

WARP TECHNOLOGY HOLDINGS INC
Form 10KSB/A
October 28, 2004

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB/A

Amendment No. 1

(Mark One)

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

For The Fiscal Year Ended June 30, 2004

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: 000-33197

WARP TECHNOLOGY HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

NEVADA

88-0467845

(State or other jurisdiction of incorporation or organization)

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

151 Railroad Avenue, Greenwich, Connecticut

06830

(Address of principal executive offices)

(Zip Code)

(203) 422-2950

(Registrants telephone number, including area code)

(Former Name, if Changed Since Last Report)

(Former Address, if Changed Since Last Report)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: None

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

Common Stock, Par Value \$0.00001 Per Share
(Title of Class)

Indicate by checkmark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during

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the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO []

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

Registrant's revenues for its most recent fiscal year ended June 30, 2004 were \$882,121.

The aggregate market value of the voting stock held by non-affiliates of the registrant as of September 17, 2004 was \$5,826,219 based on the closing bid price of \$0.06 per share as reported on the Over-the-Counter Bulletin Board ("OTC Bulletin Board") operated by the National Association of Securities Dealers, Inc.

The number of shares outstanding of the registrant's common stock, \$0.00001 par value, as of September 17, 2004 was 97,111,483.

DOCUMENTS INCORPORATED BY REFERENCE

None.

Explanatory Note: This report on Form 10-KSB/A amends the registrant's Annual Report on Form 10-KSB for the year ended June 30, 2004 to include the information called for in Items 9, 10, 11, 12 and 14 of Part III of Form 10-KSB. No other items in the registrant's Annual Report on Form 10-KSB for the year ended June 30, 2004 are amended hereby.

The information called for in Item 13 of Part III was included in the registrant's Annual Report on Form 10-KSB for the year ended June 30, 2004.

PART III

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY.

Officers and Directors.

The following table sets forth the name, age and position of each of our directors, executive officers and significant employees as of September 17, 2004. Each director will hold office until the next annual meeting of our stockholders or until his or her successor has been elected and duly qualified. Our executive officers are appointed by, and serve at the discretion of, the Board of Directors.

Executive Officers -----	Age ---	Position -----
Rodney A. Bienvenu, Jr.	38	Chief Executive Officer, Director and Chairman
Gus Bottazzi	38	President, Principal Financial Officer
Ernest C. Mysogland	39	Chief Legal Officer, Executive Vice President and Secretary

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Michael D. Liss

40

Chief Operating Officer

Background of Officers and Directors.

Mr. Bienvenu has more than eighteen years of technology industry experience. Mr. Bienvenu is a founder and Managing Partner of ISIS Capital Management, LLC ("ISIS"), an investment firm specializing in active investment strategies and strategic transactions in information technology and other sectors. Prior to ISIS, Mr. Bienvenu founded Strategic Software Holdings, LLC ("SSH"), a successful investment vehicle that initiated a takeover attempt of Mercator Software, Inc. (NASDAQ: MCTR), and invested in other public and private enterprise software companies. Prior to SSH, Mr. Bienvenu served as President of Software at divine, Inc. ("divine") a publicly traded software company. During his tenure at divine, Mr. Bienvenu led the planning, acquisition and consolidation of over thirty companies, including five public companies. Prior to divine, Mr. Bienvenu served as CEO and President of SageMaker, Inc. ("SageMaker"), a provider of digital asset management solutions for Global 2000 companies that he founded in 1992. Under his guidance, SageMaker raised more than \$33 million in venture capital funding and acquired several technology companies in the U.S. and Europe. SageMaker was sold to divine, Inc. in early 2001. Mr. Bienvenu's previous industry experience includes the founding of a successful electronic publishing company and sale to a major publisher in 1991.

Mr. Bottazzi is an entrepreneurial sales and marketing executive with over 15 years experience in software, hardware and services sales and marketing management, both domestically and abroad. Most recently, Mr. Bottazzi was a senior executive at Novell, Inc., where he held general management responsibilities for their caching division, Volera, Inc. Prior to Novell, Mr. Bottazzi held senior positions with Globix, Inc., Call Sciences and was one of the original founding managers of WinStar Communications. Mr. Bottazzi holds degrees in both Mathematics and Biochemistry from New York University.

Mr. Mysogland has more than 14 years experience in mergers and acquisitions, equity and debt financing and investment. Mr. Mysogland is a founder and Managing Partner of ISIS Capital Management, LLC ("ISIS"), an investment firm specializing in active investment strategies and strategic transactions in information technology and other sectors. Prior to ISIS, Mr. Mysogland managed the legal and administrative matters of Strategic Software Holdings, LLC. Prior to SSH, Mr. Mysogland engaged in private legal practice representing investors, issuers, acquirers and targets in hundreds of public and private mergers and acquisitions, equity and debt financings, and other strategic transactions ranging in size up to \$3.5 billion. His clients have included numerous software and technology companies, private equity funds and institutional investors. Mr. Mysogland graduated from the University of Notre Dame and the Columbia University School of Law.

Mr. Liss is a serial entrepreneur with over 20 years experience in marketing high tech products and services on a global basis. He has held senior Sales & Marketing positions at Globix, Call Sciences and Nortel. Mr. Liss is also a co-founder of Coral Systems, Inc. where he was responsible for Product Development. Coral Systems, a leading developer of fraud detection systems, was

acquired by Lightbridge, Inc. Mr. Liss completed the Masters program in Computer Science at Rochester Institute of Technology and holds a patent on an expert system-based fraud detection system.

No director, executive officer, promoter or control person of the Company has, within the last five years: (i) had a bankruptcy petition filed by or

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against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (ii) been convicted in a criminal proceeding or is currently subject to a pending criminal proceeding (excluding traffic violations or similar misdemeanors); (iii) been subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; (iv) been found by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission (the "Commission") or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated. There are no family relationships among any directors and executive officers of the Company.

Section 16(a).

Section 16(a) of the Securities and Exchange Act of 1934 requires certain defined persons to file reports of and changes in beneficial ownership of a registered security with the Commission. Under the regulatory procedure, officers, directors and persons who own more than ten percent of a registered class of a company's equity securities are also required to furnish the Company with copies of all Section 16(a) forms they filed.

To the Company's knowledge, and based solely upon a review of the copies of such reports furnished to the Company and written representations that no other reports were required during the fiscal year ended June 30, 2004, all Section 16(a) filing requirements applicable to its officers, directors and 10% or greater beneficial owners were complied with other than certain Form 3's, Form 4's and Form 5's which will be filed late including Form 5's from Mr. Bottazzi and Mr. Liss.

Audit Committee.

The Company does not currently have an audit committee.

ITEM 10. EXECUTIVE COMPENSATION.

The following Summary Compensation Table sets forth information concerning the annual and long-term compensation earned by our Chief Executive Officer and each of the other most highly compensated executive officers (collectively the "named executive officers"). This information includes the dollar value of base salaries and bonus awards and the number of stock options granted, and certain other compensation, if any.

Summary Compensation Table

Executive Officer and Principal Position	Year	Annual Compensation			Long-Term Compensation	
		Salary (US\$)	Bonus (US\$)	Other Annual Compensation (US\$)	Restricted Stock Awards (#)	Securities Underlying Options/SAR (#)
Ron Bienvenu (1)	2004	0	0	0	0	0

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CEO & Chairman	2003	0	0	0	0	0
	2002	0	0	0	0	0
Gus Bottazzi (2) President	2004	198,693	0	0	0	0
	2003	56,250	0	0	0	200,000
	2002	0	0	0	0	0
Michael Liss (3) COO	2004	137,500	0	0	0	1,025,000
	2003	30,000	0	0	0	0
	2002	0	0	0	0	0
Andrew Leighton (4) VP of Sales	2004	155,191	0	0	0	400,000
	2003	0	0	0	0	0
	2002	0	0	0	0	0

(1) Rodney A. Bienvenu, Jr. Mr. Bienvenu was appointed CEO and Chairman of the Company on August 4, 2004. Mr. Bienvenu did not receive any compensation for fiscal 2004.

(2) Gus Bottazzi. The compensation shown in this Summary Compensation Table represents the total compensation paid to Mr. Bottazzi for all executive positions held by him at the Company beginning April 15, 2003.

(3) Michael Liss. The compensation shown in this Summary Compensation Table represents the total compensation paid to Mr. Liss for all executive positions held by him at the Company beginning March 1, 2003.

(4) Andrew Leighton. The compensation shown in this Summary Compensation Table represents the total compensation paid to Mr. Leighton for all executive positions held by him at the Company beginning July 1, 2003. As of June 30, 2004 Mr. Leighton was no longer employed with the Company.

The compensation discussed herein addresses all compensation awarded to, earned by, or paid to the Company's named executive officers for all the positions held thereby with the Company and its subsidiaries.

There are no other stock option plans, retirement, pension, or profit sharing plans for the benefit of the Company's officers and directors other than as described herein.

Long-Term Incentive Plan Awards.

2002 Stock Incentive Plan

In November 2002 the Company's Board of Directors approved and adopted the Warp Technology Holdings, Inc. 2002 Stock Incentive plan (the "2002 Plan") as a means through which the Company and its subsidiaries may attract, retain and compensate employees and consultants. In fiscal 2003, the Board of Directors issued 7,098,000 options to certain employees of the Company under the 2002 Plan. Of those options, 1,833,333 vested on the date of grant and the remainder vest over a two-year period. Such options have a term of ten years and have an exercise price of \$.25 per share. For financial statement purposes the Company recorded deferred compensation of \$18,996,000, representing the difference between the market price of the Company's stock and \$.25 on the date of grant. The amount recognized as expense for the period ending June 30, 2004 and 2003 was \$3,562,241 and \$7,678,333, respectively.

In fiscal 2003, the Company granted 420,000 options to employees at an exercise price of \$.25 per share. Under the terms of employment the Company has agreed to compensate employees holding these options upon exercise, the

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difference between one dollar and cash realized from the exercise price of \$.25 of each option up to one dollar in cash or stock. The total amount is capped at \$400,000 and expired in December 2003. As of June 30, 2004 the Company recorded a liability of \$200,000.

In fiscal 2003 the Company's Board of Directors granted 1,500,000 options to consultants at an exercise price of \$.25 per share. As of June 30, 2004 all 1,500,000 of these options have been vested. Under the terms of employment the Company agreed to compensate certain consultants for 1,450,000 of these options upon exercise the difference between one dollar and cash realized from the exercise of each option up to one dollar in cash or stock. The total amount is capped at \$294,000 and expired in December 2003. As of June 30, 2004, the Company recorded a liability of \$244,000.

In connection with the acquisition of Spider Software, Inc. ("Spider"), in March 2003 the Board of Directors issued 81,652 options to certain employees of Spider under the 2002 Plan in exchange for their existing Spider options.

In May 2003, the Company's Board of Director granted 300,000 options to certain employees under the 2002 Plan. Of these options, 225,000 vested based on the Company meeting certain sales target as of June 30, 2003. The Company recognized \$87,250 as expense for the period ending June 30, 2003.

In fiscal 2004, the Board of Directors granted 4,513,000 options to certain employees of the Company under the 2002 Plan. Of those options, 2,256,500 vested on the date of grant and the remainder vest over a two-year period. Such options have a term of ten years and have an exercise price of \$.13 per share, the fair market price of the stock on the date of grant.

Options Granted to Named Executive Officers.

The following table contains certain information regarding stock options we have granted to our named executive officers.

Individual Option Grants Table

Name	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price (\$/share)	Expiration Date
Greg Parker(1)	570,000	6.0%	\$.25	2/15/2013
Michael Liss	1,025,000	23.0%	\$.13	4/13/2014
Andrew Leighton(1)	400,000	9.0%	\$.13	4/13/2014

1) As of June 30, 2004 no longer employed by the Company.

Aggregate Option Exercises by Named Executive Officers and Option Values.

The following table contains certain information regarding stock options exercised during the past twelve months and stock options held as of June 30, 2004, by each of our named executive officers. The stock options listed below were granted without tandem stock appreciation rights. We have no freestanding stock appreciation rights outstanding.

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Option Exercise Table

Name	Shares Acquired On Exercise (#)	Value Realized (\$) (2)	Number of Securities Underlying Unexercised Options at 6/30/04 (#)		Value of Underl Options at 6/30/04 (
			Exercisable	Non- Exercisable	Exercisable	Exe
GREG PARKER(1)	0	\$0	253,492	316,508	\$ 0	\$
MICHAEL LISS	0	\$0	555,208	469,792	\$ 0	\$
ANDREW LEIGHTON(1)	0	\$0	216,667	183,333	\$ 0	\$

1) As of June 30, 2004 no longer employed by the Company.

(1) Calculated on the basis of \$.06 per share, the last reported bid price of the common stock on the over-the-counter market on June 30, 2004, less exercise price payable for such shares.

(2) Calculated on the basis of the closing share price of the common stock on the over-the-counter market on the date exercised, less the exercise price payable for such shares.

Compensation of Directors.

The Company's directors do not receive any compensation for serving as members of the board of directors.

Employment Contracts.

The Company has written employment contracts with following four executive officers: Rodney A. Bienvenu, Jr., its Chairman and Chief Executive Officer; Gus Bottazzi, its President, Principal Financial Officer, and Director; Ernest C. Mysogland, its Executive Vice President, Chief Legal Officer, and Secretary; Michael D. Liss, its Chief Operating Officer.

Indemnification.

Under our Articles of Incorporation and Bylaws, the Company may indemnify an officer or director who is made a party to any proceeding, including a lawsuit, because of his position, if he acted in good faith and in a manner he reasonably believed to be in the Company's best interest. The Company may advance expenses incurred in defending a proceeding. To the extent that the officer or director is successful on the merits in a proceeding as to which he is to be indemnified, the Company must indemnify him against all expenses incurred, including attorney's fees. With respect to a derivative action, indemnity may be made only for expenses actually and reasonably incurred in defending the proceeding, and if the officer or director is judged liable, only by a court order. The indemnification is intended to be to the fullest extent permitted by the laws of the State of Nevada. Regarding indemnification for liabilities arising under the Securities Act, which may be permitted to directors or officers under Nevada law, the Company is informed that, in the opinion of the Commission, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

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ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth as of September 17, 2004, certain information regarding the beneficial ownership (1) of the Company's common stock outstanding by (i) each person who is known to the Company to own 5% or more of its common stock, (ii) each director of the Company, (iii) certain executive officers of the Company and (iv) all executive officers and directors of the Company as a group. Unless otherwise indicated, each of the stockholders shown in the table below has sole voting and investment power with respect to the shares beneficially owned. Unless otherwise indicated, the address of each person named in the table below is c/o WARP Technology Holdings, Inc., 151 Railroad Avenue, Greenwich, Connecticut 06830.

Common Stock (1)

Name and Address of Beneficial Owner -----	Company Position -----	Amount and Nature of Beneficial Ownership -----	Percent of Class -----
Rodney A. Bienvenu, Jr. (2)	Director, Chairman, Chief Executive Officer	30,000,000	23.6%
Gus Bottazzi (3)	Director, President, Principal Financial Officer	200,000	*
Ernest C. Mysogland (4)	Executive Vice President, Chief Legal Officer and Secretary	30,000,000	23.6%
Michael D. Liss (5)	Chief Operating Officer	632,934	*
All directors and executive officers as a group (4 persons)		30,832,934	24.26%
Malcolm Coster (6)		7,955,555	8.03%
Carnegie Entities (7)		14,388,889	13.25%
Lemire Corp. (8)		5,000,000	5.15%
Leonid Primak (9)		5,581,531	5.75%
Mai N. Pogue (10)		21,915,857	21.75%
Pogue Management (11)		21,915,857	21.75%
Pogue Shareholders (12)		21,915,857	21.75%
Pogue Capital Intl. Ltd. (13)		5,133,200	5.02%
MCP Global Corp. Ltd. (14)		5,133,200	5.02%
ISIS Capital Management, LLC (15)		30,000,000	23.6%
ISIS Acquisition Partners II			

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LLC (16)	30,000,000	23.6%
Maurice and Stacey Gozlan (17)	5,111,112	5.03%
Mirco Teta (18)	14,000,000	12.6%
Noah Clark (19)	12,000,000	9.34%

* Indicates less than one percent.

(1) As used in this table, a beneficial owner of a security includes any person who, directly or indirectly, through contract, arrangement, understanding,

relationship or otherwise has or shares (a) the power to vote, or direct the voting of, such security or (b) investment power which includes the power to dispose, or to direct the disposition of, such security. In addition, a person is deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security within 60 days.

(2) Rodney A. Bienvenu, Jr. Amount includes the securities or rights to acquire securities held by ISIS Acquisition Partners II LLC ("IAP II") or deemed to be held by ISIS Capital Management, LLC ("ISIS") as described in footnotes 15 and 16 below. Mr. Bienvenu is a managing member of ISIS. Mr. Bienvenu may be deemed to have voting and investment power with respect to shares beneficially owned by IAP II and/or ISIS and disclaims beneficial ownership of such shares, except to the extent of his respective proportionate pecuniary interest therein.

(3) Gus Bottazzi. Amount includes vested options to acquire 200,000 shares of common stock at an exercise price of \$0.25 per share.

(4) Ernest C. Mysogland. Amount includes the securities or rights to acquire securities held by ISIS Acquisition Partners II LLC ("IAP II") or deemed to be held by ISIS Capital Management, LLC ("ISIS") as described in footnotes 15 and 16 below. Mr. Mysogland is a managing member of ISIS. Mr. Mysogland may be deemed to have voting and investment power with respect to shares beneficially owned by IAP II and/or ISIS and disclaims beneficial ownership of such shares, except to the extent of his respective proportionate pecuniary interest therein.

(5) Michael D. Liss. Amount includes options to acquire 625,000 shares of common stock at an exercise price of \$0.13 per share, such options having vested or which will vest with 60 days.

(6) Malcolm Coster is a citizen of the United Kingdom whose principle residential address is 46 Golf Side, Sutton, Surry, SM27EZ, UK. Amount includes warrants to acquire 2,000,000 shares of common stock, at an exercise price of \$0.18 per share.

(7) Carnegie Entities. The "Carnegie Entities" and the Carnegie Fund, and the Carnegie Worldwide/Emerging Growth fund. The address for the Carnegie Entities is 5 Place de la Gare, PO Box 1141, L 1001, Luxembourg. Amount includes 610 shares of Series B Preferred Stock, which is convertible into 12,200,000 shares of Common Stock, and warrants to acquire 800,000 shares of Common Stock at an exercise price of \$0.33 per share.

(8) Lemire Corp. The Toro Trust is the owner and controlling shareholder of Lemire Corp., and makes all the investment decisions for Lemire Corp. The Toro Trust is an irrevocable trust the beneficiary of which is the adult son of Mr. John A. Roberts. Mr. Roberts is not the trustee of the trust and does not make

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the investment decisions of the trust. Mr. Roberts' son does not live with Mr. Roberts. Mr. Roberts therefore denies beneficial ownership of the shares owned by Lemire Corporation. Lemire Corporation has its registered offices at Calle 54, Avenida Samuel Lewis, Urbanizacion Obarrio, Panama, Republic of Panama. The Toro Trust has its registered office at Bergstrasse 389, P.O. Box 777, 9497 Triesenberg, Principality of Liechtenstein. Mr. John A. Roberts is the controlling shareholder of Resolute Securities Limited, which owns 2,837,500 shares of the Company's common stock, representing 2.92% of the common stock, for the benefit of Mr. Roberts. Mr. Roberts makes all the investment decisions for Resolute Securities Limited. Mr. Roberts is deemed to be the beneficial owner of the shares owned by Resolute Securities Limited. Resolute Securities Limited has its offices at The Private Trust Corporation Ltd., Charlotte House, Charlotte Street, P.O. Box N-65, Nassau, Bahamas.

(9) Leonid Primak. Mr. Primak was a founder of WARP Solutions, Inc. but is no longer an officer or director of that company. Mr. Primak's address is 284 Mott Street, New York, N.Y.

(10) Mai N. Pogue. Ms. Pogue, jointly with her husband, Gerald A. Pogue, owns 75,420 shares of Series B Preferred Stock, which is convertible into 1,508,400 shares of Common Stock, and warrants to acquire 209,500 shares of Common Stock at an exercise price of \$0.33 per share. In addition, the amount includes securities held by the Pogue Shareholders as described in footnote 11 and 12 below.

(11) Pogue Management. Pogue Capital Management, Inc. ("Pogue Management") directly holds warrants to acquire 63,000 shares of Common Stock at an exercise price of \$0.33 per share. In addition, the amount includes securities held by the Pogue Shareholders as described in footnote 12 below. Pogue Management manages or advises the Pogue Shareholders. Mai N. Pogue is the President of Pogue Management. Pogue Management's address is 7851 Fisher Island Drive, Fisher Island, Florida, 33109. Due to Pogue Management's management of the Pogue Shareholders, Pogue Management and Mai N. Pogue may be deemed to have voting and investment power with respect to shares beneficially owned by the Pogue Shareholders. Pogue Management and Ms. Pogue disclaim beneficial ownership of such shares, except to the extent of their respective proportionate pecuniary interest therein.

(12) Pogue Shareholders. The "Pogue Shareholders" are defined as follows: (i) Mai N. and Gerald A. Pogue; (ii) Pogue Management; (iii) Pogue Capital Intl. Ltd.; (iv) MCP Global Corp. Ltd.; (v) Pam Investments; (vi) Pogue Capital FBO Susan Rho; (vii) OXA Trade and Finance, Inc.; (ix) Chahram Pahlavi; (x) Charles Kleinow; and (xi) Domencio Schinella. The amount includes amounts held by all the Pogue Shareholders, as follows: (i) the amounts held by Mai N. and Gerald A. Pogue as described in footnote 10 above; (ii) the amounts held by Pogue Management as described in footnote 11 above; (iii) the amounts held by Pogue Capital Intl. Ltd. as described in footnote 13 below; (iv) the amounts held by MCP Global Corp. Ltd. as described in footnote 14 below; (v) 75,420 shares of Series B Preferred Stock, which is convertible into 1,508,400 shares of Common Stock, and warrants to acquire 209,500 shares of Common Stock at an exercise price of \$0.33 per share, held by Pam Investments; (vi) 22.68 shares of Series B Preferred Stock, which is convertible into 453,600 shares of Common Stock, held by Pogue Capital FBO Susan Rho; (vii) 100 shares of Series B-2 Preferred Stock convertible into 2,000,000 shares of Common Stock and warrants to acquire 100 shares of Series B-2 Preferred Stock, at an exercise price of \$1,000 per share, which would be convertible into 2,000,000 shares of common stock, held by OXA Trade and Finance, Inc. (ix) 75,420 shares of Series B Preferred Stock, which is convertible into 1,508,400 shares of Common Stock, and warrants to acquire 209,500 shares of Common Stock at an exercise price of \$0.33 per share held by Chahram Pahlavi; (x) 75,420 shares of Series B Preferred Stock, which is

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convertible into 1,508,400 shares of Common Stock, and warrants to acquire 209,500 shares of Common Stock at an exercise price of \$0.33 per share held by Charles Kleinow; and (xi) 25.20 shares of Series B Preferred Stock, which is convertible into 504,000 shares of Common Stock, and warrants to acquire 70,000 shares of Common Stock at an exercise price of \$0.33 per share held by Domencio Schinella.

(13) Pogue Capital Intl. Ltd. holds 225.36 shares of Series B Preferred Stock, which is convertible into 4,507,200 shares of Common Stock, and warrants to acquire 626,000 shares of Common Stock at an exercise price of \$0.33 per share.

(14) MCP Global Corp. Ltd. Holds 225.36 shares of Series B Preferred Stock, which is convertible into 4,507,200 shares of Common Stock, and warrants to acquire 626,000 shares of Common Stock at an exercise price of \$0.33 per share.

(15) ISIS Capital Management, LLC. The amount includes the securities or rights to acquire securities held by ISIS Acquisition Partners, LLC as

described in footnote 16 below. ISIS is the managing member of IAP II. ISIS may be deemed to have voting and investment power with respect to shares beneficially owned by IAP II and disclaims beneficial ownership of such shares, except to the extent of its respective proportionate pecuniary interest therein.

(16) ISIS Acquisition Partners, LLC ("IAP II") holds the following securities or rights to acquire securities: (i) 250 shares of Series B-2 Preferred Stock convertible into 5,000,000 shares of Common Stock; (ii) warrants to acquire 250 shares of Series B-2 Preferred Stock, at an exercise price of \$1,000 per share, which would be convertible into 5,000,000 shares of common stock; (iii) the right under that certain Series B-2 Preferred Stock Purchase Agreement to acquire (a) 500 shares of Series B-2 Preferred Stock convertible into 10,000,000 shares of Common Stock, and (b) warrants to acquire 500 shares of Series B-2 Preferred Stock, at an exercise price of \$1,000 per share, which would be convertible into 10,000,000 shares of common stock.

(17) Maurice and Stacey Gozlan. Maurice and Stacey Gozlan jointly hold 555,556 shares of common stock, 200 shares of Series B Preferred Stock, which is convertible into 4,000,000 shares of Common Stock, and warrants to acquire 555,556 shares of Common Stock at an exercise price of \$0.33 per share. The address for Maurice and Stacey Gozlan is 3422 NE 166TH St., N. Miami, Florida, 33163.

(18) Mirco Teta. Mr. Teta has the obligation under that certain Series B-2 Preferred Stock Purchase Agreement, at the final closing thereunder, to purchase (a) 350 shares of Series B-2 Preferred Stock which would be convertible into 7,000,000 shares of Common Stock, and (b) warrants to acquire 350 shares of Series B-2 Preferred Stock, at an exercise price of \$1,000 per share, which would be convertible into 7,000,000 shares of common stock. Mr. Teta currently owns no shares in the Company. Mr. Teta's address is 99 South Park Avenue #31, Rockville Centre, NY 11570.

(19) Noah Clark. Mr. Clark has the obligation under that certain Series B-2 Preferred Stock Purchase Agreement, at the final closing thereunder, to purchase (a) 250 shares of Series B-2 Preferred Stock which would be convertible into 5,000,000 shares of Common Stock, and (b) warrants to acquire 250 shares of Series B-2 Preferred Stock, at an exercise price of \$1,000 per share, which would be convertible into 5,000,000 shares of common stock. Mr. Clark currently owns no shares in the Company. Mr. Clark's address is at 4225 New Forest Drive, Plano, TX 75093.

Securities Authorized for Issuance Under Equity Compensation Plans.

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The following table sets forth as of June 30, 2004, certain information regarding the securities authorized for issuance under the 2002 Stock Incentive Plan, which is the sole equity compensation plan of the Company.

Equity Compensation Plan Information

Plan Category	Number Of Securities To Be Issued Upon Exercise Of Outstanding Options, Warrants And Rights (a)	Weighted-Average Exercise Price Of Outstanding Options, Warrants And Rights (b)
Equity compensation plans approved by security holders.	0	0
Equity compensation plans not approved by security holders.	9,033,318	\$0.22
Total	9,033,318	\$0.22

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

None.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Aggregate fees billed to the Company for the year ended June 30, 2004 by the accounting firms retained during the year, Ernst & Young LLP and Mahoney Cohen & Company, CPA, P.C., see Item 8 of the registrant's Annual Report on Form 10-KSB for the year ended June 30, 2004, and aggregate fees billed for the year ended June 30, 2003 by the accounting firm Ernst & Young LLP.

	Year Ended June 30, 2004	Year Ended June 30, 2003
Audit Fees (a)	\$ 105,000	\$ 160,000
Audit Related Fees (b)	\$ 15,000	\$ 61,000

(a) Includes fees in connection with the audit of the Company's consolidated financial statements and reviews of the consolidated financial statements included in the Company's Quarterly Reports on Form 10-Q.

(b) Includes fees for the audit of the Company's acquisition in 2003 and the review of the company's registration statement filings in 2004.

SIGNATURES

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

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Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

October 27, 2004

WARP TECHNOLOGY HOLDINGS INC

By: /s/ Rodney A. Bienvenu, Jr.

Rodney A. Bienvenu, Jr., CEO, Chairman
as Registrant's duly authorized 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/ Rodney A. Bienvenu, Jr.

Rodney A. Bienvenu, Jr.
Chairman, Chief Executive
Officer and Director
October 27, 2004

/s/ Gus Bottazzi

Gus Bottazzi
President, Director
October 27, 2004