also require the EPA to promulgate regulations, which (i) control emissions of 189 hazardous air pollutants; (ii) create uniform operating permits for major industrial facilities similar to RCRA operating permits; (iii) mandate the phase-out of ozone-depleting chemicals; and (iv) provide for enhanced enforcement.

Clean Water Act. This legislation prohibits discharges into the waters of the United States without government authorization and regulates the discharge of pollutants into surface waters and sewers from a variety of sources, including disposal sites and treatment facilities.

Other Federal Laws. In addition to regulations specifically directed at the transportation, storage, and disposal facilities, there are a number of regulations that may "pass-through" to the facilities based on the acceptance of regulated waste from affected client facilities. Each facility that accepts affected waste must comply with the regulations for that waste, facility or industry. In our transportation operations, we are regulated by the U.S. Department of Transportation, the Federal Railroad Administration, the Federal Aviation Administration and the U.S. Coast Guard, as well as by the regulatory agencies of each state in which we operate or through which our vehicles pass. Health and safety standards under the Occupational Safety and Health Act, or "OSHA", are applicable to all of our operations.

Pursuant to the EPA's authorization of their RCRA equivalent programs, a number of states have regulatory programs governing the permitting and operation of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land-use restrictions. Although our facilities occasionally have been cited for regulatory violations, we believe we are in substantial compliance with all federal, state and local laws regulating our business.

Insurance

To cover potential risks associated with the variety of services that the operating companies provide, we maintain adequate insurance coverages, including: 1) Casualty Insurance providing coverage for Commercial General Liability, Automotive Liability, Professional Liability Insurance and Employee Benefits Liability in the amounts of $1 million each, respectively, per year; 2) Contractor's Pollution Liability Insurance, which has limits of $1 million per occurrence and $1 million in the aggregate; and 3) An Excess Umbrella Liability Policy of $5 million per occurrence and $5 million aggregate limit overall.

Health, Safety and Compliance

Preserving the health and safety of our employees and the communities in which we operate, as well as remaining in compliance with local, state and federal rules and regulations are the highest priorities for us and our companies. We strive to maintain the highest professional standards in our compliance and health and safety activities. To achieve this objective, we engage with a professional safety firm and emphasize comprehensive training programs for new employees as well as ongoing mandatory refresher programs, and safety bonus programs for existing employees. These programs are administered at both the corporate and field levels on a daily basis. Our efforts to ensure the health and safety of employees have been formally recognized by our customers as well as by the Colorado Department of Labor and Employment.

Research and Development

Research and Development ("R&D") costs are charged to operations when incurred and are included in operating expenses. R&D expenses consist primarily of salaries, project materials, contract labor and other costs associated with ongoing product development and enhancement efforts. We spent approximately $0 on R&D for the years ended December 31, 2021, and 2020. As the Company brings its organic fertilizer products, Pellechar10™ and Pellechar30™, to market, it plans to allocate a small R&D budget in fiscal years 2021 and 2022, anticipated to be less than $100,000.

Employees

As of December 31, 2021, we employed 14 non-union hourly and salaried employees, 1 of which was part-time. Our business has some seasonality that requires us to use day laborers.

ITEM 1A. RISK FACTORS

You should carefully consider the following risks. These risks could materially affect our business, results of operations or financial condition, cause the trading price of our common stock to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward-looking statements made by us or on our behalf. In addition, there may be additional risks of which we are not presently aware or that we currently believe are immaterial that could have an adverse impact on our business.

Risks Related to Our Business

Our auditors have expressed substantial doubt about our ability to continue as a going concern.

The accompanying consolidated financial statements have been prepared assuming that we will continue as a going concern. As discussed in Note 1 to the consolidated financial statements included in this report, we have incurred significant losses since inception and have an accumulated deficit of approximately $29.4 million as of December 31, 2021 and need to raise substantial amounts of additional funds to meet our obligations and afford us time to develop profitable operations. There can be no assurance that we will be able to raise capital, obtain debt financing, or improve operating results sufficiently to continue as a going concern, if at all. The consolidated financial statements included in this report do not include any adjustments that might result from the outcome of this uncertainty.

We are subject to extensive governmental regulation, which is frequently difficult, expensive, and time-consuming with which to comply; noncompliance could adversely affect our operations and efforts to grow our business results.

The industries in which we operate are subject to extensive federal, state and local laws and regulations. Our business requires us to obtain many approvals, certificates, licenses, permits and other types of governmental authorizations and to comply with various laws and regulations in every jurisdiction in which we operate. Federal, state and local regulations change often, and new regulations are frequently adopted. Changes in the regulations could require us to obtain new authorizations or to change the way in which we operate our business. We might be unable to obtain the new authorizations that we require, and the cost of compliance with new or changed laws and regulations could be significant.

Many of the authorizations that we require, especially those to build and operate facilities, are difficult and time-consuming to obtain. They may also contain conditions or restrictions that limit our ability to operate efficiently, and they may not be issued as quickly as we need them or at all. If we cannot obtain the authorizations, or if they contain unfavorable conditions, it could substantially impair our operations and reduce our revenues and have a material adverse effect on our business, results of operations and financial condition.

If we encounter regulatory compliance issues in the course of operating our businesses, we may experience adverse publicity, which may intensify if such non-compliance results in civil or criminal liability. This adverse publicity may harm our reputation, and result in difficulties in attracting new customers, or retaining existing customers.

The level of governmental enforcement of environmental and other regulations has an uncertain effect on our business and could reduce the demand for our services.

We believe that strict enforcement of laws and regulations relating to regulated industrial cleaning, environmental compliance, renewable energy and waste minimization/management can have a positive effect on our business, as these laws and regulations may increase the demand for our products and services. Relaxation of enforcement, government shutdowns, or other changes in governmental regulation of the industries in which we operate could increase the number of competitors we face or reduce or delay the need for our services.

We may incur significant charges as a result of divestitures.

We continue to evaluate the performance of our assets and businesses. Based on this evaluation, we may sell certain assets or businesses or exit particular markets. Any impairments and losses on divestiture resulting from this process may cause us to record significant charges, including those related to goodwill and other intangible assets. In addition, divestitures may not yield the targeted improvements in our business. Divestitures involve risks, including difficulties in the separation of operations, services, products and personnel, disruption in our operations or businesses, finding a suitable purchaser, the diversion of management's attention from our other businesses, the potential loss of key employees, the erosion of employee morale or customer confidence, and the retention of contingent liabilities related to the divested business. Any charges that we are required to record or the failure to achieve the intended financial results associated with divestitures of businesses or assets could have a material adverse effect on our business, financial condition or results of operations. On September 1, 2021, REGS was abandoned and discarded by the Company.

Our substantial indebtedness could adversely affect our financial condition and ability to fulfill our obligations.

We currently have a substantial amount of outstanding indebtedness. As of December 31, 2021, we had an accumulated deficit of approximately $29.4 million, with total current assets and liabilities of approximately $1.0 million and $8.5 million respectively. Included in the liabilities are approximately $2.8 million of short-term notes, $180,800 of short-term notes to a related party and approximately $1.6 million of convertible notes.

There can be no assurance that we will secure additional financing for working capital, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. As of December 31, 2021, we have cash and cash equivalent assets of $188,800. If we are unable to generate sufficient cash flow in the future to service our debt, we may be required to refinance all or a portion of our existing debt or to obtain additional financing. There can be no assurance that any refinancings will be possible or that any additional financing could be obtained on terms acceptable to us. The inability to obtain additional financing could have a material adverse effect on our financial position, liquidity and results of operations. Our substantial indebtedness subjects us to various risks, including:

- we may be unable to satisfy our obligations under our outstanding indebtedness;
- we may be more vulnerable to adverse general economic and industry conditions;
- we may find it more difficult to fund future working capital, capital expenditures, acquisitions, general corporate purposes or other purposes; and
- we may have to dedicate a substantial portion of our cash resources to the payments on our outstanding indebtedness, thereby reducing the funds available for operations and future business opportunities.

We have a history of losses and we may not be able to achieve profitability in the future.

We continue to incur losses in operations. We have experienced recurring losses and have accumulated a deficit of approximately $29.4 million as of December 31, 2021. For the year ended December 31, 2021, we had a net income from continuing operations of approximately $0.2 million. We had a working capital deficit of approximately $7.5 million as of December 31, 2021. These factors raise substantial doubt about the ability of the Company to continue to operate as a going concern. It may be necessary for us to rely on external financing to supplement working capital to meet our liquidity needs in the fiscal years ended 2022 and 2023. The success of securing such financing on terms acceptable to us, if at all, cannot be assured. If we are unable to achieve the financing necessary to continue our plan of operations, our stockholders may lose their entire investment in the Company.

We are subject to operating and litigation risks that may not be covered by insurance.

Our business operations are subject to all of the operating hazards and risks normally incidental to the handling, storage and disposal of hazardous products. These risks could result in substantial losses due to personal injury and/or loss of life, and severe damage and destruction of property and equipment arising from explosions or other catastrophic events. As a result, we may become a defendant in legal proceedings and litigation arising in the ordinary course of business. Additionally, environmental contamination could result in future legal proceedings. There can be no assurance that our insurance coverage will be adequate to protect us from all material expenses related to pending and future claims or that such levels of insurance would be available in the future at acceptable prices, if at all.

In addition, a disruption of our business caused by a casualty event at a facility of ours or one of our customers may result in the loss of business, profits or customers during the time of the disruption. As such, our insurance policies may not fully compensate us for these losses.

We have substantial customer concentration, with a limited number of customers accounting for a substantial portion of our 2021 revenues

As of December 31, 2021, we had three customers with sales in excess of 10% of our revenues. There are risks whenever a large percentage of total revenues are concentrated with a limited number of customers. It is not possible for us to predict the future level of demand for our services that will be generated by these customers or the future demand for the products and services of these customers in the end-user marketplace. In addition, revenues from these larger customers may fluctuate from time to time based on the commencement and completion of projects, the timing of which may be affected by market conditions or other facts, some of which may be outside of our control. These customers may pressure us to reduce the prices we charge for our products and services which could have an adverse effect on our margins and financial position and could negatively affect our revenues and results of operations. If either of our two largest customers terminates our arrangements, such termination would negatively affect our revenues and results of operations.

Aggressive pricing by existing competitors and the entrance of new competitors could significantly and adversely affect our results of operations.

The industries in which we participate are highly competitive. This competition may require us to reduce our prices in the future or may affect our ability to increase prices in the future. Price reductions or our inability to increase prices could significantly and adversely affect our results of operations.

We face direct competition from a large number of small, local competitors. We face competition from companies with greater resources than us, companies with closer geographic proximity to our customers and potential customers, companies with service offerings we do not provide and companies that can provide lower pricing than we can in certain instances. An increase in the number or location of commercial treatment or disposal facilities for waste, significant expansion of existing competitor permitted capabilities, acquisitions by competitors or a decrease in the treatment or disposal fees charged by competitors could materially and adversely affect our results of operations. We face competition from these businesses, and competition from them is likely to exist in new locations to which we may expand in the future. In addition, large national companies with substantial resources operate in the markets we serve.

Adverse economic conditions, government funding or competitive pressures affecting our customers could harm our business.

We serve a diverse customer base that includes oil and gas refineries, regional landfills, medical waste destruction operations, agricultural companies and food and beverage companies and other commercial and industrial customers that are, or may be, affected by changing economic conditions and competition. These customers may be significantly impacted by deterioration in the general economy and may curtail waste production and/or delay spending on plant maintenance, waste cleanup projects and other discretionary work. Factors that can impact general economic conditions and the level of spending by customers include the general level of consumer and industrial spending, increases in fuel and energy costs, residential and commercial real estate and mortgage market conditions, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors affecting spending behavior. Market forces may also compel customers to cease or reduce operations, declare bankruptcy, liquidate or relocate to other countries, any of which could adversely affect our business.

Our operations are significantly affected by potential seasonal fluctuations due to weather; budgetary decisions and cash flow limitations influencing the timing of customer spending for the products and services we provide; the timing of regulatory agency decisions and judicial proceedings; changes in government regulations and enforcement policies and other factors that may delay or cause the cancellation of projects involving our products and services. We do not control such factors, which can cause our revenue and income to vary significantly from quarter to quarter and year to year.

Our proprietary rights may be difficult to enforce.

We generally rely on patents, copyrights, trademarks, and trade secret laws to establish and maintain proprietary rights in our technology and products. Although we hold several patents and other patent applications are currently pending, there can be no assurance that any of these patents or other proprietary rights will not be challenged, invalidated, or circumvented or that our rights will, in fact, provide competitive advantages to us. In addition, there can be no assurance that patents will be issued from pending applications or that claims allowed on any patents will be sufficiently broad to protect our technology. If we are unable to protect our proprietary rights, we may find ourselves at a competitive disadvantage to others who need not incur the substantial expense, time and effort required to create innovative products that have enabled us to be successful, which could have a material adverse effect on our business, financial condition and results of operations.

We may be found to infringe on intellectual property rights of others.

Third parties may assert claims or initiate litigation related to exclusive patent, copyright, trademark, and other intellectual property rights that are relevant to us. The asserted claims and/or initiated litigation can include claims against us or our manufacturers, suppliers, or customers, alleging infringement of their proprietary rights with respect to our existing or future products or components of those products. Regardless of the merit of these claims, they can be time-consuming, result in costly litigation and diversion of technical and management personnel, or require us to develop a non-infringing technology or enter into license agreements. Where claims are made by customers, resistance even to unmeritorious claims could damage customer relationships. There can be no assurance that licenses will be available on acceptable terms and conditions, if at all, or that any arrangements with our suppliers will be available or adequate to cover our costs if a claim were brought directly against us or our customers. Furthermore, because of the potential for high court awards that are not necessarily predictable, it is not unusual to find even arguably unmeritorious claims settled for significant amounts. If any infringement or other intellectual property claim made against us by any third party is successful, if we are required to indemnify a customer with respect to a claim against the customer, or if we fail to develop non-infringing technology or license the proprietary rights on commercially reasonable terms and conditions, our business, operating results, and financial condition could be materially and adversely affected.

Our success in the future may depend on our ability to establish and maintain strategic alliances, and any failure on our part to establish and maintain such relationships could adversely affect our market penetration and revenue growth.

Our ability to establish strategic relationships will depend on a number of factors, many of which are outside our control, such as the competitive position of our technology and our products relative to our competitors. We can provide no assurance that we will be able to establish strategic relationships successfully. In addition, strategic alliances that we may establish could subject us to a number of risks, including risks associated with sharing proprietary information and loss of control of operations that are material to our business and profit-sharing arrangements. Moreover, strategic alliances may be expensive to implement, require us to issue additional shares of our common stock and subject us to the risk that the third party will not perform its obligations pursuant to the arrangement, which may subject us to losses over which we have no control or expensive termination arrangements.

Due to financial and experience constraints, we expect to rely on strategic relationships to develop our business, including those relating to product development, manufacturing, marketing and sales. Identifying and developing strategic alliance candidates is expensive and time-consuming. In addition, these arrangements may leave us vulnerable to capacity constraints and reduced component availability, and our control over customer relationships, product delivery schedules, manufacturing and costs would be limited. In addition, we may have limited control over quality systems and controls, and therefore must rely on our relationships to manufacture our products to our quality and performance standards and specifications. Delays, component shortages, including custom components that are manufactured for us at our direction, and other manufacturing and supply problems, could impair the manufacture and distribution of our products and ultimately our company's reputation. Furthermore, any adverse change in the financial or business condition of our strategic alliance counterparts could disrupt our ability to develop, manufacture, market and sell our products. If we are required to change our strategic alliance counterparts or bring those functions in-house, we may lose revenue, incur increased costs, and damage our relationships with other customers and strategic alliances.

Attacks on our information technology systems could damage our reputation, negatively impact our businesses and expose us to litigation risk.

We use computers in substantially all aspects of our business operations. We also use mobile devices, social networking and other online activities to connect with our employees and our customers. We rely heavily on various proprietary and third-party information systems. Our reputation for the secure handling of customer and other sensitive information is critical to the success of our business. We are potentially subject to cyber-attacks, including state-sponsored cyber-attacks, industrial espionage, insider threats, computer denial-of-service attacks, computer viruses, ransomware and other malware, wire fraud and other cyber incidents. Our incident response efforts, business continuity procedures and disaster recovery planning may not be entirely effective as our information technology and network infrastructure may still be vulnerable to attacks by hackers or breaches due to employee error, malfeasance, computer viruses, power outages, natural disasters, acts of terrorism, breaches with respect to third-party systems or other disruptions. A cybersecurity incident and breach of our information systems could lead to theft, destruction, misappropriation or release of sensitive and/or confidential information or intellectual property, which could result in business disruption, negative publicity, violation of privacy laws, loss of customers, brand damage, adverse financial and operational results, and potential litigation.

Our management depends on relevant and reliable information for decision-making purposes, including key performance indicators and financial reporting. Any significant loss of data, failure to maintain reliable data, disruptions affecting our information systems, or delays or difficulties in transitioning to new systems could adversely affect our business, financial condition and results of operations. In addition, our ability to continue to operate our businesses without significant interruption in the event of a disaster or other disruption depends in part on the ability of our information systems to operate in accordance with our disaster recovery and business continuity plans. If our information systems fail and our redundant systems or disaster recovery plans are not adequate to address such failures, or if our business interruption insurance does not sufficiently compensate us for any losses that we may incur, our revenues and profits could be reduced, and the reputation of our brands and our business could be adversely affected. In addition, remediation of such problems could result in significant, unplanned capital investments.

The handling of regulated waste exposes us to the risk of environmental liabilities.

As a company engaged in regulated waste management, we face risks of liability for environmental contamination. CERCLA and similar state laws impose strict liability on current or former owners and operators of facilities that release hazardous substances into the environment as well as on the businesses that generate those substances and the businesses that transport them to our facilities. Responsible parties may be liable for substantial investigation and clean-up costs even if they operated their businesses properly and complied with applicable federal and state laws and regulations. Liability under CERCLA may be joint and several, which means that if we were found to be a business with responsibility for a particular CERCLA site, we could be required to pay the entire cost of the investigation and clean-up even if we were not the party responsible for the release of the hazardous substance and other companies might also be liable.

If we were to incur liability under CERCLA and if we could not identify other parties responsible under the law whom we are able to compel to contribute to our expenses, the cost to us could be substantial and could have a material adverse effect on our business, results of operations and financial condition and reduce our liquidity. If there were a claim against us that a customer might be legally liable for, we might not be successful in recovering our damages from the customer.

We have significant deferred tax assets, and any impairments of or valuation allowances against these deferred tax assets in the future could materially adversely affect our results of operations and financial condition.

We intend to use significant deferred tax assets to offset income. The extent to which we can use deferred tax assets may be limited for various reasons, including but not limited to changes in tax rules or regulations and if projected future taxable income becomes insufficient to recognize the full benefit of our net operating loss ("NOL") carryforwards prior to their expiration. Additionally, our ability to fully use these tax assets will also be adversely affected if we have an "ownership change" within the meaning of Section 382 of the U.S. Internal Revenue Code of 1986, as amended. An ownership change is generally defined as a greater than 50% increase in equity ownership by "5% stockholders" (as that term is defined for purposes of Section 382) in any three-year period. Future changes in our stock ownership, depending on the magnitude, including the purchase or sale of our common stock by 5% stockholders, and issuances or redemptions of common stock by us, could result in an ownership change that would trigger the imposition of limitations under Section 382. Accordingly, there can be no assurance that in the future we will not experience limitations with respect to recognizing the benefits of our NOL carryforwards and other tax attributes for which limitations could have a material adverse effect on our results of operations, cash flows or financial condition.

Our businesses are subject to operational and safety risks.

Provision of environmental, energy and industrial services to our customers involves risks such as equipment defects, malfunctions and failures and natural disasters, which could potentially result in releases of hazardous materials, damage to or total loss of our property or assets, injury or death of our employees or a need to shut down or reduce operations while remedial actions are undertaken. Our employees often work under potentially hazardous conditions. These risks expose us to potential liability for pollution and other environmental damages, personal injury, loss of life, business interruption and property damage or destruction. We must also maintain a solid safety record in order to remain a preferred supplier to our major customers. While we seek to minimize our exposure to such risks, such efforts and insurance may not be adequate to cover all of our potential liabilities, which would have a material adverse effect on our operations, financial condition and financial results.

The extensive environmental regulations to which we are subject may increase our costs and potential liabilities and limit our ability to expand our facilities.

Our operations and those of others in the environmental services industry are subject to extensive federal, state and local environmental requirements. In particular, if we fail to comply with government regulations governing the handling and transport of hazardous materials, such failure could negatively impact our ability to operate our business. Efforts to conduct our operations in compliance with all applicable laws and regulations, including environmental rules and regulations, require programs to promote compliance, such as training employees and customers and purchasing health and safety equipment. Even with these programs, we and other companies in the environmental services industry are routinely faced with government enforcement proceedings, which can result in fines or other sanctions and require expenditures for remedial work on waste management facilities and contaminated sites. Certain of these laws impose strict and, under certain circumstances, joint and several liability on current and former owners and operators of facilities that release regulated materials or that generate those materials and arrange for their disposal or treatment at contaminated sites. Such liabilities can relate to required cleanup of releases of regulated materials and related natural resource damages. The landscape of environmental regulation to which we are subject can change. Changes to environmental regulation may result in increased operating and compliance costs or, in more significant cases, changes to how our facilities are able to operate. We constantly monitor the landscape of environmental regulation; however, our ability to navigate through any changes to such regulations may result in a material effect on our operations, cash flows or financial condition.

Some environmental laws and regulations impose liability and responsibility on present and former owners, operators or users of facilities and sites for contamination at such facilities and sites without regard to causation or knowledge of contamination. Releases of regulated materials at and from our facilities and those of our customers, or the disposal of regulated materials at third-party sites, which may require investigation and remediation, and potentially result in claims of personal injury, property damage and damages to natural resources. Investigations undertaken in connection with these activities may lead to discoveries of contamination that must be remediated, and closures of facilities might trigger compliance requirements that are not applicable to operating facilities. Remedial activities could result in a material effect upon our operations or financial condition and result in material costs.

We may not be able to obtain timely or cost-effective transportation services which could adversely affect our profitability.

Revenue at each of our facilities is subject to potential risks from disruptions in rail or truck transportation services relied upon to deliver waste. Increases in fuel or labor costs, shortages of qualified drivers and unforeseen events such as labor disputes, public health pandemics, severe weather, natural disasters and other acts of God, war or terror could prevent or delay shipments and reduce both volumes and revenue. Transportation services may also be limited by economic conditions, including increased demand for rail or trucking services, resulting in periods of slower service to the point that individual customer needs cannot be met. No assurance can be given that we can procure transportation services in a timely manner at competitive rates or pass-through fuel cost increases in all cases. Such factors could also limit our ability to achieve revenue and earnings objectives.

We may not be able to effectively adopt or adapt to new or improved technologies.

We expect to continue implementing new or improved technologies at our facilities to meet customer service demands and expand our business. If we are unable to identify and implement new technologies in response to market conditions and customer requirements in a timely, cost-effective manner, our financial condition and results of operations could be adversely impacted.

In the event that we undertake future acquisitions, we may not be able to successfully execute our acquisition strategy.

We may experience delays in making acquisitions or be unable to make acquisitions we desire for a number of reasons. Suitable acquisition candidates may not be available at purchase prices that are attractive to us or on terms that are acceptable to us. In pursuing acquisition opportunities, we typically compete with other companies, some of which have greater financial and other resources than we do. We may not have available funds or common stock with a sufficient market price to complete an acquisition. If we are unable to secure sufficient funding for potential acquisitions, we may not be able to complete acquisitions that we otherwise find advantageous.

Acquisitions that we undertake could be difficult to integrate, disrupt our business, dilute stockholder value and adversely affect our results of operations.

Acquisitions involve multiple risks. Our inability to successfully integrate an acquired business could have a material adverse effect on our financial condition and results of operations. These risks include but are not limited to:

- failure of the acquired company to achieve anticipated revenues, earnings or cash flows;
- assumption of liabilities, including those related to environmental matters, that were not disclosed to us or that exceed our estimates;
- problems integrating the purchased operations with our own, which could result in substantial costs and delays or other operational, technical or financial problems;
- potential compliance issues relating to the protection of health and the environment, compliance with securities laws and regulations, adequacy of internal controls and other matters;
- diversion of management’s attention or other resources from our existing business;
- risks associated with entering markets or product/service areas in which we have limited prior experience;
- increases in working capital investment to fund the growth of acquired operations;
- unexpected capital expenditures to upgrade waste handling or other infrastructure or replace equipment to operate safely and efficiently;
- potential loss of key employees and customers of the acquired company; and
- future write-offs of intangible and other assets, including goodwill, if the acquired operations fail to generate sufficient cash flows.

If we are not able to achieve these objectives, the anticipated benefits of the acquisition may not be realized fully, if at all, or may take longer to realize than expected. It is possible that the integration process could result in the loss of key employees, the disruption of our ongoing business, failure to implement the business plan for the combined businesses, unanticipated issues in integrating service offerings, logistics information, communications and other systems or other unanticipated issues, expenses and liabilities, any or all of which could adversely affect our ability to maintain relationships with customers and employees or to achieve the anticipated benefits of the acquisition.

We face risks associated with project work and services that are provided on a non-recurring basis.

A portion of our revenue is derived from short-term projects or services that we provide on a non-recurring basis, which are not predictable in terms of frequency, size or duration. Our customers' need for these services could be influenced by regulatory changes, fluctuations in commodity market performance, natural disasters and acts of God, or other factors beyond our control. Variability in the demand for these services could adversely affect our business, financial condition and results of operations.

Some of our customers have suffered financial difficulties, which could negatively impact our operating results.

We provide service to a number of customers, some of which have suffered significant financial difficulties in recent years. Some of these entities could be unable to pay amounts owed to us or renew contracts with us at previous or increased rates. The inability of our customers to pay us in a timely manner or to pay increased prices, particularly our larger accounts, could negatively affect our operating results.

Our success depends on our executive officers and other key personnel. If we lose key personnel or are unable to hire additional qualified personnel, our business may be harmed.

We have traditionally operated with limited resources and infrastructure. As of the date of this report, we have a total of fourteen employees, including our management team. We believe our success will depend in large part on our ability to attract and retain highly skilled administrative, technical, managerial, sales, and marketing personnel. Competition for these personnel is intense. Our financial condition or volatility or lack of positive performance in our stock price or equity incentive awards may also adversely affect our ability to hire and retain key employees. In addition, there is some seasonality to our business which requires us to use day laborers. The loss of services of any of our key personnel, the inability to retain and attract qualified personnel in the future, or delays in hiring required personnel, particularly engineering and sales personnel, could make it difficult to meet key objectives, such as timely and effective product development, manufacturing and sales.

Natural disasters, terrorist attacks or other catastrophic events could negatively affect our business, financial condition, and results of operations.

Natural disasters such as hurricanes, typhoons or earthquakes could negatively affect our operations and financial performance. Such events could result in physical damage to one or more of our facilities or equipment, the temporary lack of an adequate work force in a market, and the temporary disruption in transportation services which we rely on to deliver waste to our facilities. These events could prevent or delay shipments and reduce both volumes and revenue. Weather conditions and other event driven special projects may also cause variations in our results. We may be required to suspend operations in some of our locations, which could have a material adverse effect on our business, financial condition, and results of operations.

The long-term impact of terrorist attacks, such as the attacks that occurred on September 11, 2001, and the magnitude of the threat of future terrorist attacks are not known at this time. Uncertainty surrounding hostilities in the Middle East or other sustained military campaigns may affect our operations in unpredictable ways. Changes in the insurance markets attributable to terrorist attacks may make certain types of insurance more difficult for us to obtain. Moreover, the insurance that may be available to us may be significantly more expensive than our existing insurance coverage. Instability in the business and financial markets as a result of terrorism or war could also affect our ability to raise capital and conduct business.

In late 2019, a novel strain of coronavirus, COVID-19, was reported to have surfaced in Wuhan, China. Since then, the COVID-19 coronavirus has spread to multiple countries, including the United States. If the COVID-19 coronavirus continues to spread or additional variants develop, we may continue to experience disruptions that could severely impact our business, including availability of necessary items or availability of workforce in a non-essential business either due to voluntary or mandated quarantine. The global outbreak of the COVID-19 coronavirus continues to rapidly evolve. The extent to which the COVID-19 may continue to impact our business will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing in the United States and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States and other countries to contain and treat the disease.

Risks Related to Our Common Stock

The material weaknesses in our internal control over financial reporting may adversely impact our company.

As discussed in Part II, Item 9A, entitled "Controls and Procedures," in this report, we have concluded that our internal control over financial reporting was not effective.

We are currently working to remediate the material weaknesses. We cannot be sure when we will successfully remediate the material weakness or whether compensating controls will be effective in preventing or detecting material errors. The remediation may require substantial time and resources to successfully implement. We may be unable to remediate these weaknesses until we have received additional funding that may be necessary to hire additional personnel. Until we have sufficient internal finance and accounting staff, we plan to work closely with external financial advisors to document the existing financial processes, risk assessment, and internal controls systematically. These material weaknesses could cause creditors, customers, investors, regulators, strategic alliances and others to lose confidence in the effectiveness of our internal controls and the accuracy of our financial statements and other information, all of which could have a material adverse impact on our business, results of operations and financial condition.

We are subject to the reporting requirements of the federal securities laws, which can be expensive

We are a public reporting company in the United States and therefore, we are subject to the information and reporting requirements of the Securities Exchange Act of 1934 and other federal securities laws, and the compliance obligations of the Sarbanes-Oxley Act. The costs of preparing and filing annual and quarterly reports and other information with the SEC will cause our expenses to be higher than they would be if we were a privately held company.

The issuance or sale of equity, convertible or exchangeable securities in the market, or the perception of such future sales or issuances, could lead to a decline in the price, if any, of our common stock.

Our board of directors has the authority to issue up to 70,000,000 shares of our common stock. Any issuance of equity or securities convertible into or exchangeable for our equity securities, including for the purposes of expansion of our business, may have a dilutive effect on our existing stockholders.

The perceived risk associated with the possible issuance of a large number of shares of common stock or securities convertible into or exchange for a large number of shares of our common stock could cause some of our stockholders to sell their stock, thus causing the price of our stock to decline. Subsequent sales of our common stock in the open market or the private placement of our common stock or securities convertible into or exchangeable for our common stock could also have an adverse effect on the market price, if any, of our shares. If our stock price declines, it may be more difficult for us to or we may be unable to raise additional capital.

Over the course of meeting our capital needs, we have entered into various instruments that are convertible into shares of our common stock. We may conduct further equity offerings in the future. If common stock is issued in return for additional funds, property or services, the price per share could be lower than that paid by our current stockholders. Also, any stock we sell in the future may be valued on an arbitrary basis by us and the issuance of shares of common stock for future services, acquisitions or other corporate actions may have the effect of diluting the value of the shares held by our existing stockholders.

Future sales of substantial amounts of our currently outstanding common stock in the public market, or the perception that such sales could occur, could adversely affect prevailing trading prices of our common stock and could impair our ability to raise capital through future offerings of equity or equity-related securities. We cannot predict what effect, if any, future sales of our common stock, or the availability of shares for future sales, will have on the market price of our stock.

We may not have enough authorized shares of capital stock to satisfy our contractual obligations.

Our board of directors has the authority to issue up to 70,000,000 shares of our common stock. As of March 31, 2022, there were 65,088,575 shares of our common stock issued and outstanding and an additional 836,000 shares of common stock issuable upon conversion of outstanding convertible promissory notes. As interest accrues on the notes and the interest and principal under those notes remain unpaid, the number of shares issuable upon conversion of the notes continues to increase. If the number of shares of common stock issuable upon conversion of the notes exceeds the number of authorized shares of common stock, we could be in default under those notes, and the holders of the notes could declare a default and accelerate the indebtedness under those notes, which we do not have the cash to repay as of the filing of this report. As a result, our inability to maintain an adequate number of authorized but unissued shares of our common stock to issue upon conversion of our convertible instruments could result in defaults on our indebtedness, impair our ability to raise capital through the issuance of equity securities or debt securities convertible into our common stock, and have a material adverse effect on our business, results of operations and financial condition.

We may experience volatility in our stock price, which could negatively affect your investment, and you may not be able to resell your shares at or above the offering price.

Our common stock has traded in the over-the-counter marketplace on the OTCQB under the symbol "SENR.". There can be no assurance that our common stock will continue to be, or be admitted to, trade on any established trading market or exchange. Additionally, there can be no assurance that we will maintain the requirements for continued listing or trading on an established trading market or exchange.

Our common stock may not be traded actively. An illiquid market for shares of our common stock may result in lower trading prices and increased volatility, which could negatively affect the value of your investment or your ability to sell your shares. If an active trading market does develop, it may not last and the trading price of the shares may fluctuate widely as a result of a number of factors, many of which are outside our control. The market price of our common stock may fluctuate significantly in response to a number of factors, some of which are beyond our control, including:

- our ability to commercialize our products, services and technologies;
- the amount and timing of expenses associated with our research and development programs and our ability to develop enhancements to our products and services;
- additions or departures of key personnel;
- our ability to effectively manage our growth;
- our ability and the terms upon which we are able to raise capital sufficient to continue our operations;
- our cash position;
- sales of our common stock by us or our stockholders in the future;
- trading volume of our common stock;
- changes in accounting practices;
- ineffectiveness of our internal controls;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- significant lawsuits, including creditor, customer, patent or stockholder litigation;
- industry adoption of our technology or other new competing technologies;
- our ability to establish and expand key distribution partners;
- our ability to establish strategic relationships with third parties to accelerate our growth plans;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors;
- developments in the competitive environment, including the introduction of improved products or services by our competitors;
- overall performance of the equity markets;
- publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- our failure to meet the estimates and projections of the investment community or that we may otherwise provide to the public;
- changes in the market valuations of similar companies;
- general political and economic conditions; and
- other events or factors, many of which are beyond our control.

We anticipate that our operating expenses will increase significantly. If our revenues in any quarter do not increase correspondingly, our net losses for that period will increase. Moreover, given that a significant portion of our operating expenses cannot be quickly reduced, if we cannot obtain revenues from operations or our revenues are delayed or below expectations, our operating results are likely to be adversely and disproportionately affected.

The stock market in general, and the market for technology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may seriously affect the market price of companies' stock, including ours, regardless of actual operating performance. In addition, in the past, following periods of volatility in the overall market and the market price of a particular company's securities, securities class action litigation has often been instituted against these companies. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm our business, operating results or financial condition.

We do not presently intend to pay any cash dividends on or repurchase any shares of our common stock.

We do not presently intend to pay any cash dividends on our common stock. Any payment of future dividends will be at the discretion of the board of directors and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant. Cash dividend payments in the future may only be made out of legally available funds and, if we experience substantial losses, such funds may not be available. Accordingly, you may have to sell some or all of your common stock in order to generate cash flow from your investment and there is no guarantee that the price of our common stock that will prevail in the market after this offering may never exceed the price paid by you in this offering.

Because our shares are deemed "penny stock," you may have difficulty selling them in the secondary trading market.

The SEC has adopted regulations which generally define a "penny stock" to be any equity security that has a market price of less than $5.00 per share or with an exercise price of less than $5.00 per share. Additionally, if the equity security is not registered or authorized on a national securities exchange, the equity security also would constitute a "penny stock." As our common stock falls within the definition of penny stock, these regulations require the delivery, prior to any transaction involving our common stock, of a risk disclosure schedule explaining the penny stock market and the risks associated with it. Disclosure is also required to be made regarding compensation payable to both the broker-dealer and the registered representative and current quotations for the securities. In addition, monthly statements are required to be sent disclosing recent price information for the penny stocks. The ability of broker-dealers to sell our common stock and the ability of stockholders to sell our common stock in the secondary market would be limited. As a result, the market liquidity for our common stock would be severely and adversely affected. We can provide no assurance that trading in our common stock will not be subject to these or other regulations in the future, which would negatively affect the market for our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None

ITEM 2. PROPERTIES

Location	Owned/Leased	Function	Building(s) Sq. Footage	Total Acreage
Broomfield, CO (1)	Leased	Corporate office, MV, PWS	3,864	n/a

(1) On May 1, 2019, the Company executed a lease for 3,864 square feet of office space that serves as the headquarters for SEER, MV and PWS. The new lease terminates August 31, 2026, unless otherwise extended.

ITEM 3. LEGAL PROCEEDINGS

None

ITEM 4. MINE SAFETY DISCLOSURES

None

PART II

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

Market Information for Common Stock

The Company's common stock is quoted on the OTCQB marketplace, operated by OTC Markets Group, under the symbol "SENR." The following table sets forth the range of high and low bid prices for the periods indicated. The quotations reflect inter-dealer prices without retail mark-up, mark-down or commission and may not represent actual transactions.

Quarter Ended	High		Low	
December 31, 2021	$	0.40	$	0.02
September 30, 2021	$	0.28	$	0.12
June 30, 2021	$	0.45	$	0.21
March 31, 2021	$	0.50	$	0.04
December 31, 2020	$	0.58	$	0.11
September 30, 2020	$	0.17	$	0.05
June 30, 2020	$	0.12	$	0.06
March 31, 2020	$	0.13	$	0.05

Stockholders

As of April 12, 2022, there were approximately 81 recordholders holding 65,088,575 common shares issued and outstanding. There are no preferred shares issued or outstanding.

Dividends

We have not declared or paid a cash dividend on our common stock. We currently intend to retain future earnings, if any, to finance the growth and development of our business and, therefore, do not anticipate paying cash dividends in the foreseeable future. There can be no assurance that our operations will prove profitable to the extent necessary to pay cash dividends. Moreover, even if such profits are achieved, the future dividend policy will depend upon our earnings, capital requirements, financial condition, and other factors considered relevant by our board of directors.

Recent Sales of Unregistered Securities

None

ITEM 6. SELECTED FINANCIAL DATA

Not Applicable.

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

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

The following discussion is intended to assist in understanding our business and the results of our operations. It should be read in conjunction with the Consolidated Financial Statements and the related footnotes and "Risk Factors" that appear elsewhere in this Report. Certain statements in this Report constitute "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause such a difference include, among others, uncertainties relating to general economic and business conditions; industry trends; changes in demand for our products and services; uncertainties relating to customer plans and commitments and the timing of orders received from customers; announcements or changes in our pricing policies or that of our competitors; unanticipated delays in the development, market acceptance or installation of our products and services; changes in government regulations; availability of management and other key personnel; availability, terms and deployment of capital; relationships with third-party equipment suppliers; and worldwide political stability and economic growth. The words "believe," "expect," "anticipate," "intend" and "plan" and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. Unless the context requires otherwise, when we refer to "we," "us" and "our," we are describing SEER and its consolidated subsidiaries on a consolidated basis.

Overview

SEER was formed as a publicly traded company in early 2008 through a reverse merger. SEER is dedicated to assembling complementary service and environmental, clean-technology businesses that provide safe, innovative, cost effective, and profitable solutions in the oil & gas, environmental, waste management and renewable energy industries. SEER currently operates five companies with four offices in the western and mid-western U.S. Through these operating companies, SEER provides products and services throughout the U.S. and has licensed and owned technologies with many customer installations throughout the U.S. Each of the five operating companies is discussed in more detail below. The Company also has non-controlling interests in joint ventures, some of which have no or minimal operations.

The Company's domestic strategy is to grow internally through SEER's subsidiaries that have well established revenue streams and, simultaneously, establish long-term alliances with and/or acquire complementary domestic businesses in rapidly growing markets for renewable energy, waste and water treatment, and industrial services. The focus of the SEER family of companies, however, is to increase margins by securing or developing proprietary, patented and patent-pending technologies, and then leveraging its 20 plus-year service experience to place these innovations and solutions into the growing markets of emission capture and control, renewable "green gas" capture and sale, compressed natural gas fuel generation, as well as general solid waste and medical/pharmaceutical waste destruction. Many of SEER's current operating companies share customer bases and each provides truly synergistic services, technologies and products as well as annuity type revenue streams.

Financial Condition

As of December 31, 2021, we had approximately $7.5 million in negative working capital, which represents a decrease of approximately $2.3 million from $9.8 million in negative working capital as of December 31, 2020. The primary reason for that working capital deficit decrease from December 31, 2020, to December 31, 2021, is due to abandonment of REGS as an entity, stranding a net of liabilities that are no longer consolidated liabilities under the Parent Company.

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has accumulated a deficit of approximately $29.4 million as of December 31, 2021, and $29.7 million as of December 31, 2020. For the year ended December 31, 2021, the Company realized net income of approximately $0.5 million and in 2020, the Company incurred a net loss of approximately $2.8 million.

Realization of a major portion of our assets as of December 31, 2021, is dependent upon our continued operations. The Company is dependent on generating additional revenue or obtaining adequate capital to fund operating losses until it becomes profitable. In addition, we have undertaken a number of specific steps to continue to operate as a going concern. We continue to focus on developing organic growth in our operating companies, diversifying our service customer base and market concentrations and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions, including discontinuing a line of business with insufficient margins. Critical to achieving profitability will be our ability to license and or sell, permit and operate through our joint ventures and licensees our CoronaLux™ waste destruction units. We have increased our business development efforts to address opportunities identified in expanding domestic markets attributable to increased federal and state emission control regulations and a growing demand for energy conservation and renewable energies. In addition, the Company is evaluating various forms of financing that may be available to it. There can be no assurance that the Company will secure additional financing for working capital on favorable terms or at all, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. These financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to report on a going concern basis.

Results of Continuing Operations for the Years Ended December 31, 2021, and 2020

Total revenues were $3.5 million and $2.7 million for the years ended December 31, 2021, and 2020, respectively. The increase of approximately $0.8 million or 28% in revenues comparing the year ended December 31, 2021, to the year ended December 31, 2020, is primarily attributable to the increases in revenues from our products segment revenue, which includes our environmental solutions segment, which increased from $2.5 million for the year ended December 31, 2020, to $3.2 million for the year ended December 31, 2021, an increase of approximately $0.7 million or approximately 29%. Environmental solutions segment generated more revenue, as the COVID affected general economic slowdown during fiscal year 2020 improved during 2021. Our Solid Waste segment remained consistent at $0.2 million for both 2021 and 2020.

Operating expenses, which include cost of products, cost of solid waste and general and administrative (G&A) expenses, salaries and related expenses, were approximately $4.2 million for both the years ended December 31, 2021, and 2020. In total, operating expenses were consistent, but individual components did change throughout the year. The increase in product costs of approximately $0.5 million for the year ended December 31, 2021, from the year ended December 31, 2020, coincides with the increase in product revenue above from $2.5 million to $3.2 million. Margins were consistent at 32% for year ended December 31, 2021, compared to 31% for the year ended December 31, 2020. This increase in product costs was offset by a decrease in general and administrative expenses of approximately $0.1 million in the year ended December 31, 2021, from the year ended December 31, 2020, which was a result of reduced marketing and travel expenses during 2021, and by a decrease of $0.3 million in salaries and related expenses, as a result of a full year of reduced headcount, and ERTC credit program, and reduced payroll taxes.

Total non-operating income or expense, net was $1.0 million of other income for the year ended December 31, 2021, compared to $0.9 million expense for the year ended December 31, 2020. During the year ended December 31, 2021, the Company recorded $1.5 million gain on abandonment, resulting from the cessation of operations and abandonment of the REGS subsidiary. We also recorded $0.2 million in gain on debt extinguishment, which resulted from the forgiveness of the Company's PPP Loans from the US Treasury. Additionally, the Company reported interest expense of $0.7 million for the year ended December 31, 2021.

There is no provision for income taxes for both the years ended December 31, 2021, and 2020, due to our net operating loss carryforward for both periods and we continue to maintain full valuation allowances covering our net deferred tax benefits as of December 31, 2021, and 2020.

Net income, before discontinued operations and non-controlling interest, for the year ended December 31, 2021, was $0.2 million compared to a net loss, before discontinued operations and non-controlling interest, of $2.3 million for the year ended December 31, 2020. The net income attributable to SEER after deducting $0.2 million for the non-controlling interest and adding a gain from discontinued operations of $0.3 million was $0.3 million for the year ended December 31, 2021, as compared to a net loss of $2.7 million, after deducting $34,700 in non-controlling interest and adding the $0.4 million loss from discontinued operations, for the year ended December 31, 2020. As noted above, an increase in non-operating income during 2021 of $1.8 million primarily due to the $1.5 million gain from abandonment of REGS, the $0.2 million gain on debt extinguishment related to the forgiveness of the Company's PPP Loan, and an increase in revenue of $0.8 million, were the primary reason for the increase in the net income.

Results of Discontinued Operations for the Years Ended December 31, 2021, and 2020

As of September 1, 2021, the Company abandoned its REGS subsidiary. All revenue and expenses of our REGS subsidiary for 2021 and 2020 are classified as discontinued operations.

	For the years ended December 31,	
	2021	2020
Services revenue	$ 177,200	$ 171,400
Services costs	(314,900)	(423,700)
General and administrative expenses	(40,800)	(102,300)
Salaries and related expenses	(150,800)	(328,600)
Other income	210,800	253,400
Gain on debt extinguishment	410,600	-
Total expenses	114,900	(601,200)
Operating income (loss)	292,100	(429,800)
Income tax benefit	-	-
Total income (loss) from discontinued operations	$ 292,100	$ (429,800)

There is no provision for income taxes for years ended December 31, 2021, and 2020, due to our net loss carryforwards and we continue to maintain full allowances covering our net deferred tax benefits as of December 31, 2021, and 2020.

Liquidity and Capital Resources

The following table summarizes the net cash provided by (used in) operating, investing and financing activities for the periods indicated:

	Year Ended December 31,	
	2021	2020
Operating activities	$ (1,547,500)	$ (1,690,100)
Investing activities	189,100	160,500
Financing activities	$ 1,499,900	$ 1,222,200

Operating Activities

Net cash used in operating activities during the year ended December 31, 2021, was $1.5 million compared to $1.7 million during the year ended December 31, 2020. Cash used in operating activities is driven by our net loss and adjusted by non-cash items and changes in operating assets and liabilities. Non-cash adjustments primarily include depreciation and amortization of property & equipment and intangible assets, stock-based compensation expense, gain on abandonment of subsidiary, gain on debt extinguishment, and non-cash interest expense related to the issuance of common stock for short-term debt penalty. In 2021, net non-cash adjustments totaled approximately ($2.1) million and in 2020, net non-cash adjustments totaled $0.2 million. 2021 non-cash adjustments included ($1.5) million related to the gain on abandonment of subsidiary, and ($0.6) million related to gain on debt extinguishment.

In addition to the non-cash adjustments to net income, changes in assets and liabilities include: a) changes in accounts receivable used $0.2 million in cash in 2021, compared to providing $0.3 million in 2020, a net decrease in cash provided of $0.5 million, b) costs in excess of billings on uncompleted contracts used $3,200 in cash in 2021, compared to providing $235,700 in 2020, a net decrease in cash provided of $0.2 million, c) inventory used $0.1 million in 2021, compared to using $0.3 million in 2020, a net decrease in cash used of $0.2 million, d) accounts payable, accrued liabilities, and customer deposits provided $26,700 in 2021, compared to providing $0.4 million in 2020, a net decrease in cash provided of $0.4 million, d) billings in excess of revenue on uncompleted contracts provided $0.2 million in 2021, compared to using $3,200 in 2020, a net increase in cash provided of $0.2 million,

Investing activities

Net cash provided by investing activities is primarily attributable to the purchase of property and equipment, and the proceeds from notes receivable. Our net cash flow provided by investing activities was $0.2 million for the year ended December 31, 2021, and 2020. During 2021, we had proceeds of $0.2 million from the sale of fixed assets. During 2020, we had additions to property and equipment of $0.1 million, and proceeds of $0.3 million from sale of fixed assets.

Financing Activities

Net cash provided by financing activities was approximately $1.5 million for 2021 and approximately $1.2 million for 2020. Proceeds from the issuance of convertible and short-term debt, including the payroll protection program and notes from related parties, was $1.7 million and $1.5 million in 2021 and 2020, respectively. Payments on notes payable and capital lease obligations was $0.2 million in 2021 and $0.3 million in 2020.

Critical Accounting Policies, Judgments and Estimates

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables, inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts and do not bear interest. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are reviewed individually for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $0 and $11,800 had been reserved as of December 31, 2021, and 2020, respectively.

We are exposed to credit risk in the normal course of business, primarily related to accounts receivable. Our customers operate primarily in the oil production and refining, rail transport, biogas generating and wastewater treatment industries in the United States. Accordingly, we are affected by the economic conditions in these industries as well as general economic conditions in the United States. To limit credit risk, management periodically reviews and evaluates the financial condition of its customers and maintains an allowance for doubtful accounts. As of December 31, 2021, and 2020, we do not believe that we have significant credit risk.

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. We believe the amounts due to related parties also approximate their fair value, as their carried interest rates are consistent with those of our notes payable with third parties.

Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than the carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. For the year ended December 31, 2021, and 2020, the Company did not have any impairment charges.

Revenue Recognition

In May 2014, the FASB issued guidance on revenue from contracts with customers that superseded most current revenue recognition guidance, including industry-specific guidance. The underlying principle of the guidance is to recognize revenue to depict the transfer of goods or services to customers at an amount to which the company expects to be entitled in exchange for those goods or services. The new guidance requires an evaluation of revenue arrangements with customers following a five-step approach: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations; and (5) recognize revenue when (or as) the company satisfies each performance obligation. Revenues are recognized when control of the promised services are transferred to the customers in an amount that reflects the expected consideration in exchange for those services. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the services. Other major provisions of the guidance include capitalization of certain contract costs, consideration of the time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Information regarding Financial Statements and Supplementary Data appears beginning on page F-1 under the captions “Consolidated Balance Sheets,” “Consolidated Statements of Operations,” “Consolidated Statements of Stockholders’ Equity,” “Consolidated Statements of Cash Flows” and “Notes to Consolidated Financial Statements.”

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

None

ITEM 9A. CONTROLS AND PROCEDURES

We carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Principal Accounting Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the “Exchange Act”)) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and the Principal Accounting Officer concluded that our disclosure controls and procedures were not effective as of December 31, 2021.

Management’s Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our internal control over financial reporting is a process designed 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. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on its assessment of internal control over financial reporting, management has concluded that, as of December 31, 2021, our internal control over financial reporting were not effective, and material weaknesses over financial reporting were identified. Material weakness means a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the registrant's annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses identified were:

- due to ongoing financial constraints, we have not been devoting adequate resources to our accounting and reporting functions in order to properly record, file and review our financial transactions on a regular basis in order to ensure accuracy;and
- we do not have a properly documented internal control system in accordance with the requirements of COSO or some similarly appropriate internal control methodology or formal documentation of our systems of internal control.

We are currently working to remediate the material weaknesses. We cannot be sure when we will successfully remediate the material weaknesses or whether compensating controls will be effective in preventing or detecting material errors. The remediation may require substantial time and resources to successfully implement. We may be unable to remediate these weaknesses until we have received additional funding that may be necessary to hire additional personnel. Until we have sufficient internal finance and accounting staff, we plan to work closely with external financial advisors to document the existing financial processes, risk assessment, and internal controls systematically. These material weaknesses could cause creditors, customers, investors, regulators, strategic alliances and others to lose confidence in the effectiveness of our internal controls and the accuracy of our financial statements and other information, all of which could have a material adverse impact on our business, results of operations and financial condition.

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this Annual Report.

Changes In Internal Control Over Financial Reporting

There were no significant changes in our internal control over financial reporting during the year ended December 31, 2021, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information regarding our executive officers and directors as of April 14, 2021.

Name	Age	Position
J. John Combs III	62	President, Chief Executive Officer, Director, Chairman of the Board, Secretary
Christopher H. Dieterich	74	Director
Christopher Scott Yenzer	55	Director
Clark Knopik	51	Interim Chief Financial Officer

Joseph John Combs III, Esq., *President, Chief Executive Officer, Chairman of the Board, and Secretary.* Mr. Combs, a SEER Founder, is currently CEO. He also serves as General Counsel. Before joining the Company, he owned and operated the law firm of Combs & Associates from 1989 to 2003. Prior to that he was an associate in the law firm of Berman & Blanchard in Los Angeles from 1987 to 1989, and an associate in the law firm of Parker, Milliken, Clark, O'hara & Samuelian, in Los Angeles from 1983 to 1987. His experience in private practice has included corporate maintenance, international finance, and business litigation. Over the last 30 years he has served as an officer and director of various sized corporations, both public and private, and was a Director and Officer of Armada Water Assets, Inc until his resignation in September 2014. For the past five years Mr. Combs has not served as a director of a public company, other than SEER. He received his B.A. from the University of Colorado, with honors, and a J*uris Doctorate* from Duke University School of Law in 1983. Mr. Combs was chosen as a Director because of his leadership experience, public company experience, experience serving on the boards of directors and committees of both public and private entities and other experience as a practicing attorney.

Christopher H. Dieterich, *Director,* has served on the board since January 2008. Mr. Dieterich is the founder and managing partner of Dieterich & Associates, a litigation and commercial law firm based in Los Angeles, California, providing legal services to entrepreneurial and emerging technology companies during the past 34 years. His firm specializes in venture capital and private equity financings, as well as in SEC compliance issues for public companies. He obtained his undergraduate engineering degree from Virginia Tech, graduate engineering degree from UC Berkeley (1970) and graduated from the joint Law and Economics program at UCLA in 1979, after serving six years in the US Air Force as a flight instructor in advanced jets. He has been a Director of the Company since 2008 and was Secretary from 2008 until November 2013. Mr. Dieterich was chosen as a Director because of his experience in a broad range of businesses as well experience serving on the boards of directors and committees of private entities.

Christopher Scott Yenzer, *Director*, has served on the board since January 2019. Mr. Yenzer has served as corporate development officer of Blackeagle Energy Services from May 2018 until May 2019, is a 30-year engineering industry veteran with demonstrated strengths in the area of global relationships and operations growth plans. Mr. Yenzer's extensive engineering and management background includes domestic and global, commercial oil and gas transaction management for some of the world's largest engineering firms. He provides the SEER management team with a complementary perspective that is grounded in practical, hands-on experience in growing diverse businesses in both up and down cycles. Prior to his current role, Mr. Yenzer was COO and co-owner of Caribou Energy Corporation, which was sold in 2017. Prior to Caribou Energy, Mr. Yenzer served as vice president of Jacobs/CH2M, responsible for developing Enterprise Account Management on the executive committee for all business groups: Oil & Gas and Chemicals, Environmental & Nuclear, Water, and Infrastructure and Power. Mr. Yenzer built the successful Oil & Gas and Chemicals Global Strategic Account Team which included BP, ExxonMobil, Shell, Conoco, Hess TransCanada and Noble and led development of uniform account plans and growth strategies. During his tenure with Jacobs, Mr. Yenzer has held various positions from Project Engineer to Program Manager to VP of Business Development and his CV hosts a list of impressive 'wins' resulting from his ability to grow relationships and revenues across all markets, while increasing value to clients.

Clark Knopik, *Interim Chief Financial Officer.* Mr. Knopik joined the Company in August 2019 as a consultant in the role of Interim Chief Financial Officer. Mr. Knopik is a consulting Chief Financial Officer for Lost Pines Partners, LLC and provides CFO services to businesses primarily in oil and gas, and related services, bio-pharma services, and technology markets, including hardware, software, and IP. Mr. Knopik has extensive experience with positions in accounting, finance, Securities and Exchange Commission (SEC) financial reporting, Sarbanes Oxley (SOX) compliance, and strategic planning. Mr. Knopik also began his career at KPMG, LLLP. Mr. Knopik received a B.S. degree in Accounting from the Montana State University.

Director Independence

The board of directors has determined that Christopher Dieterich is considered an "independent director." Under the National Association of Securities Dealers Automated Quotations ("NASDAQ") definition, an "independent director" means a person other than an officer or employee of the Company or its subsidiaries or any other individuals having a relationship that, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of the director. The board of directors' discretion in determining director independence is not completely unfettered. Further, under the NASDAQ definition, an independent director is a person who (1) is not currently (or whose immediate family members are not currently), and has not been over the past three years (or whose immediate family members have not been over the past three years), employed by the company; (2) has not (or whose immediate family members have not) been paid more than $120,000 during the current or past three fiscal years; (3) has not (or whose immediately family has not) been a partner in or controlling shareholder or executive officer of an organization which the company made, or from which the company received, payments in excess of the greater of $200,000 or 5% of that organizations consolidated gross revenues, in any of the most recent three fiscal years; (4) has not (or whose immediate family members have not), over the past three years been employed as an executive officer of a company in which an executive officer of the company has served on that company's compensation committee; or (5) is not currently (or whose immediate family members are not currently), and has not been over the past three years (or whose immediate family members have not been over the past three years) a partner of the company's outside auditor.

Board Meetings and committees; annual meeting attendance

There is no Nominating Committee for directors, which the Company considers reasonable, as there is no direct compensation to directors who are not also officers, and there is no liability insurance available for errors and omissions, should they occur. Therefore, the Company has found it extremely difficult to attract independent directors. There were no changes to the procedures by which security holders may recommend nominees to the Company's board of directors.

Audit Committee and Audit Committee Financial Expert

We do not have a standing audit committee, an audit committee financial expert, or any committee or person performing a similar function. The entire board of directors acts as the audit committee. We currently have limited working capital and a history of losses. Our board of directors does not believe that it would be in our best interests at this time to identify and retain independent directors to sit on an audit committee or a director that qualifies as an audit committee financial expert under SEC regulations.

Compensation Committee

As of this filing there was no compensation committee. The entire board of directors acts as the compensation committee.

Delinquent Section 16(a) Reports

Scott Yenzer, a director, is delinquent in filing a Form 3, and a Form 4 at the time of this filing.

Code of Ethics

Our board of directors has adopted a Code of Ethics and Business Conduct for Officers, Directors and Employees, which includes our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. A current copy of the code is posted on our website, www.seer-corp.com.

ITEM 11. EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table sets forth a summary of the compensation for each of our named executive officers for the financial years ended December 31, 2021, and 2020.

	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($)	Warrants or Option Awards	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Officers									
J. John Combs III (1)	2021	166,600	-	-	-	-	-	-	166,600
Chief Executive Officer, President and Secretary	2020	166,600	-	-	-	-	-	-	166,600
Fortunato Villamagna	2021	165,000	-	-	-	-	-	-	165,000
Chief Executive Officer, Paragon Waste Systems (2)	2020	165,000	-	-	-	-	-	-	165,000
Tom Jones	2021	160,000	-	-	-	-	-	-	160,000
VP Business Development, MV Technologies (3)	2020	156,000	-	-	-	-	-	-	156,000

(1) The table is on an accrual basis. Amounts accrued and unpaid as of December 31, 2021, and 2020 for Mr. Combs are approximately $0 and $12,200, respectively.
(2) The table is on an accrual basis. Amounts accrued and unpaid as of December 31, 2021, and 2020 for Mr. Villamagna are approximately $48,100 and $15,700, respectively.
(3) Mr. Jones salary was increased to $160,000 annually, commencing on August 1, 2020.

Employment Agreements

There are no employment agreements or contracts with any named executive officers.

Director Compensation

For the fiscal year ended December 31, 2021, no compensation was paid to directors other than those listed in the Summary Compensation Table above. We may implement director compensation arrangements or programs in the future.

Outstanding Equity Awards at Fiscal Year-End 2021

	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Directors				
Christopher H. Dieterich	-	-	-	
Director				
Scott Yenzer	1,000,000(1)	-	0.70	09/01/2026
Director				

(1) In September 2019, Mr. Yenzer was granted options to purchase 1,000,000 shares of common stock at $0.70. The options vested quarterly over 2 years, becoming fully vested on September 1, 2021. Each tranche of vested options begins to expire 5 years after they vest, therefore these options expire quarterly, as they vested, between September 1, 2024, through September 1, 2026.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth as of March 31, 2022, certain information regarding beneficial ownership of our common stock by:

- Each person known to us to beneficially own 5% or more of our common stock;
- Each executive officer who in this report are collectively referred to as the "Named Executive Officers;"
- Each of our directors; and
- All of our executive officers (as that term is defined under the rules and regulations of the SEC) and directors as a group.

We have determined beneficial ownership in accordance with Rule 13d-3 under the Exchange Act. Beneficial ownership generally means having sole or shared voting or investment power with respect to securities. Unless otherwise indicated in the footnotes to the table, each shareholder named in the table has sole voting and investment power with respect to the shares of common stock set forth opposite the shareholder's name. As of March 30, 2022, 65,088,575 shares of our Common Stock were issued and outstanding.

Name and address of beneficial owners	Number of shares beneficially owned (1)	Percentage of class
Joseph John Combs, III CEO, President, Secretary 370 Interlocken Blvd., Ste 680 Broomfield, CO 80021	3,606,315(2)	5.8%
Michael Cardillo 14521 CR 10 Fort Lupton, CO 80621	3,925,316(3)	6.3%
Christopher H. Dieterich Director 370 Interlocken Blvd., Ste 680 Broomfield, CO 80021	-	*
Scott Yezner Director 370 Interlocken Blvd., Ste 680 Broomfield, CO 80021	875,000(4)	*
Fortunato Villamagna President - PWS 370 Interlocken Blvd., Ste 680 Broomfield, CO 80021	-	*
Clark Knopik Interim Chief Financial Officer 370 Interlocken Blvd., Ste 680 Broomfield, CO 80021	-	*
LPD Investments, Ltd. 25025 145 North, Ste 410 The Woodlands, TX 77380	6,290,832(5)	9.7%
Clyde Berg 10050 Brandley Drive Cupertino, CA 95014	4,987,500(6)	8.0%
Carl Berg 10050 Brandley Drive Cupertino, CA 95014	3,100,000(7)	5.0%
All Officers and Directors as a Group (4 persons)	4,606,315	7.0%

* Represents less than 1%

(1)"Beneficial ownership" is defined in the regulations promulgated by the U.S. Securities and Exchange Commission as having or sharing, directly or indirectly (1) voting power, which includes the power to vote or to direct the voting, or (2) investment power, which includes the power to dispose or to direct the disposition, of shares of the common stock of an issuer. The definition of beneficial ownership includes shares underlying options or warrants to purchase common stock, or other securities convertible into common stock, that currently are exercisable or convertible or that will become exercisable or convertible within 60 days. Unless otherwise indicated, the beneficial owner has sole voting and investment power.

(2)Consists of 3,606,315 shares owned by Mr. Combs.

(3)Consists of 100,000 shares owned by M. Cardillo, 3,825,316 shares owned by Cardillo Enterprises, Inc from which Mr. Cardillo has beneficial ownership.

(4)Consists of options to purchase 500,000 shares of common stock, which were exercisable as of the date of this report, and shares becoming vested within 60 days of this report.

(5)Consists of 5,140,832 shares according to Form 13G filed on August 29, 2014, 200,000 shares of common stock issued in August 2017 related to penalty on payment of short-term debt, 250,000 shares of common stock issued in March 2018 related to a private offering, and 700,000 shares which were issued to LPD during fiscal year 2019 related to penalty on late payment of short-term note.

(6)Consists of 3,800,000 shares owned by Mr. Clyde Berg, warrants to purchase 500,000 shares of common stock, which are currently exercisable, and 687,500 shares which are issuable as of December 31, 2018 related to penalty on late payment of short-term note.

(7)Consists of 400,000 shares owned by Mr. Carl Berg and 2,400,000 shares owned by Carl and Mary Ann Berg CRT for which Mr. Berg has beneficial ownership, warrants to purchase 100,000 shares of common stock issued on August 27, 2015 which are currently exercisable, and 200,000 shares which are issuable as of December 31, 2019 related to long term debt issued in July 2018.

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

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Notes payable, related parties

Notes payable, related parties and accrued interest due to certain related parties as of December 31, 2021, and 2020 are as follows:

	December 31, 2021	December 31, 2020
Unsecured short term note payable dated August 21, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $500 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $50 shall be due and owing accruing on the first day of the week, after which the fee is $75 per week, which is recorded as interest expense. The note is from the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $2,400. Unpaid interest as of December 31, 2021, is $300. The outstanding principal and interest under this note as of December 31, 2021 is $0.	-	15,000
Secured short term note payable dated August 21, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $4,150 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $415 shall be due and owing accruing on the first day of the week, after which the fee is $600 per week, which is recorded as interest expense. The note is from a family member of the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $28,800. Unpaid interest as of December 31, 2021 is approximately $55,200. The outstanding principal and interest under this note as of March 31, 2022 is $187,400.	125,000	125,000
Unsecured short term note payable dated October 7, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $500 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $50 shall be due and owing accruing on the first day of the week, after which the fee is $75 per week, which is recorded as interest expense. The note is from the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $2,400. Unpaid interest as of December 31, 2021 is approximately $300. The outstanding principal and interest under this note as of March 31, 2022 is $300.	-	15,000
Total short-term notes - related party	$ 125,000	$ 155,000

	December 31, 2021	December 31, 2020
Accrued interest	$ 55,800	$ 53,100
	$ 55,800	$ 53,100

Review, Approval or Ratification of Transactions with Related Persons

The Company does not maintain a written policy with respect to related party transactions and our board of directors does not routinely review potential transactions with those parties we have identified as related parties prior to the consummation of the transaction.

ITEM 14. Principal Accountant Fees and Services

The following table presents aggregate fees billed to the Company for professional services rendered by L J Soldinger Associates, LLC for the years ended December 31, 2021, and 2020:

	2021 Fees	2020 Fees
Audit Fees	$ 270,700	$ 266,400
Audit-Related Fees	-	-
Tax Fees	53,200	47,200

Total Fees	$	323,900	$ 313,600

Audit Fees were for professional services rendered for the audit of the Company's annual consolidated financial statements and review of consolidated financial statements included in the Company's Quarterly Reports on Form 10-Q and services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements. The 2021 and 2020 fees include not only the annual audit fees but the review of the three quarterly 10-Q's in 2021 and 2021, respectively.

Audit-Related Fees were for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees."

Tax Fees were for professional services rendered for federal, state and international tax compliance, tax advice and tax planning.

ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS

a) Financial Statements

The following financial statements are included as Exhibit 99.1 and are hereby incorporated by reference:

Audited Financial Statements

(b) Exhibits

EXHIBIT INDEX

3.1	Articles of Incorporation, dated February 13, 2002 (1)
3.2	Amendment to the Articles of Incorporation, dated December 19, 2007, changing the name and effecting a reverse stock split (1)
3.3	Bylaws of the corporation, effective February 13, 2002 (1)
4.1	$225,000 Convertible Note and Note Agreement of the Corporation, issued February 14, 2012 (2)
4.2	Form of Warrant, having a 3-year life with $0.50 exercise price (1)
4.3	Form of Warrant, having a 5-year life with $0.50 exercise price (1)
10.1	Agreement for acquisition of MV, dated June 13, 2008 (1)
10.2	Agreement for acquisition of intellectual property from Black Stone Management Services, LLC, dated August 10, 2011 (1)
10.3	Agreement for Merger with Satellite Organizing Solutions, Inc. (1)
10.4	Consulting Agreement between the Company and Monty R. Lamirato, dated October 8, 2013 (3)
10.5	Irrevocable License and Royalty Agreement between the Company and Paragon Waste Solutions, LLC, dated March 21, 2012 (3)
14.1	Code of Ethics (1)
21.1	Subsidiaries of Registrant (1)
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1**	Certification of Principal Executive Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Financial Statements
101.INS***	Inline XBRL Instance Document
101.SCH***	Inline XBRL Taxonomy Extension Schema Document
101.CAL***	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF***	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB***	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE***	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

(1) Incorporated by reference to the Company's Report on Form 10 filed May 21, 2013.
(2) Incorporated by reference to the Company's Report on Form 10 Amendment No. 1 filed July 23, 2013.
(3) Incorporated by reference to the Company's Report on Form 10-Q filed November 14, 2013
(4) Incorporated by reference to the Company's Report on Form 10-K filed March 27, 2014
* Filed herewith
** This certification is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.
*** Pursuant to applicable securities laws and regulations, these interactive data files will not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liability of that section, nor will they be deemed filed or made a part of a registration statement or prospectus for purposes of Sections 11 and 12 of the Securities Act of 1933, or otherwise subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of Section 13or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 14, 2022

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

By */s/ J. John Combs III*
J. John Combs III
Chief Executive Officer with
Responsibility to sign on behalf of Registrant as a
Duly authorized officer and principal executive officer

By */s/ Clark Knopik*
Clark Knopik
Interim Chief Financial Officer with
responsibility to sign on behalf of Registrant as a
duly authorized officer and principal financial officer

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

/s/ J. John Combs III J. John Combs III	Chairman of the Board of Directors	April 14, 2022
/s/ Christopher Scott Yenzer Christopher Scott Yenzer	Director	April 14, 2022
/s/ Christopher Dieterich Christopher Dieterich	Director	April 14, 2022

EXHIBIT 31.1

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

I, J. John Combs III, certify that:

1. I have reviewed this Annual Report on Form 10-K of Strategic Environmental & Energy Resources, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: April 14, 2022

/s/ J. John Combs III
J. John Combs III
Chief Executive Officer

EXHIBIT 31.2

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

I, Clark Knopik, certify that:

1. I have reviewed this Annual Report on Form 10-K of Strategic Environmental & Energy Resources, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: April 14, 2022

/s/ Clark Knopik
Clark Knopik
Interim Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with this Annual Report on Form 10-K of Strategic Environmental & Energy Resources, Inc. (the "Company") for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. John Combs III, Chief Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

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

/s/ J. John Combs III

J. John Combs III
President and Chief Executive Officer
(Principal Executive Officer)
April 14, 2022

EXHIBIT 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with this Annual Report on Form 10-K of Strategic Environmental & Energy Resources, Inc. (the “Company”) for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Clark Knopik, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

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

/s/ Clark Knopik

Clark Knopik
Interim Chief Financial Officer
(Principal Financial Officer)
April 14, 2022

Exhibit 99.1 Financial Statements

Annual Audited Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Strategic Environmental & Energy Resources, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Strategic Environmental & Energy Resources, Inc. and subsidiaries (the “Company”) as of December 31, 2021 and 2020 and the related consolidated statements of operations, stockholders’ deficit, and cash flows for each of the years in the two-year period ended December 31, 2021 and the related notes (collectively referred to as 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, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As noted below as a critical audit matter and more fully described in Note 1, the Company has (i) incurred significant losses since inception, (ii) has an accumulated deficit of approximately $29.4 million as of December 31, 2021 and (iii) needs to raise substantial amounts of additional funds to meet its obligations as well as afford it time to develop profitable operations. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to these matters are also 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 the 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.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Going Concern

Critical Audit Matter Description

As discussed in both Note 1 to the consolidated financial statements and above, the Company has incurred significant losses since inception, and has an accumulated deficit of approximately $29.4 million and a working capital deficit of $7.5 million as of December 31, 2021.

How We Addressed the Matter in Our Audit

Our audit procedures included (1) identifying the conditions and events noted above that, when considered in the aggregate, indicate there is substantial doubt about the Company’s ability to continue as a going concern; (2) evaluating management’s plans in connection with their intent to raise additional equity and debt financing in order to overcome the presumption of going concern; (3) reviewing and evaluating the financial statement presentation and disclosure regarding the substantial doubt about the ability of the Company to continue as a going concern.

/s/ LJ Soldinger Associates, LLC

We have served as the Company's auditor since 2013.

Deer Park, IL

April 14, 2022
PCAOB Audit ID #318

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS

		December 31, 2021		December 31, 2020
ASSETS				
Current Assets				
Cash and cash equivalents	$	188,800	$	46,800
Accounts receivable, net of allowance for doubtful accounts of $0 and $11,800, respectively		536,600		375,600
Inventory		201,700		161,400
Contract assets		3,600		6,800
Prepaid expenses and other current assets		111,300		96,100
Assets held for sale		-		145,000
Total Current Assets		1,042,000		831,700
Property and equipment, net		433,000		547,300
Intangible Assets, net		419,300		447,300
Right of use assets		302,300		349,800
Other assets		40,600		40,600
TOTAL ASSETS	$	2,237,200	$	2,216,700
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities				
Accounts payable	$	471,200	$	841,700
Accrued liabilities		2,230,100		1,749,500
Contract liabilities		525,900		323,900
Deferred revenue		-		30,200
Customer deposits		-		6,200
Paycheck protection program liabilities		96,600		252,800
Short term notes		2,843,900		3,032,800
Short term notes and accrued interest - related party		180,800		206,300
Convertible notes		1,605,000		1,605,000
Current portion of long-term debt and capital lease obligations		525,600		523,900
Current portion of lease liabilities		54,700		47,100
Liabilities held for sale		-		1,961,100
Total Current Liabilities		8,533,800		10,580,500
Lease liabilities net of current portion		280,300		334,700
Long term debt and capital lease obligations, net of current portion		1,619,600		30,300
Total Liabilities		10,433,700		10,945,500
Commitments and contingencies		-		-
Stockholders' deficit				
Preferred stock; $.001 par value; 5,000,000 shares authorized; -0- shares issued		-		-
Common stock; $.001 par value; 70,000,000 shares authorized; 65,088,575 and 65,088,575 shares issued, issuable ** and outstanding December 31, 2021 and December 31, 2020, respectively		65,100		65,100
Common stock issuable		25,000		25,000
Additional paid-in capital		22,973,800		22,961,200
Stock Subscription receivable		(25,000)		(25,000)
Accumulated deficit		(29,364,800)		(29,693,700)
Total stockholders' deficit		(6,325,900)		(6,667,400)
Non-controlling interest		(1,870,600)		(2,061,400)
Total Deficit		(8,196,500)		(8,728,800)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	2,237,200	$	2,216,700

** Includes 2,785,000 and 3,185,000 shares issuable at December 31, 2021 and December 31, 2020, respectively, per terms of note agreements.

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31, 2021	For the Years Ended December 31, 2020
Revenue:		
Products	$ 3,238,300	$ 2,505,100
Solid waste	240,100	236,000
Total revenue	3,478,400	2,741,100
Operating expenses:		
Products costs	2,221,300	1,741,900
Solid waste costs	29,100	81,000
General and administrative expenses	1,018,200	1,121,200
Salaries and related expenses	946,100	1,272,600
Total operating expenses	4,214,700	4,216,700
Loss from operations	(736,300)	(1,475,600)
Other income (expense):		
Interest expense	(738,600)	(875,700)
Gain on abandonment	1,458,200	-
Gain on debt extinguishment	213,200	-
Other	31,100	17,000
Total non-operating income (expense), net	963,900	(858,700)
Income (loss) from continuing operations	227,600	(2,334,300)
Income (loss) from discontinued operations, net of tax	292,100	(429,800)
Net income (loss)	519,700	(2,764,100)
Less: Net income (loss) attributable to non-controlling interest	190,800	(34,700)
Net income (loss) attributable to SEER common stockholders	$ 328,900	$ (2,729,400)
Basic earnings per share attributable to SEER common stockholders		
Income (loss) from continuing operations, per share	$ 0.00	$ (0.03)
Income (loss) from discontinued operations, per share	0.01	(0.01)
Net income (loss) per share, basic	$ 0.01	$ (0.04)
Fully diluted earnings per share attributable to SEER common stockholders		
Income (loss) from continuing operations, per share	0.00	(0.03)
Income (loss) from discontinued operations, per share	0.01	(0.01)
Net income (loss) per share, basic	$ 0.01	$ (0.04)
Weighted average shares outstanding – basic	65,088,575	64,106,563
Weighted average shares outstanding – diluted	65,178,575	64,106,563

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Common Stock Subscribed	Stock Subscription Receivable	Accumulated Deficit	Non-controller Interest	Total Stockholders' Deficit
Balances at December 31, 2019	-	-	62,591,100	62,600	22,651,100	25,000	(25,000)	(26,964,300)	(2,026,700)	(6,277,300)
Issuance of common stock upon debt penalty	-	-	1,522,500	1,500	225,300	-	-	-	-	226,800
Stock-based compensation	-	-	-	-	19,000	-	-	-	-	19,000
Allocated value of common stock, options, and warrants related to note payable	-	-	975,000	1,000	65,800	-	-	-	-	66,800
Net loss	-	-	-	-	-	-	-	(2,729,400)	(34,700)	(2,764,100)
Balances at December 31, 2020	-	-	65,088,600	65,100	22,961,200	25,000	(25,000)	(29,693,700)	(2,061,400)	(8,728,800)
Stock-based compensation	-	-	-	-	12,600	-	-	-	-	12,600

Net income	-	-	-	-	-	-	-	328,900	190,800	519,700
Balances at December 31, 2021	-	-	65,088,600	65,100	22,973,800	25,000	(25,000)	(29,364,800)	(1,870,600)	(8,196,500)

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

	For the years ended December 31, 2021	2020
Cash flows from operating activities:		
Income (loss) from continuing operations	$ 227,600	$ (2,334,300)
Income (loss) from discontinued operations	292,100	(429,800)
Net income (loss)	519,700	(2,764,100)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	134,000	160,300
Stock-based compensation expense	12,600	19,000
Non-cash expense for interest, common stock issued for debt penalty	-	226,900
Provision for doubtful accounts receivable	(1,000)	(10,800)
Gain on abandonment of subsidiary	(1,458,000)	-
Non-cash expense for interest, accretion of debt discount	29,900	82,600
Gain on debt distinguishment	(623,800)	-
Gain on disposition of assets	(217,300)	(274,900)
Changes in operating assets and liabilities:		
Accounts receivable	(160,000)	322,000
Contract assets	3,200	235,700
Inventory	(106,200)	(291,400)
Prepaid expenses and other assets	120,900	185,700
Accounts payable, accrued liabilities, and customer deposits	26,700	421,800
Contract liabilities	202,000	(3,200)
Deferred revenue	(30,200)	(32,900)
Payroll taxes payable	-	33,200
Net cash used in operating activities	(1,547,500)	(1,690,100)
Cash flows from investing activities:		
Purchase of property and equipment	(3,000)	(131,600)
Proceeds from the sale of fixed assets	192,100	292,100
Net cash provided by investing activities	189,100	160,500
Cash flows from financing activities:		
Payments of notes and capital lease obligations	(154,100)	(250,300)
Payments of short-term notes - related party	(71,100)	-
Proceeds from short-term notes - related party	10,000	-
Proceeds from short-term and long-term debt	1,585,000	882,200
Proceeds from paycheck protection program	130,100	590,300
Net cash provided by financing activities	1,499,900	1,222,200
Net increase (decrease) in cash	141,500	(307,400)
Cash at the beginning of period	47,300	354,700
Cash at the end of period	$ 188,800	$ 47,300
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 37,500	$ 23,500
Financing of prepaid insurance premiums	$ 52,400	$ 94,700
Cash paid for income taxes	$ -	$ -
Non-cash repayment of debt	$ 188,900	$ 145,300
Common stock and options issued in connection with notes payable	$ -	$ 66,700
Non-cash repayment of debt - PPP Loan	$ 623,800	$ -
Non-cash payment of interest	$ 22,500	$ -

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
Notes to Consolidated Financial Statements

NOTE 1 - ORGANIZATION AND FINANCIAL CONDITION

Organization and Going Concern

Strategic Environmental & Energy Resources, Inc. ("SEER," or the "Company"), a Nevada corporation, is a provider of next-generation clean-technologies, waste management innovations and related services. SEER has two wholly owned operating subsidiaries and three majority-owned subsidiaries; all of which together provide technology solutions and services to companies primarily in the oil and gas, refining, landfill, food, beverage & agriculture, and renewable fuel industries. The two wholly owned subsidiaries include: 1) MV, LLC (d/b/a MV Technologies) ("MV"), designs and builds biogas conditioning solutions for the production of renewable natural gas, odor control systems and natural gas vapor capture primarily for landfill operations, waste-water treatment facilities, oil and gas fields, refineries, municipalities and food, beverage & agriculture operations throughout the U.S.; 2) Strategic Environmental Materials, LLC, ("SEM"), is a materials technology company focused on development of cost-effective chemical absorbents. The Company had a third wholly owned subsidiary, REGS, LLC (d/b/a Resource Environmental Group Services ("REGS")), which was discarded and abandoned on September 1, 2021, all operations are included in discontinued operations (See Note 14).

The two majority-owned subsidiaries are 1) Paragon Waste Solutions, LLC ("PWS"), and 2) PelleChar, LLC ("PelleChar"). PWS is currently owned 54% by SEER and PelleChar is owned 51% by SEER.

PWS has developed, and continues to develop, specific opportunities to deploy and commercialize patented technologies for a non-thermal plasma-assisted oxidation process that makes possible the clean and efficient destruction of solid hazardous chemical and biological waste (*i.e*., regulated medical waste, chemicals, pharmaceuticals and refinery tank waste, *etc*.) without landfilling or traditional incineration and without harmful emissions. Additionally, PWS' technology "cleans" and conditions emissions and gaseous waste streams (*i.e*., volatile organic compounds and other greenhouse gases) generated from diverse sources such as refineries, oil fields, and many others.

PelleChar was established in September 2018 and is owned 51% by SEER. Pellechar has secured third-party pellet manufacturing capabilities from one of the nation's premier pellet manufacturers. Working closely with Biochar Now, LLC, Pellechar commenced sales in late 2019 of its proprietary pellets containing the proven and superior Biochar Now product starting with the landscaping and big agriculture markets. At this time, Pellechar is the only company able to offer a soil amendment pellet containing the Biochar Now product that is produced using the patented pyrolytic process. For the year ended December 31, 2021, PelleChar activity related to startup of operations that were interrupted by the pandemic in 2020, which postponed its ability to commence the marketing of its product. Revenue and expenses of PelleChar were not material for the year then ended.

Principals of Consolidation

The accompanying consolidated financial statements include the accounts of SEER, its wholly owned subsidiaries, SEM, MV and REGS (through September 1, 2021 as discontinued operations), and its majority-owned subsidiaries PWS and PelleChar, since their respective acquisition or formation dates. All material intercompany accounts, transactions, and profits have been eliminated in consolidation. The Company has non-controlling interest in joint ventures, which are reported on the equity method.

Going Concern

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has accumulated a deficit of approximately $29.4 million as of December 31, 2021, and $29.7 million as of December 31, 2020. For the year ended December 31, 2021, the Company realized net income of approximately $0.5 million and in 2020, the Company incurred a net loss of approximately $2.8 million. The Company had a working capital deficit of approximately $7.5 million as of December 31, 2021, and a working capital deficit of $9.8 million as of December 31, 2020. These factors raise substantial doubt about the ability of the Company to continue to operate as a going concern.

Realization of a major portion of the Company's assets as of December 31, 2021, is dependent upon continued operations. The Company is dependent on generating additional revenue or obtaining adequate capital to fund operating losses until it becomes profitable. For the year ended December 31, 2021, the Company raised approximately $1.7 million from the Payroll Protection Program and the issuance of short-term and long-term debt, offset by payments of principal on short term notes and capital leases of $0.2 million, for a net cash provided by financing activities of approximately $1.5 million. In addition, the Company has undertaken a number of specific steps to continue to operate as a going concern. The Company continues to focus on developing organic growth in our operating companies and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions, including discontinuing REGS, a line of business with historically insufficient margins. Critical to achieving profitability will be the ability to license and or sell, permit and operate though the Company's joint ventures and licensees the CoronaLux™ waste destruction units. The Company has increased business development efforts to address opportunities identified in expanding markets attributable to increased interest in energy conservation and emission control regulations. In addition, the Company is evaluating various forms of financing which may be available to it. There can be no assurance that the Company will secure additional financing for working capital, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. These financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to report on a going concern basis.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reclassifications

Certain reclassifications have been made in the 2020 consolidated financial statements to conform to the 2021 presentation. These reclassifications have no effect on net income for 2020.

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the cash flows used in the impairment testing of definite lived tangible and intangible assets; valuation allowances and reserves for receivables; revenue recognition related to contracts accounted for under the percentage of completion method; revenue recognition method for perpetual technology license agreements; share-based compensation; discontinued operations future consideration and carrying amounts of equity investments. Actual results could differ from those estimates.

Cash and Cash Equivalents

We consider all highly liquid debt investments with an original maturity of three months or less at the date of acquisition to be cash equivalents. Periodically, we maintain deposits in financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. As of December 31, 2021, and 2020, we did not hold any assets that would be deemed to be cash equivalents.

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are periodically reviewed for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $0 and $11,800 had been reserved as of December 31, 2021, and 2020, respectively.

We are exposed to credit risk in the normal course of business, primarily related to accounts receivable. Our customers operate primarily in the oil production and refining, biogas generating landfill and wastewater treatment industries in the United States. Accordingly, we are affected by the economic conditions in these industries as well as general economic conditions in the United States. To limit credit risk, management periodically reviews and evaluates the financial condition of its customers and maintains an allowance for doubtful accounts. As of December 31, 2021, we do not believe that we have significant credit risk.

As of December 31, 2021, we had three customers who each comprised 10% or more of our accounts receivable and had a balance of approximately $295,900. As of December 31, 2020, we had one customer who comprised 10% or more of our accounts receivable and had a balance of approximately $229,100.

For the year ended December 31, 2021, we had three customers who each had sales in excess of 10% of our revenue and they represented approximately 36% of total revenue for the year ended December 31, 2021. For the year ended December 31, 2020, we had two customers who each had sales in excess of 10% of our revenue and they represented approximately 26% of total revenue for the year ended December 31, 2020.

Inventories

Inventories are stated at the lower of cost or market and maintained on a first in, first out basis and includes the following amounts at December 31:

	December 31, 2021	December 31, 2020
Finished goods	$ 98,200	$ 158,100
Work in process	28,400	88,800
Raw materials	75,100	3,300
	201,700	250,200
Classified as assets held for sale	-	88,800
	$ 201,700	$ 161,400

Vendor Concentration

The Company has purchases from four vendors in 2021 and one vendor in 2020, each comprising more that 10% of total purchases. The Company does not believe it is substantially dependent upon nor exposed to any significant concentration risk related to purchases from any single vendor.

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. Receivables and payables, due to short term nature, approximate their fair values.

Fair Value

As defined in authoritative guidance, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price"). To estimate fair value, the Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable.

The authoritative guidance establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities ("Level 1" measurements) and the lowest priority to unobservable inputs ("Level 3" measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Observable inputs such as quoted prices in active markets at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Other inputs that are observable, directly or indirectly, such as quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs for which there is little or no market data and which the Company makes its own assumptions about how market participants would price the assets and liabilities.

In instances in which multiple levels of inputs are used to measure fair value, hierarchy classification is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Expenditures for replacements, renewals and betterments are capitalized. Repairs and maintenance costs are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets of generally five to seven years for equipment, five to ten years for vehicles and three years for computer related assets. Assets are depreciated starting at the time they are placed into service. A portion of depreciation expense is charged to cost of product revenue on the consolidated statement of operations.

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term (including reasonably assured renewal periods), which range from three to seven years, or their estimated useful life.

Intangible Assets

Intangible assets with estimable useful lives are amortized using the straight-line method over their respective estimated useful lives verses their estimated residual values, and are reviewed for impairment annually, or whenever events or circumstances indicate their carrying amount may not be recoverable. We conduct our annual impairment test on December 31 of each year. The Company has evaluated its intangibles for impairment and has determined that no impairment was necessary as of December 31, 2021.

Impairment of Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Further testing of specific assets or grouping of assets is required when undiscounted future cash flows associated with the assets is less than their carrying amounts. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. We recorded no impairment of long-lived assets for the year ended December 31, 2021.

Revenue Recognition

In May 2014, the FASB issued guidance on revenue from contracts with customers that superseded most current revenue recognition guidance, including industry-specific guidance. The underlying principle of the guidance is to recognize revenue to depict the transfer of goods or services to customers at an amount to which the company expects to be entitled in exchange for those goods or services. The new guidance requires an evaluation of revenue arrangements with customers following a five-step approach: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations; and (5) recognize revenue when (or as) the company satisfies each performance obligation. Revenues are recognized when control of the promised services are transferred to the customers in an amount that reflects the expected consideration in exchange for those services. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the services. Other major provisions of the guidance include capitalization of certain contract costs, consideration of the time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. (See Note 3)

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for using the simplified method to estimate the expected term of the option and recorded in the period that estimates are revised.

Sequencing

On December 31, 2021, the Company adopted a sequencing policy under ASC 815-40-35 whereby in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to the Company's inability to demonstrate it has sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to the Company's employees or directors are not subject to the sequencing policy.

Research and Development

Research and development ("R&D") costs are charged to expense as incurred and are included in selling, general and administrative costs in the accompanying consolidated statement of operations. R&D expenses consist primarily of salaries, project materials, contract labor and other costs associated with ongoing product development and enhancement efforts. R&D expenses were $0 for the years ended December 31, 2021, and 2020. R & D expenses are included in general and administrative expenses, when incurred.

Income Taxes

The Company accounts for income taxes pursuant to *Accounting Standards Codification* ("ASC") 740, *Income Taxes,* which utilizes the asset and liability method of computing deferred income taxes. The objective of this method is to establish deferred tax assets and liabilities for any temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled.

ASC 740 also provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized. During the years ended December 31, 2021, and 2020 the Company recognized no adjustments for uncertain tax positions.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. No interest and penalties related to uncertain tax positions were recognized at December 31, 2021 and 2020. The Company expects no material changes to unrecognized tax positions within the next twelve months.

The Company has filed federal and state tax returns through December 31, 2020. The tax periods for the years ending December 31, 2018, through 2021 are open to examination by federal and state authorities.

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

New Accounting Pronouncements Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* in order to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under current GAAP. ASU 2016-02 requires that a lessee should recognize a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term on the balance sheet. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018 (including interim periods within those periods) using a modified retrospective approach and early adoption is permitted. The Company adopted ASU 2016-02 in the first quarter of 2019. (See Note 6)

NOTE 3 – REVENUE

Products Revenue

Product revenue generated from contracts with customers, for the manufacture of products for the removal and treatment of hazardous vapor and gasses. Total estimated revenue includes all of the following: (1) the basic contract price, (2) contract options, and (3) change orders. Once contract performance is underway, the Company may experience changes in conditions, client requirements, specifications, designs, materials and expectations regarding the period of performance. Such changes are "change orders" and may be initiated by us or by our clients. In many cases, agreement with the client as to the terms of change orders is reached prior to work commencing; however, sometimes circumstances require that work progress without obtaining client agreement. Revenue related to change orders is recognized as costs are incurred if it is probable that costs will be recovered by changing the contract price. The Company does not incur pre-contract costs. Under the new revenue recognition guidance, we found no change in the manner we recognize product revenue. Provisions for estimated losses on uncompleted contracts are recorded in the period in which the losses are identified and included as additional loss. Provisions for estimated losses on contracts are shown separately as liabilities on the balance sheet, if significant, except in circumstances in which related costs are accumulated on the balance sheet, in which case the provisions are deducted from the accumulated costs. A provision as a liability is reported as a current liability.

The Company includes in current assets and current liabilities amounts related to contracts realizable and payable. Costs and estimated earnings in excess of billings on uncompleted contracts represent the excess of contract costs and profits recognized to date over billings to date and are recognized as a current asset. Revenue contract liabilities represent the excess of billings to date over the amount of contract costs and profits recognized to date and are recognized as a current liability.

Products revenue also includes media sales which are recognized as the product is shipped to the customer for use.

Solid Waste Revenue

The Company's revenues from waste destruction licensing agreements are recognized as a single accounting unit over the term of the license. Revenue from joint venture operations of the Company's CoronaLux™ units is recognized as the revenue is earned by the joint venture. Revenue from management services is recognized as services are performed.

Disaggregation of Revenue

	Year ended December 31, 2021		
	Environmental Solutions	Solid Waste	Total
Sources of Revenue			
Product sales	$ 2,430,500	-	$ 2,430,500
Media sales	807,800	-	807,800
Licensing fees	-	30,200	30,200
Operating fees	-	9,900	9,900
Management fees	-	200,000	200,000
Total Revenue	**$ 3,238,300**	**$ 240,100**	**$ 3,478,400**

	Year ended December 31, 2020		
	Environmental Solutions	Solid Waste	Total
Sources of Revenue			
Product sales	$ 1,633,600	-	$ 1,633,600
Media sales	871,500	-	871,500
Licensing fees	-	32,900	32,900
Operating fees	-	3,100	3,100
Management fees	-	200,000	200,000
Total Revenue	**$ 2,505,100**	**$ 236,000**	**$ 2,741,100**

Contract Balances

Where a performance obligation has been satisfied but not yet invoiced at the reporting date, a contract asset is recognized on the balance sheet. Where a performance obligation has not yet been satisfied but an invoice has been raised at the reporting date, a contract liability is recognized on the balance sheet.

The opening and closing balances of the Company's accounts receivables, contract assets, and contract liabilities (current and non-current) are as follows:

			Contract Liabilities		
	Accounts Receivable, net	Contract Assets	Contract Liabilities	Deferred Revenue (current)	Deferred Revenue (non-current)
Balance as of December 31, 2021	$ 536,600	$ 3,600	$ 525,900	$ -	$ -
Balance as of December 31, 2020	375,600	6,800	323,900	30,200	-
Increase (decrease)	**$ 161,000**	**$ (3,200)**	**$ 202,000**	**$ (30,200)**	**$ -**

The majority of the Company's revenue is generally invoiced on a weekly or monthly basis, and the payments are generally received within approximately 30-60 days. Deferred revenue is recorded when cash payments are received or due in advance of the Company's performance, including amounts that are refundable.

Remaining Performance Obligations

As of December 31, 2021, the aggregate amount of the transaction price allocated to the remaining performance obligations was approximately $1.3 million, of which the Company expects to recognize approximately 85% over the next 12 months.

The Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected term of one year or less and (ii) contracts for which the Company recognizes revenue at the amounts to which it has the right to invoice for services performed.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment was comprised of the following:

	December 31, 2021	December 31, 2020

Field and shop equipment	$	553,200	$	1,282,700
Vehicles		72,500		476,900
Waste destruction equipment, placed in service		553,300		553,300
Furniture and office equipment		342,400		345,700
Leasehold improvements		36,200		36,200
Building and improvements		21,200		21,200
Land		162,900		162,900
		1,741,700		2,878,900
Less: accumulated depreciation and amortization		(1,308,700)		(2,330,900)
Property and equipment, net		433,000		548,000
Classified as assets held for sale		-		700
	$	433,000	$	547,300

Depreciation expense for the years ended December 31, 2021, and 2020 was $105,900 and $128,100, respectively. For the year ended December 31, 2021, and 2020, depreciation expense included in cost of goods sold was $80,200 and $85,700, respectively. For the year ended December 31, 2021, and 2020 depreciation expense included in selling, general and administrative expenses was $25,700 and $42,300, respectively.

The Company has evaluated its fixed assets and has determined that an impairment charge was required for shop equipment that will not be utilized. No impairment charges were incurred in fiscal years 2021 and 2020.

Depreciation expense on leased CoronaLux™ units included in accumulated depreciation and amortization above is $29,600 and $30,300 for the years ended December 31, 2021, and 2020, respectively.

Property and equipment includes the following amounts for leases that have been capitalized at December 31:

		December 31, 2021		December 31, 2020
Vehicles, field and shop equipment	$	10,200	$	10,200
Less: accumulated amortization		(10,200)		(10,200)
	$	-	$	-

The capitalized leases have a security interest held by the lessor in their respective equipment.

The Company has evaluated its fixed assets and has determined that no impairment charges were required for licensed CoronaLux™ units in the year ended December 31, 2021, and 2020.

NOTE 5 – INTANGIBLE ASSETS

Intangible assets were comprised of the following:

	December 31, 2021					
		Gross carrying amount		Accumulated amortization		Net carrying value
Goodwill	$	277,800	$	-	$	277,800
Customer list		42,500		(42,500)		-
Technology		1,021,900		(880,400)		141,500
Trade name		54,900		(54,900)		-
	$	1,397,100	$	(977,800)	$	419,300

	December 31, 2020					
		Gross carrying amount		Accumulated amortization		Net carrying value
Goodwill	$	277,800	$	-	$	277,800
Customer list		42,500		(42,500)		-
Technology		1,021,900		(852,400)		169,500
Trade name		54,900		(54,900)		-
	$	1,397,100	$	(949,800)	$	447,300

The estimated useful lives of the intangible assets range from seven to twenty years. Amortization expense, included in selling, general and administrative expenses in the accompanying consolidated statements of operations, was $28,000 and $32,100 for the years ended December 31, 2021, and 2020, respectively.

NOTE 6 – LEASES

The Company has entered into operating leases primarily for real estate. These leases have terms which range from 1 to 8 years, and often include one or more options to renew. These renewal terms can extend the lease term from 1 year to month-to-month and are included in the lease term when it is reasonably certain that the Company will exercise the option. These operating leases are included in "Right of use assets" on the Company's December 31, 2021, Consolidated Balance Sheets and represent the Company's right to use the underlying asset for the lease term. The Company's obligation to make lease payments are included in "Current portion of lease liabilities" and "Lease liabilities net of current portion" on the Company's December 31, 2021, Consolidated Balance Sheets. As of December 31, 2021, total right-of-use assets and operating lease liabilities were approximately $302,300. All operating lease expense is recognized on a straight-line basis over the lease term. In the year ended December 31, 2021, the Company recognized approximately $83,600 in operating lease costs for right-of-use assets.

Because the rate implicit in each lease is not readily determinable, the Company uses its incremental borrowing rate to determine the present value of the lease payments. The Company has certain contracts for real estate which may contain lease and non-lease components which it has elected to treat as a single lease component.

Information related to the Company's right-of-use assets and related lease liabilities were as follows:

	Years Ended December 31, 2021	2020
Cash paid for operating lease liabilities	$ 247,600	$ 308,600
Right-of-use assets obtained in exchange for new operating lease obligations	-	60,500
Weighted-average remaining lease term	56 months	4 months
Weighted-average discount rate	10%	10%

Maturities of lease liabilities as of December 31, 2021 were as follows:

2022	$ 85,700
2023	88,300
2024	90,900
2025	93,600
2026	64,000
Thereafter	-
	422,500
Less imputed interest	(87,500)
Total lease liabilities	335,000
Current operating lease liabilities	54,700
Non-current operating lease liabilities	280,300
Total lease liabilities	$ 335,000

NOTE 7 - ACCRUED LIABILITIES

Accrued liabilities were comprised of the following:

	December 31, 2021	December 31, 2020
Accrued compensation and related taxes	$ 124,600	$ 486,400
Accrued interest	1,818,500	1,170,500
Accrued settlement/litigation claims	150,000	150,000
Warranty and defect claims	40,000	34,000
Other	97,000	136,300
Total Accrued Liabilities	2,230,100	1,977,200
Classified as liabilities held for sale	-	227,700
	$ 2,230,100	$ 1,749,500

NOTE 8 - UNCOMPLETED CONTRACTS

Costs, estimated earnings and billings on uncompleted contracts are as follows:

	December 31, 2021	December 31, 2020
Revenue recognized	$ 285,600	$ 102,700
Less: billings to date	(282,000)	(95,900)
Contract assets	3,600	6,800
Billings to date	1,578,300	1,716,800
Revenue recognized	(1,052,400)	(1,392,900)
Contract liabilities	$ 525,900	$ 323,900

NOTE 9 – INVESTMENT IN PARAGON WASTE SOLUTIONS LLC

In 2010, the Company and Black Stone Management Services, LLC ("Black Stone") formed PWS, whereby a total of1,000,000 membership units were issued, 600,000 membership units to the Company and 400,000 membership units to Black Stone. Fortunato Villamagna, who serves as President of our PWS subsidiary, is a managing member and Chairman of Black Stone. In June 2012, the Company and Blackstone each allocated 10% of their respective membership units in PWS to Mr. J John Combs III, an officer and shareholder of the Company and Mr. Michael Cardillo, a shareholder of the Company and an officer of a subsidiary. There was no value attributable to the units at the time of the allocation. As of December 31, 2021, and 2020 the Company owned 54% of the membership units, Black Stone owned 36% of the membership units, and two related parties (as noted above), each owned 5% of the membership units.

In August 2011, the Company acquired certain intellectual property in regard to waste destruction technology (the "IP") from Black Stone in exchange for1,000,000 shares of our common stock valued at $100,000. We estimated the useful life of the IP at ten years, which was consistent with the useful life of other technology included in our intangible assets, and management's initial assessment of the potential marketability of the IP. In March 2012, the Company entered into an Irrevocable License & Royalty Agreement with PWS that grants PWS an irrevocable world-wide license to the IP in exchange for a 5% royalty on all revenues from the sale or lease of all CoronaLux™ units from PWS and its affiliates. The term commenced as of the date of the Agreement and shall continue for a period not to exceed the life of the patent or patents filed by the Company. PWS may sub license the IP and any revenue derived from sub licensing shall be included in the calculation of Gross Revenue for purposes of determining royalty payments due the Company. Royalty payments are due 30 days after the end of each calendar quarter. PWS generated licensing and unit sales revenues of approximately $30,200 and $32,900 for the years ended December 31, 2021, and 2020, respectively.

Since its inception through December 31, 2021, we have provided approximately $6.4 million in funding to PWS for working capital and the further development and construction of various prototypes and commercial waste destruction units. No members of PWS have made capital contributions or other funding to PWS other than SEER. The intent of the operating agreement is that we will provide the funding as an advance against future earnings distributions made by PWS.

Licensing Agreements

On November 17, 2014, PWS entered into an Exclusive Licensing and Equipment Lease Agreement, for a limited license territory, with Medical Waste Services, LLC (“MWS”). The License Agreement grants to MWS the use of the PWS Technology and the CoronaLux™ waste destruction units for an initial term of seven years and required a payment of $225,000 as a non-refundable initial licensing fee and distributions of 50% of net operating profits, as defined in the agreement, in lieu of continuing royalty payments for the use of the licensed technology. PWS and Medical Waste Services, LLC (“MWS”) formed a contractual joint venture to exploit the PWS medical waste destruction technology. MWS has received approval from the California Department of Public Health and a restricted permit from the South Coast Air Quality Management District (“SCAQMD”) to operate the CoronaLux™ unit licensed by MWS at its facility in Southern California. The original licensing and partnership agreement was formally canceled in 2019, because MWS failed to implement the expansion plan outlined in the original agreement), with both parties agreeing to continue operating the CoronaLux under the original terms of the agreement, for strategic reasons. PWS has no obligations, commitments, or liabilities relative to MWS, and is free to sublicense to anyone or develop company owned facilities. Operations to date have included the destruction of medical waste under a temporary operating permit issued by SCAQMD since May 2015 and efforts to obtain a full operating permit from SCAQMD were successful and SCAQMD issued a ‘Notice of Intent to Issue Permit to Operate’ in March 2017. In November 2017, the full operating permit was issued by SCAQMD.

In December 2017, PWS and GulfWest Waste Solutions, LLC (“GWWS”) formed Paragon Southwest Medical Waste, LLC (“PSMW”) to exploit the PWS medical waste destruction technology. PSMW will have an exclusive license to the CoronaLux™ technology in a six-state area of the Southern United States. In addition to the equity position, PWS will be the operating partner for the business and sell a number of additional systems to the joint venture over the next five years. In 2017, PSMW purchased and installed three CoronaLux™ units for $600,000. PWS incurred costs of $525,700 to prepare the three units for sale. Operations in the form of medical waste destruction began in 2018.

Payments received for non-refundable licensing and placement fees have been recorded as deferred revenue in the accompanying consolidated balance sheets as of December 31, 2021, and 2020 and are recognized as revenue ratably over the term of the contract.

NOTE 10 – INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

The Company has a non-controlling interest in several joint ventures, currently four primarily for licensing and operating PWS CoronaLux™ waste destruction units and one for development of hybrid scrubber systems. Two joint ventures have limited their activity to formation only, no other operations have commenced. The following is summary information on the joint ventures that have had some activity in 2021 and 2020. The Company has no fixed commitment to fund any losses of the operating joint ventures and has no investment basis in any of the joint ventures therefore the Company has suspended the recognition of losses under the equity method of accounting.

	December 31, 2021	December 31, 2020
PWS-MWS Joint Venture		
Revenues	$ 221,300	$ 183,600
Operating costs	201,600	177,400
Net income	19,700	6,200
Company’s share of net income	9,800	3,100
PWS-Paragon Southwest Joint Venture		
Revenues	$ 2,233,700	$ 1,730,100
Operating costs	3,244,400	2,495,300
Net loss	(1,010,700)	(765,200)
Company’s share of net income	-	-

	June 30, 2021	June 30, 2020
PWS UK Joint Venture		
Assets	$ 54,600	$ 104,200
Liabilities	-	-
Net assets	54,600	104,200
Net loss	61,200	71,900
Company’s share of net income	-	-

NOTE 11 – DEBT

Debt as of December 31, 2021, and 2020 was comprised of the following:

	December 31, 2021	**December 31, 2020**
PAYROLL PROTECTION PROGRAM		

Under the Small Business Administration ("SBA"), the Company applied for the Paycheck Protection Program ("PPP") loan. These loans are forgiven if used for payroll, payroll benefits, including health insurance and retirement plans, as well as certain rent payments, leases, and utility payments, which are limited to 40% of the loan proceeds, all of which if paid within either 8 weeks or 24 weeks of the receipt of the loan proceeds. At the time of this filing, we anticipate a significant amount of this loan to be forgiven, however the forgiveness application process is not yet complete. The Company has elected to record these advances under the debt treatment for these loans, under GAAP guidance. Unforgiven portions of these loans are to be repaid over 5 years, accruing interest at 1% per annum.	$	96,600	$	252,800
SHORT TERM NOTES				
Secured short term note payable dated October 13, 2017 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $4,000 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $400 shall be due and owing accruing on the first day of the week. The total one-time fee paid was $6,400 and was recorded as interest. A fee of40,000 shares of restricted common stock shall be issued as a penalty for each month or prorated for any two-week portion of any month the note is outstanding past the original maturity date for months 3 through 6, and a fee of 80,000 shares of restricted common stock shall be issued to lender for each month or prorated for each two-week portion of any month the note is outstanding past the original maturity date beginning in month 7 until paid in full. The note is secured by the future sale of CoronaLux units and a personal guarantee of an officer of the Company. The penalty period for shares to be issued has been reached, however, the debt holder agreed to a reduction and a fixed amount of penalty shares in 2018, as issuable under the terms of this agreement. No additional shares will be issued by the Company. The reduction of penalty shares was accounted for as debt extinguishment and a gain was recorded in 2018. No interest accrues on the unpaid balance.		100,000		100,000
Secured short term note payable dated November 6, 2017 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $5,000 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $400 shall be due and owing accruing on the first day of the week. The total one-time fee paid was $7,400 and was recorded as interest. A fee of50,000 shares of restricted common stock shall be issued as a penalty for each month or prorated for any two-week portion of any month the note is outstanding past the original maturity date for months 3 through 6, and a fee of 100,000 shares of restricted common stock shall be issued to lender for each month or prorated for each two-week portion of any month the note is outstanding past the original maturity date beginning in month 7 until paid in full. The note is secured by the future sale of CoronaLux units and a personal guarantee of an officer of the Company. The penalty period for shares to be issued has been reached, however, the debt holder agreed to a reduced and fixed amount of penalty shares during 2018. No additional shares will be issued by the Company. The reduction of penalty shares was accounted for as debt extinguishment and a gain was recorded in 2018. No interest accrues on the unpaid balance.		125,000		125,000
Note payable dated November 20, 2017, interest at 30% per annum, principal and accrued interest due on or before February 28, 2018. The note is unsecured. During 2018, a verbal agreement was made to allow month-to-month extension of the due date as long as interest payments were made monthly. The Company made interest payments totaling $84,100 of which $37,726 of interest and principal reduction of $1,900 was paid by the issuance of 140,000 shares of common stock during 2018 and the note holder has continued to extend the due date. Unpaid interest at December 31, 2021 is approximately $286,300.		298,100		298,100

Secured short term note payable dated February 1, 2019 with principal and interest due 90 days from issuance. The note requires a one-time fee in the amount of $15,000 to compensate for the first two weeks of the term and each week thereafter (weeks 3-12) a fee of $1,500 shall be due and owing accruing on the first day of the week. The total one-time fee totals $30,000 and was recorded as interest. A fee of50,000 shares of restricted common stock shall be issued as a penalty for each month or prorated for any two-week portion of any month the note is outstanding past the original maturity date for months 4 through 6, and a fee of 100,000 shares of restricted common stock shall be issued to lender for each month or prorated for each two-week portion of any month the note is outstanding past the original maturity date beginning in month 7 until paid in full. The note is secured by the future sale of any and all PelleChar products and a personal guarantee of an officer of the Company. The penalty period for shares to be issued has been reached, and the maximum agreed common shares have been accrued, and has been recorded as interest expense in prior periods. Unpaid one-time fees at December 31, 2021 is approximately $30,000.		500,000		500,000
Secured short term note payable dated July 2, 2019 with principal and interest due 60 days from issuance. The note requires a one-time issuance of 500,000 options, which the company recorded the fair value of $37,300 as debt discount, amortized over the life of the note. The note accrues interest at 12% annually. The note is past due as the date of this filing. The Company has not received notice from the lender and continue to accrue interest. For the year ended December 31, 2021, the Company recorded interest expense of $12,000. Unpaid interest at December 31, 2021 is approximately $30,000.		100,000		100,000
Secured short term note payable dated July 18, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $5,000 to compensate for the first two weeks of the term and each week thereafter (weeks 3-12) a fee of $500 shall be due and owing accruing on the first day of the week and was recorded as interest. A fee of 15,000 shares of restricted common stock shall be issued as a penalty for each month or prorated for any two-week portion of any month the note is outstanding past the original maturity date for months 3 through 6, and a fee of 30,000 shares of restricted common stock shall be issued to lender for each month or prorated for each two-week portion of any month the note is outstanding past the original maturity date beginning in month 7 until paid in full. The note is secured by the future sale of any and all MV Technology, LLC products. The penalty period for shares to be issued has been reached, and the maximum agreed common shares have been accrued, and has been recorded as interest expense in prior periods. Unpaid interest at December 31, 2021 is approximately $10,000.		150,000		150,000

Secured short term note payable dated October 17, 2019 with principal and interest due 6 months from issuance. On April 24, 2020, this note was extended to October 15, 2020. The note requires a one-time issuance of 200,000 common shares of the Company upon the maturity date of the note, which the company recorded the fair value of $13,000 as debt discount, amortized over the life of the note. The note extension requires a one-time issuance of 200,000 common shares of the Company upon the extended maturity date of the note, which the company recorded the fair value of $20,000 as debt discount, amortized over the life of the note. On November 3, 2020, this note was extended to October 15, 2021. The note is past due as the date of this filing. The note accrues interest at 15% annually. For the year ended December 31, 2021, the Company recorded interest expense of $45,000, and $20,000 of interest related to debt discount. Unpaid interest at December 31, 2021 is approximately $99,500.	300,000	300,000
Secured short term note payable dated December 14, 2019 with principal and interest due 6 months from issuance. The note requires a one-time issuance of 250,000 common shares of the Company upon the maturity date of the note, which the company recorded the fair value of $16,300 as debt discount, amortized over the life of the note. The note accrues interest at 15% annually. The note is past due as the date of this filing. For the year ended December 31, 2021, the Company recorded interest expense of $67,500. Unpaid interest at December 31, 2021 is approximately $138,300.	450,000	450,000
Secured short term note payable dated September 18, 2019 with no stated maturity date. The note accrues interest at 6% annually for the first 18 months, and 12% thereafter if not paid in full. Payments will be offset by SEER building and delivering 20 kilns for BIOCHAR to the debtor, 10 of which have been delivered. For the year ended December 31, 2021, the Company recorded interest expense of $2,200. This obligation was paid in full during the first quarter of 2021 when the final kilns were delivered. There was no unpaid interest at December 31, 2021.	-	154,700
Secured short term note payable dated October 1, 2019. The note accrues interest at 6% annually. The note's principal is to be paid in twelve monthly installments commencing on January 15, 2020. At the time of this report, no payments have been made, and the an extension has been negotiated with the lender. On September 1, 2021, the company exchanged certain equipment, for a portion of this debt, reducing the outstanding principal by $34,200. For the year ended December 31, 2021, the Company recorded interest expense of $8,000. Unpaid interest at December 31, 2021 is approximately $14,400.	50,800	85,000

Secured short term note payable dated March 16, 2020, maturing on March 15, 2021. The note bears annual simple interest, at a rate of 14%, and matures on March 15, 2021. The Lender receives a one-time option grant to purchase 60,000 shares of the Company's common stock for $0.10 per share for a period of 3 years from grant date, on the maturity date, with payment of principal and interest. These options were value at approximately $3,500, and are recorded as debt discount, and amortized over the life of the loan. The note is past due as the date of this filing. For the year ended December 31, 2021, the Company recorded interest expense of $14,000, and $800 of interest related to debt discount. Unpaid interest at December 31, 2021 is approximately $25,100.	100,000	100,000
Secured short term note payable dated March 17, 2020, maturing on March 16, 2021. The note bears annual simple interest, at a rate of 14%. The Lender receives a one-time option grant to purchase 30,000 shares of the Company's common stock for $0.10 per share for a period of3 years from grant date, on the maturity date, on the maturity date, with payment of principal and interest. These options were value at approximately $2,000, and are recorded as debt discount, and amortized over the life of the loan. The note is past due as the date of this filing. For the year ended December 31, 2021, the Company recorded interest expense of $7,000, and $400 of interest related to debt discount. Unpaid interest at December 31, 2021 is approximately $12,500.	50,000	50,000
Secured short term note payable dated July 8, 2020, maturing on December 7, 2020, bearing annual simple interest at a rate of 15%. The note requires a one-time issuance o f 200,000 common shares of the Company upon the maturity date of the note, which the company recorded the fair value of $11,300 as debt discount, amortized over the life of the note. The note is past due as the date of this filing. For the year ended March 31, 2021, the Company recorded interest expense of $33,000, and $200 of interest related to debt discount. Unpaid interest at December 31, 2021 is approximately $48,900.	220,000	220,000
Unsecured short term note payable dated August 18, 2020, maturing on November 17, 2020, bearing annual simple interest at a rate of 15%. The note is past due as the date of this filing. For theyear ended December 31, 2021, the Company recorded interest expense of $18,000. Unpaid interest at December 31, 2021 is approximately $24,600.	120,000	120,000
Secured short term note payable dated September 3, 2020, maturing on December 4, 2020, bearing annual simple interest at a rate of 15%. The note is past due as the date of this filing. For the year ended December 31, 2021, the Company recorded interest expense of $42,000. Unpaid interest at December 31, 2021 is approximately $55,700.	280,000	280,000
Total Short-term notes	$ 2,843,900	$ 3,032,800

Unsecured short term note payable dated August 21, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $500 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $50 shall be due and owing accruing on the first day of the week, after which the fee is $75 per week, which is recorded as interest expense. The note is from the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $2,400. Unpaid interest as of December 31, 2021 is $300.	$ -	$ 15,000

Secured short term note payable dated August 21, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $4,150 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $415 shall be due and owing accruing on the first day of the week, after which the fee is $600 per week, which is recorded as interest expense. The note is from a family member of the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $28,800. Unpaid interest as of December 31, 2021 is approximately $55,200.	125,000	125,000
Unsecured short term note payable dated October 7, 2019 with principal and interest due 60 days from issuance. The note requires a one-time fee in the amount of $500 to compensate for the first two weeks of the term and each week thereafter (weeks 3-8) a fee of $50 shall be due and owing accruing on the first day of the week, after which the fee is $75 per week, which is recorded as interest expense. The note is from the CEO, and thus classified as a related party note. For the year ended December 31, 2021, the Company recorded interest expense of $2,400. Unpaid interest as of December 31, 2021 is approximately $300.	-	15,000
Total short-term notes - related party	$ 125,000	$ 155,000
Convertible notes payable, interest at 8% per annum, unpaid principal and interest maturing 3 years from note date between August 2018 and October 2019, convertible into common stock at the option of the lenders at a rate of $0.70 per share; one convertible note for $250,000 has a personal guarantee of an officer of the Company. The notes that matured in August 2018, were subsequently extended by one year to August 2019, all other terms remained the same. The note that matured November 2018 was subsequently extended to May 2019 and the interest rate increased to 13% per annum. No default notice has been received from the noteholders. For the year ended December 31, 2021, the Company recorded interest expense of $140,900. Unpaid interest at December 31, 2021 is approximately $544,400.	$ 1,605,000	$ 1,605,000
Total convertible notes	1,605,000	1,605,000
Less: current portion	(1,605,000)	(1,605,000)
Long term convertible notes, including debt discount	$ -	$ -

LONG TERM NOTES AND CAPITAL LEASE OBLIGATIONS		
Note payable dated July 13, 2018, interest at 20% per annum, payable July 13, 2021. No monthly payments are due for the first six months, commencing in month seven, principal and accrued interest will be amortized and payable over the remaining 30 months. Monthly payments of principal and accrued interest did not commence in 2019. The note is secured by all assets of SEM and personally guaranteed by an officer of the Company. A fee of 200,000 shares of restricted common stock was issuable at the time of funding. During the year ended December 31, 2018, the Company recorded 200,000 shares of its common stock as issuable under the terms of this agreement. The shares were valued at $44,000 recorded as debt discount. For the year ended December 31, 2021, the Company recorded interest expense of $107,600. Unpaid interest at December 31, 2021 was approximately $346,600.	$ 500,000	$ 500,000
Note payable dated April 2020, interest at 6.8% per annum, secured by a piece of heavy equipment, of which the borrowing was used to purchase. Forty-eight monthly payments of principal and accrued interest of $2,400, commence on April 17, 2020. For the year ended December 31, 2021, the Company recorded interest expense of $5,000. Unpaid interest at December 31, 2021 was $0.	60,200	84,100
Note payable dated January 19, 2021, interest at an annual rate of 8% simple interest and matures on January 18, 2026. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions. For the year ended December 31, 2021, the Company recorded interest expense of $11,400. Unpaid interest at December 31, 2021 was approximately $11,400.	150,000	-
Note payable dated February 2, 2021, interest at an annual rate of 8% simple interest and matures on January 18, 2026. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions. For the year ended December 31, 2021, the Company recorded interest expense of $36,400. Unpaid interest at December 31, 2021 was approximately $36,400.	500,000	-
Note payable dated May 25, 2021, interest at an annual rate of 8% simple interest and matures on January 18, 2026. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions. For the year ended December 31, 2021, the Company recorded interest expense of $8,900. Unpaid interest at December 31, 2021 was approximately $8,900.	185,000	-
Note payable dated August 5, 2021, interest at an annual rate of 8% simple interest and matures on January 18, 2026. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions. For the year ended December 31, 2021, the Company recorded interest expense of $15,900. Unpaid interest at December 31, 2021 was approximately $15,900.	500,000	-
Note payable dated November 2, 2021, interest at an annual rate of 8% simple interest and matures on January 18, 2026. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions. For the year ended December 31, 2021, the Company recorded interest expense of $3,300. Unpaid interest at December 31, 2021 was approximately $3,300.	250,000	-
Debt discount	-	(29,900)

Total long-term notes and capital lease obligations	2,145,200	554,200
Less: current portion	(525,600)	(523,900)
Long term notes and capital lease obligations, long-term, including debt discount	$ 1,619,600	$ 30,300

Debt maturities as of December 31, 2021, are as follows:

Year Ending December 31,	
2022	$ 5,170,500
2023	25,600
2024	34,600
2025	-
2026	-
Thereafter	1,585,000
	$ 6,815,700

All capital lease obligations of the Company have been paid and there are no future minimum lease payments under capital leases as of December 31, 2021.

NOTE 12 – RELATED PARTY TRANSACTIONS NOT DISCLOSED ELSEWHERE

Notes payable and accrued interest, related parties

Notes payable (See Note 11), and accrued interest due to certain related parties as of December 31, 2021, and 2020 are as follows:

	December 31, 2021	December 31, 2020
Short term notes	$ 125,000	$ 155,000
Accrued interest	55,800	53,100
Total short-term notes and accrued interest - Related parties	$ 180,800	$ 208,100

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments

Future commitments under non-cancellable operating leases with terms longer than one year for office and warehouse space as of December 31, 2021, are as follows:

Year Ending December 31,	
2022	$ 85,700
2023	88,300
2024	90,900
2025	93,600
2026	64,000
Thereafter	-
	$ 422,500

For the years ended December 31, 2021, and 2020, rent expense, including prorated charges and net of sub-lease income, was $145,600 and $145,300, respectively.

NOTE 14 – ABANDONMENT OF SUBSIDIARY

On September 1, 2021, the Company's board of directors, by unanimous consent, adopted a resolution to abandon the Company's wholly owned subsidiary, REGS, LLC. The abandonment resulted in a gain to the Company of approximately $1.5 million for the year ended December 31, 2021. For the years ended December 31, 2021, and 2020, all operations from REGS have been reported as discontinued operations.

Major classes of line items constituting the balance sheet on discontinued operations:

	September 3, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	$ -	500
Inventory	-	88,800
Prepaid expenses and other current assets	-	14,500
Property and equipment, net	-	700
Right of use assets	-	30,600
Other assets	18,900	9,900
TOTAL ASSETS	$ 18,900	$ 145,000
LIABILITIES		
Accounts payable	$ 169,100	267,500
Accrued liabilities	220,800	227,700
Payroll taxes payable	1,076,800	1,085,400

Customer deposits		10,200		10,200
Paycheck protection program liabilities		-		337,500
Current portion of lease liabilities		-		31,000
Accrued interest - related party		-		1,800
TOTAL LIABILITIES	$	1,476,900	$	1,961,100

Major classes of line items constituting pretax income (loss) on discontinued operations:

	For the years ended December 31,			
	2021		2020	
Services revenue	$	177,200	$	171,400
Services costs		(314,900)		(423,700)
General and administrative expenses		(40,800)		(102,300)
Salaries and related expenses		(150,800)		(328,600)
Other income		210,800		253,400
Gain on debt extinguishment		410,600		-
Total expenses		114,900		(601,200)
Operating income (loss)		292,100		(429,800)
Income tax benefit		-		-
Total income (loss) from discontinued operations	$	292,100	$	(429,800)

The net assets and liabilities disposed of, resulting in the gain on the abandonment, are summarized in the following table:

	Year Ended December 31, 2021
Assets, net	(18,900)
Liabilities - Other, net including intercompany assets	400,100
IRS payroll tax liability	1,076,800
Gain on abandonment	1,458,000

NOTE 15 – EQUITY TRANSACTIONS

2021 Common Stock Transactions

During the year ended December 31, 2021, no new equity transactions have occurred.

2020 Common Stock Transactions

During the year ended December 31, 2020, the Company recorded1,552,500 shares of $.001 par value common stock as issued and issuable to short-term note holders as required under their respective short-term notes, valued at approximately $226,800. (See Note 11)

During the year ended December 31, 2020, the Company recorded975,000 shares of $.001 par value common stock as issued and issuable to short-term note holders in connection to new borrowings of short-term notes, valued at approximately $61,300. (See Note 11)

During the year ended December 31, 2020, the Company issued options to purchase90,000 shares of $.001 par value common stock as issued and issuable to short-term note holders in connection to new borrowings of short-term notes, valued at approximately $5,500.

Non-controlling Interest

The non-controlling interest presented in our condensed consolidated financial statements reflects a46% non-controlling equity interest in PWS and49% non-controlling equity interest in PelleChar. Net losses attributable to non-controlling interest, as reported on our condensed consolidated statements of operations, represents the net loss of each entity attributable to the non-controlling equity interest. The non-controlling interest is reflected within stockholders' equity on the condensed consolidated balance sheet.

Warrants

In 2021 and 2020, no warrants were issued.

A summary of warrant activity for the years ended December 31, 2021, and December 31, 2020, is presented as follows:

	Weighted Average Exercise Price		Number of Warrants	Weighted Average Remaining Contractual Term in Years
Balance as of December 31, 2019	$	0.67	1,221,000	1.0
Granted		-	-	
Exercised		-	-	
Cancelled		0.65	(950,000)	
		-		
Balance as of December 31, 2020	$	0.74	271,000	1.5
Granted		-	-	

Exercised	-	-	
Cancelled	0.85	(71,000)	
	-		
Balance as of December 31, 2021	$ 0.70	200,000	0.7
Vested and exercisable as of December 31, 2021	$ 0.70	200,000	0.7

NOTE 16 – STOCK-BASED COMPENSATION AND EMPLOYEE BENEFIT PLAN

Except as noted below, we do not have a qualified stock option plan, but have issued stock purchase warrants and stock options on a discretionary basis to employees, directors, service providers, private placement participants and outside consultants.

The Company utilizes ASC 718, *Stock Compensation,* related to accounting for share-based payments and, accordingly, records compensation expense for share-based awards based upon an assessment of the grant date fair value for stock options and restricted stock awards. The Black Scholes option pricing model was used to estimate the fair value of the options granted. This option pricing model requires a number of assumptions, of which the most significant are the expected stock price volatility and the expected option term (the amount of time from the grant date until the options are exercised or expire). The Company does not estimate forfeitures, and accounts for forfeitures as they occur. The Company estimated a volatility factor utilizing a weighted average of comparable published volatilities. The Company applied the simplified method to determine the expected term of all stock-based compensation grants. The risk-free interest rate is based on or approximates the U.S. Treasury yield curve in effect at the time of the grant.

Stock compensation expense for stock options is recognized on a straight-line basis over the vesting period of the award. The Company accounts for stock options as equity awards.

The weighted average estimated fair value of stock option grants and the weighted average assumptions that were used in calculating such values for the years ended December 31, 2021, and 2020 are as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Expected volatility	-	133.92% - 133.97%
Expected dividend yield	-	-
Risk-free interest rates	-	0.29% - 0.30 %
Expected term (in years)	-	3.0

A summary of stock option activity for the year ended December 31, 2021, and 2020 is presented as follows:

	Weighted Average Exercise Price	Number of Optioned Shares	Weighted Average Remaining Contractual Term in Years	Weighted Average Optioned Grant Date Fair Value	Aggregate Intrinsic Value
Balance as of December 31, 2019	$ 0.69	1,575,000	3.82	$ 0.04	$ -
Granted	0.10	90,000		0.06	
Exercised	-	-		-	
Cancelled/expired	0.54	(25,000)		0.19	
Balance as of December 31, 2020	$ 0.66	1,640,000	2.83	$ 0.04	$ -
Granted	-	-		-	
Exercised	-	-		-	
Cancelled/expired	0.60	(50,000)		0.19	
Balance as of December 31, 2021	$ 0.67	1,590,000	1.91	$ 0.04	$ -
Vested and exercisable as of December 31, 2021	$ 0.67	1,590,000	1.91	$ 0.04	$ -

For the years ended December 31, 2021, and 2020, we recorded stock-based compensation awarded to employees of $12,600 and $19,000, respectively, which is included in selling, general and administrative expense in our consolidated statements of operations.

As of December 31, 2021, there was no unrecognized compensation cost related to non-vested stock options.

Employee Benefit Plan

The Company has a defined contribution 401(k) plan that covers substantially all employees. Additionally, at the discretion of management, the Company may make contributions to eligible participants, as defined. During the years ended December 31, 2021, and 2020, we made no contributions in each year.

NOTE 17 – NET EARNINGS (LOSS) PER SHARE

Basic net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding. Diluted net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares. Potentially dilutive securities are excluded from the calculation when their effect would be anti-dilutive. As of December 31, 2021, 90,000 potentially dilutive stock options were included in the diluted earnings per share calculation. For the year ended December 31, 2020, all potentially dilutive securities were excluded from the diluted share calculations as they were anti-dilutive as a result of the net loss incurred. Accordingly, basic shares equal diluted shares for the year ended December 31, 2020.

Potentially dilutive securities were comprised of the following:

	Years Ended December 31,	
	2021	2020
Warrants	200,000	271,000
Options	1,500,000	1,640,000
Convertible notes payable, including accrued interest	3,070,900	2,869,600
	4,770,900	4,780,600

NOTE 18 - SEGMENT INFORMATION AND MAJOR SEGMENT CUSTOMERS

The Company currently has identified two segments as follows:

MV, SEM, PelleChar,	Environmental Solutions
PWS	Solid Waste

The composition of our reportable segments is consistent with that used by our chief decision makers to evaluate performance and allocate resources. All of our operations are located in the U.S. The Company has not allocated corporate selling, general and administrative expenses, and stock-based compensation to the segments. All intercompany transactions have been eliminated.

Segment information as of December 31, 2021, and 2020 and for the years then ended is as follows:

Years ended December 31,

2021	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 3,238,300	$ 240,100	$ -	$ 3,478,400
Depreciation and amortization (1)	68,300	34,000	31,700	134,000
Interest expense	1,500	300	736,800	738,600
Stock-based compensation	-	-	12,600	12,600
Net income (loss)	413,000	437,600	(330,900)	519,700
Capital expenditures (cash and noncash)	3,000	-	-	3,000
Total assets	$ 1,359,200	$ 305,400	$ 572,600	$ 2,237,200

2020	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 2,505,100	$ 236,000	$ -	$ 2,741,100
Depreciation and amortization (1)	74,900	34,600	50,800	160,300
Interest expense	7,700	100	867,900	875,700
Stock-based compensation	-	-	19,000	19,000
Net income (loss)	(508,600)	(248,200)	(2,007,300)	(2,764,100)
Capital expenditures (cash and noncash)	131,600	-	-	131,600
Total assets	$ 1,419,700	$ 267,800	$ 529,200	$ 2,216,700

(1) Includes depreciation of property, equipment and leasehold improvement and amortization of intangibles.

NOTE 19 - INCOME TAXES

As of December 31, 2020, we estimate we will have net operating loss carryforwards available to offset future federal income tax of approximately $21.7 million. These carryforwards will expire between the years 2028 through 2037. Under the Tax Reform Act of 1986, the amount of and the benefit from net operating losses that can be carried forward may be limited in certain circumstances. Events that may cause changes in our tax carryovers include, but are not limited to, a cumulative ownership change of more than 50% over a three-year period. Therefore, the amount available to offset future taxable income may be limited. We carry a deferred tax valuation allowance equal to 100% of total deferred assets. In recording this allowance, we have considered a number of factors, but chiefly, our operating losses from inception. We have concluded that a valuation allowance is required for 100% of the total deferred tax assets as it is more likely than not that the deferred tax assets will not be realized.

The non-current deferred tax asset is summarized below:

	2021	2020
Deferred tax assets		
Net operating loss carry forwards	$ 5,557,000	$ 5,408,000
Intangible and fixed assets	-	110,000
Accrued expenses	30,000	105,000
Total deferred tax assets	5,587,000	5,623,000
Deferred tax liabilities		
Depreciation and amortization	(107,000)	-

	2021	2020
Valuation allowance	(5,480,000)	(5,623,000)
Net deferred tax asset	$ -	$ -

The benefit for income taxes differed from the amount computed using the U.S. federal income tax rate of 21% for December 31, 2021 and 2020, as follows:

	2021	2020
Income tax benefit (expense)	$ (69,000)	$ 573,000
Non-deductible items	(142,000)	28,000
State and other benefits included in valuation	16,000	196,000
Exclusion of income (losses) of pass-through entity	52,000	(13,000)
Change in valuation allowance	143,000	(784,000)
Income tax benefit	$ -	$ -

NOTE 20 – ENVIRONMENTAL COMPLIANCE

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act and the Toxic Substances Control Act ("TSCA").

Pursuant to the EPA's authorization of the RCRA equivalent programs, a number of states have regulatory programs governing the operations and permitting of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land use restrictions. We believe we are in substantial compliance with all federal, state and local laws regulating our business.

NOTE 21 – EMPLOYEE RETENTION CREDIT

During the year ended December 31, 2021, the Company applied for certain Employee Retention Credits ("ERTC") under the CARES Act in the approximate amount of $0.2 million, which is reflected within the statement of operations as a reduction to salaries and related expenses. The remaining balance of the ERTC receivable as of December 31, 2021 was $0.

NOTE 22 - SUBSEQUENT EVENTS

On February 11, 2022, the Company borrowed $250,000 under a long-term note. The note bears interest at an annual rate of 8% simple interest and matures on February 10, 2027. This note is included as part of a series of anticipated notes, all of which will be converted into common equity of Paragon Waste Services, LLC., in accordance with the note's provisions.

(b) Financial Statement Schedules:

Schedule II - Valuation and Qualifying Accounts

For the year ended	Balance at beginning of period	Charged to costs and expenses	Charged to other accounts	Deductions	Balance at end of period
December 31, 2020					
Valuation allowance on deferred tax assets	$ 4,839,000	$ 784,000	$ -	$ -	$ 5,623,000
December 31, 2021					
Valuation allowance on deferred tax assets	$ 5,623,000	$ (143,000)	$ -	$ -	$ 5,480,000

All other financial schedules are not required under the related instructions or are inapplicable and therefore have been omitted.