

SCOOBEEZ GLOBAL, INC.

(OTC Pink Basic Disclosure Guidelines)

(information herein is unaudited)

1) NAME OF THE ISSUER AND ITS PREDECESSORS (IF ANY)

Scoobeez Global, Inc. previously known as ABT Holdings, Inc. (the "Company") was incorporated under the laws of the state of Idaho in 1957 under the original name of Abot Mining Company. The Company's legal name was changed to ABT Mining Co. Inc. on March 12, 2007, then again to ABT Holdings, Inc. on August 14, 2015. Effective February 22, 2017, the Company's legal name was changed to Scoobeez Global, Inc. on February 20, 2017 pursuant to Section 53-504 of Idaho Code and the Company's Articles of Incorporation.

2) ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES

Company Headquarters

3463 Foothill Blvd,
Glendale, CA 91214
T: +1 844.726.6233
E: ir@abtholdings.com
W: www.abtholdings.com

Scoobeez Headquarters

3463 Foothill Blvd,
Glendale, CA 91214
T: +1 844.726.6233
E: partners@scoobeez.com
W: www.scoobeez.com

IR Contact

ir@scoobeez.com

3) SECURITY INFORMATION

Common Stock

Trading Symbol: SCBZ

Exact title and class of securities outstanding: Common

CUSIP: 809135106

Par or Stated Value: 0.0001

Total shares authorized: 1,200,000,000 as of: December 31, 2018

Total shares outstanding: 167,986,270 as of: December 31, 2018

Preferred Stock

Trading Symbol: None

Exact title and class of securities outstanding: Series A Preferred

CUSIP: None

Par or Stated Value: 0.001

Total shares authorized: 25,000,000

Total shares outstanding: 22,021,000

Transfer Agent

Name: West Coast Stock Transfer, Inc

Address 1: 721 N. Vulcan Ave., Ste. 205

Address 2: Encinitas, CA 92024

Phone: 619-664-4783

Is the Transfer Agent registered under the Exchange Act?* Yes: No:

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None.

Describe any trading suspension orders issued by the SEC in the past 12 months.

None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

4) ISSUANCE HISTORY

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

COMMON STOCK AFTER APRIL 6, 2016

On April 21, 2016, the Company issued 2,400,000 shares to Richard Dolan for an investment of \$350,000.

On April 21, 2016, the Company issued 560,000 shares to The Silard Family Trust for settlement related to the subsidiary of the Company

On July 23, 2016, the Company issued 67,300 shares to unrelated parties for settlement related to the subsidiary of the Company.

On June 30, 2016, the Company issued 975,000 shares as a final settlement to Peter Rosenthal to settle all promissory notes dated September 21, 2015, September 24, 2015, and October 1, 2015.

PREFERRED STOCK, WARRANTS, AND CONVERTIBLE NOTES AFTER APRIL 6, 2016

On October 7, 2016, the Board of Directors have determined that it is advisable and in the best interests of the Company to amend the Certificate of Designation, Preference, and Rights of Series A Preferred Stock (the "Series A COD"). The Amendment was to increase the number of authorized shares of Series A Preferred Stock, par value \$0.001 per share, from 20,000,000 to 25,000,000.

On October 7, 2016, the Company agreed to sell, and Hillair Capital Investments L.P ("Hillair"), severally and not jointly, agreed to purchase, up to an aggregate of \$5,800,000 in Principal Amount of the Debentures (corresponding to an aggregate Subscription Amount of up to \$5,000,000). The Company issued a Warrant registered in the name of Hillair to purchase up to certain number of shares of Common Stock equal to 100% of the initial Principal Amount of the Debenture to be issued to Hillair divided by \$0.50, with an exercise price per share equal to \$0.50.

In connection to the above transaction, Mr. Shahan Ohanessian ("Mr. Ohanessian") entered certain Assignment Agreement dated as of October 7, 2016, by and between Mr. Ohanessian and Hillair. According to which Mr. Ohanessian assigned 1,650,000 shares of the Company's Series A Preferred Stock to Hillair (the "Assignment").

On October 21, 2016, the Company reissued to Mr. Ohanessian 1,650,000 shares of the Company's Series A Preferred Stock to compensate him for the Subject Shares. As of December 31, 2016, and December 31, 2015, the Company has 167,986,266 and 154,569,137 shares of common stock, respectively and 21,650,000 and 20,000,000 shares of preferred stock, respectively issued and outstanding.

On January 30, 2017, the Company issued a combined Senior Secured Convertible Debenture ("CN") for \$8,294,000 with Hillair Capital Investment L.P. ("Lender"). This CN combines previous Senior Secured Convertible Debenture ("CN") for \$5,800,000 issued on October 7, 2016. This CN has a quarterly interest only payment that bears interest at a rate of 8% per annum.

For CN dated January 30, 2017, the Company issued a Securities Purchase Agreement to the lender, which consists of issuing 371,200 shares of Series A Preferred stock and warrants to purchase up to 5,568,000 Company's common stock with an exercise price of \$0.50, exercisable on or before the expiration date.

The Company conducted due diligence and found inconsistencies in the total balances of the note documents that Hillair had provided. The Company is in the process of working with Hillair to identify the correct amount of the combined loans, as the terms were negotiated and signed electronically by the former CFO. There may be a markdown of the total amount of the loan due to moneys missing and/or renegotiating of the entire note. The Company is in an ongoing negotiations with Hillair to modify the note.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Consolidated Balance Sheets as of December 31, 2018 and December 31, 2017 (Unaudited)	F-2
Consolidated Statements of Operations for the Year Ended December 31, 2018 and 2017 (Unaudited)	F-3
Consolidated Statements of Stockholders' Deficit for the Year Ended December 31, 2018 (Unaudited)	F-4
Consolidated Statements of Operations for the Year Ended December 31, 2018 and 2017 (Unaudited)	F-5
Notes to the Consolidated Financial Statements (Unaudited)	F-6

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Assets		
Current assets:		
Cash	\$ 1,689,167	\$ 504,844
Accounts receivable, net	1,621,271	4,115,656
Related party advances	446,943	1,547,637
Other current assets	-	17,500
Current assets	3,757,382	6,185,637
Property and equipment, net	885,042	136,036
Acquired intangible assets, net	-	58,445
Other assets	216,451	85,253
Goodwill	1,415,779	1,421,207
Total assets	<u>\$ 6,274,654</u>	<u>\$ 7,886,579</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 17,876,300	\$ 13,597,254
Accrued liabilities	408,803	908,357
Merchant financing	447,832	899,498
Lease obligation - current	-	20,113
Notes payable - current	527,824	668,474
Convertible notes payable - current	4,445,136	4,773,558
Related party notes payable	-	224,138
Current liabilities	23,705,895	21,091,392
Related party notes payable - current	-	1,323,500
Total liabilities	23,705,895	22,414,892
Preferred stock, par value \$0.001, 20,000,000 shares authorized, 20,000,000 issued and outstanding	22,021	22,021
Common stock, par value \$0.0001, 1,200,000,000 shares authorized; 167,986,270 and 163,373,273 shares issued and outstanding, as of March 31, 2018 and December 31, 2017, respectively	16,800	16,800
Additional paid-in capital	17,940,117	17,940,117
Accumulated deficit	(34,170,538)	(31,273,219)
Total parent stockholders' deficit	(16,191,600)	(13,294,281)
Noncontrolling interest	(1,239,642)	(1,234,032)
Total stockholders' deficit	(17,431,242)	(14,528,313)
Total liabilities and stockholders' deficit	<u>\$ 6,274,654</u>	<u>\$ 7,886,579</u>

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

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	<u>Year Ended, December 31, 2018</u>	<u>Year Ended, December 31, 2017</u>
Revenues	\$ 39,853,392	\$ 36,464,761
Cost of revenues	31,433,190	33,646,391
Gross profit	8,420,202	2,818,370
Operating expenses:		
General and administrative (includes stock based compensation of \$0 and \$0, respectively)	7,117,312	7,864,294
Sales and marketing	-	52,814
Depreciation and amortization	129,246	133,480
Total operating expenses	7,246,558	8,050,588
Operating Income (Loss)	1,173,644	(5,232,218)
Other income (expense):		
Interest expense	(4,071,470)	(5,799,841)
Other expense	(5,103)	(1,347,223)
Loss from impairment of asset	-	(3,567)
Total other expense	(4,076,572)	(7,150,631)
Gain (Loss) before provision for income taxes	(2,902,929)	(12,382,849)
Provision for income taxes	-	(148,365)
Net Gain (Loss)	\$ (2,902,929)	\$ (12,234,484)
Net Income (Loss) attributable to noncontrolling interest	(5,610)	(660,786)
Net Gain (Loss) attributable to controlling interest	<u>\$ (2,897,320)</u>	<u>\$ (11,573,698)</u>
Net loss per common share, basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.07)</u>
Weighted average number of common shares outstanding - basic and diluted	<u>167,986,270</u>	<u>167,986,270</u>

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

SCOOBZ GLOBAL, INC. (FORMERLY KNOWN AS ABT HOLDINGS, INC.) CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Preferred stock		Common stock		Additional Paid-in Capital	Accumulated Deficit	Total Parent Stockholders' Deficit	Noncontrolling interest	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount					
December 31, 2017	22,021,200	\$ 22,021	167,984,622	\$ 16,800	\$ 17,940,117	\$ (31,273,219)	\$ (13,294,281)	\$ (1,234,032)	\$ (14,528,313)
Net loss (income)	-	-	-	-	-	(2,897,320)	(2,897,320)	-	(2,897,320)
Net income attributable to noncontrolling	-	-	-	-	-	-	-	(5,608)	(5,608)
December 31, 2018	22,021,200	\$ 22,021	167,984,622	\$ 16,800	\$ 17,940,117	\$ (34,170,539)	\$ (16,191,601)	\$ (1,239,640)	\$ (17,431,242)

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

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	<u>Year Ended, December 31, 2018</u>	<u>Year Ended, December 31, 2017</u>
OPERATING ACTIVITIES		
Net Gain (loss)	\$ (2,902,929)	\$ (12,234,484)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	129,246	133,480
Changes in operating assets and liabilities:		
Accounts receivable	2,494,385	(781,714)
Prepaid and other current assets	17,500	12,044
Other assets	(131,196)	(46,753)
Accounts payable	4,279,046	8,478,810
Accrued liabilities	(499,555)	(999,839)
Deferred revenue	-	(150,005)
Lease obligation		(48,000)
Settlement liability	-	(420,000)
NET CASH USED IN OPERATING ACTIVITIES	<u>3,386,496</u>	<u>(6,056,461)</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(814,380.3)	(6,164)
Acquisition of business, net of cash received	-	3,290
NET CASH USED IN INVESTING ACTIVITIES	<u>(814,380.3)</u>	<u>(2,874)</u>
FINANCING ACTIVITIES		
Proceeds from sales of common stock	-	1,627,946
Proceeds from (payments to) line of credit	-	(281,699)
Proceeds from merchant financing	(451,666)	(3,728)
Proceeds from notes payable	(140,648)	140,650
Proceeds from convertible notes payable	-	3,726,748
Proceeds from related party notes payable	(1,547,638)	-
Payments on convertible notes payable	(328,422)	-
Payments on lease obligation	(20,113)	(129,813)
Advance from (to) shareholder	1,100,694	971,867
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>(1,387,793)</u>	<u>6,051,971</u>
NET INCREASE (DECREASE) IN CASH	1,184,323	(7,364)
CASH AT BEGINNING OF PERIOD	<u>504,844</u>	<u>512,208</u>
CASH AT END OF PERIOD	<u>\$ 1,689,167</u>	<u>\$ 504,844</u>
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
CASH PAID FOR:		
Interest	<u>\$ 487,553</u>	<u>\$ 741,539</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Preferred stock issued for debt discount	<u>\$ -</u>	<u>\$ 371</u>
Conversions of notes payable into common stock	<u>\$ -</u>	<u>\$ 1,924,602</u>

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

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. BUSINESS DESCRIPTION AND NATURE OF OPERATIONS

Scoobeez Global, Inc. (the "Company"), was incorporated under the laws of the state of Idaho in 1957 under the original name of Abot Mining Company. The Company's legal name was changed to ABT Mining Co. Inc. on March 1, 2007. Effective August 14, 2015, the Company's legal name was changed to ABT Holdings, Inc. Effective February 22, 2017, the Company's legal name was changed to Scoobeez Global, Inc. on February 20, 2017 pursuant to Section 53-504 of Idaho Code and the Company's Articles of Incorporation.

The Company's overall business strategy is to operate as a diversified holding company, which is primarily engaged in investing, acquiring, developing, operating and growing various businesses that will generate attractive returns, and provide significant free cash flow to the Company in order to maximize value of its shareholders. Consequently, during the Year ended December 31, 2018, the Company took a more diversified approach to its current and future operations, which include, but are not limited to, acquisitions of advanced technology driven assets and businesses that improve value and productivity in critical areas of the value chain, enhance the life of end-users and customer experiences, and positively impact local and global commerce as it is rolled out in the domestic and international markets.

The Company's target portfolio companies are designed to be market leaders in their respective sectors by providing critical products and services that enable them to re-imagine the current revenue model, improve customer service, and streamline the decision-making process.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements includes the accounts of ABT Holdings, Inc. and Scoobeez, Inc. ("Scoobeez"), excluding the 9% non-controlling interest at December 31, 2018. All significant intercompany accounts and transactions have been eliminated. The consolidated statements of operations include the results of entities acquired from the date of the acquisition for accounting purposes.

The summary of significant accounting policies presented below is designed to assist in understanding the Company's unaudited condensed financial statements. Such unaudited condensed financial statements and accompanying notes are the representations of the Company's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America ("GAAP") in all material respects, and have been consistently applied in preparing the accompanying unaudited condensed financial statements.

Unaudited Interim Financial Information

The accompanying interim consolidated balance sheet as of December 31, 2018, the consolidated statements of operations, and cash flows for the Year ended December 31, 2018 and 2017, and the related information contained in the notes to the consolidated financial statements are unaudited. These unaudited interim financial statements and notes have been prepared on the same basis as the audited financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the Company's consolidated financial position as of December 31, 2018, and its results of operations and cash flows for the Year ended December 31, 2018 and 2017. The results of operations for the Year ended December 31, 2018 are not necessarily indicative of the results to be expected for any other interim period or for any other future year.

Non-Controlling Interests

Non-controlling interests represent the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent. The Company's accompanying consolidated financial statements include all assets, liabilities, revenues and expenses at their consolidated amounts, which include the amounts attributable to the Company and the non-controlling interest. The Company recognizes as a separate component of equity and earnings the portion of income or loss attributable to non-controlling interests based on the portion of the entity not owned by the Company.

The Company adopted the provisions of the Financial Accounting Standards Board's ("FASB") authoritative guidance regarding non-controlling interests in consolidated financial statements. The guidance requires the Company to clearly identify and present ownership interests in subsidiaries held by parties other than the Company in the consolidated financial statements within the equity section. It also requires the amounts of consolidated net earnings attributable to the Company and to the non-controlling interests to be clearly identified and presented on the face of the consolidated statements of operations. At December 31, 2018, the Company owned 91% of Scoobeez and 9% is owned by the former individual shareholders; see Note 5 for additional information.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Financial Statement Preparation and Use of Estimates

The Company's consolidated financial statements were prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the financial statements, as well as the reported amounts of revenue and expenses during the periods presented. Estimates include revenue recognition, the allowance for doubtful accounts, website and internal-use software development costs, goodwill, depreciable lives of property and equipment, recoverability of intangible assets with finite lives and other long-lived assets, legal contingencies and stock-based compensation. Actual results could materially differ from these estimates.

Cash and Cash Equivalents

Cash includes demand deposits with banks or financial institutions. Cash equivalents include short-term, highly liquid investments that are both readily convertible to known amounts of cash, and that are so near their maturity that they present minimal risk of changes in value because of changes in interest rates. The Company's cash equivalents include only investments with original maturities of three months or less. The Company regularly maintains cash in excess of federally insured limits at financial institutions.

Accounts Receivable

Accounts receivable primarily represents the amount due from one customer for which almost all of our revenues are generated. Receivables from this customer are due on a net 30 days basis. There is significant doubt around the validity of the amount of accounts receivable due to lack of transparency by the counterparty, to which the amount is potentially owed. Items such as workers' compensation, interest, one-time expenses that are communicated to the Company without support of breakdown of detail give Company's management reason to believe the amount owed is far less than presented. The Company is in the process of conducting deep due diligence with the counterparty to assess the exact value owed. Bad debt expense for the Year ended December 31, 2018 and 2017 was not significant.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed principally on the straight-line method over the estimated useful life of each type of asset which ranges from three to five years. Leasehold improvements are depreciated over the life of the asset or the corresponding lease agreement, whichever is shorter. Major improvements are capitalized, while expenditures for repairs and maintenance are expensed when incurred. Upon retirement or disposition, the related costs and accumulated depreciation are removed from the accounts, and any resulting gains or losses are credited or charged to income.

Intangible Assets

Intangible assets with finite useful lives are amortized using the straight-line method over their useful lives and are reviewed for impairment. The Company evaluates intangible assets and other long-lived assets for impairment whenever events or circumstances indicate that they may not be recoverable, or at least annually. Recoverability is measured by comparing the carrying amount of an asset group to the future undiscounted net cash flows expected to be generated by that asset group. If this comparison indicates impairment, the amount of impairment to be recognized is calculated as the difference between the carrying value and the fair value of the asset group, generally measured by discounting estimated future cash flows. There were no impairment indicators present during the Year ended December 31, 2018.

Goodwill

Goodwill represents the excess of the cost of an acquired business over the fair value of the assets acquired at the date of acquisition. Absent any special circumstances that could require an interim test, the Company has elected to test for goodwill impairment at September 30 of each year. The Company tests for impairment using a two-step process. The first step of the goodwill impairment test identifies if there is potential goodwill impairment. If step one indicates that an impairment may exist, a second step is performed to measure the amount of the goodwill impairment, if any, by comparing the implied fair value of goodwill with the carrying amount. If the implied fair value of goodwill is less than the carrying amount, a write-down is recorded. The Company determined there was no significant goodwill impairment during the Year ended December 31, 2018 and 2017.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

In addition to defining fair value, the standard expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which is determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 – inputs are based upon significant observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The carrying value of the Company’s financial assets and liabilities, which consist of cash, prepaid expenses and other current assets, accounts payable and accrued liabilities, advances from related parties and notes payable, approximate their fair value due to the short maturity of such instruments. The Company does not have any level 2 or 3 financial instruments. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, exchange, or credit risks arising from these financial instruments.

Lease Incentive Receivable and Liability

For the Company’s operating leases, the Company recognizes rent expenses on a straight-line basis over the term of the leases. Accordingly, the Company records the difference between cash rent payments and the recognition of rent expenses as a lease incentive liability in the consolidated balance sheets. The Company has landlord-funded leasehold improvements that are recorded as lease incentive receivable which are being amortized as a reduction of rent expense over the non-cancelable terms of the operating leases.

Revenue Recognition

On-Demand Delivery Business

In general, the Company recognizes revenue when (i) persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered to the customer, (iii) the fee is fixed or determinable and (iv) collectability is reasonably assured. The Company considers a signed agreement, a binding contract with the customer or other similar documentation reflecting the terms and conditions under which products or services will be provided to be persuasive evidence of an arrangement.

The Company generates local revenues primarily when customers place an order for delivery through our website, our mobile application or one of the Company’s listed phone numbers. Revenues are generally recognized as soon as our Delivery Associate (“DA”) makes the delivery.

Scoobeez generates revenues from the Enterprise Client when the Enterprise Client’s customer or end-user places an order on the platform through their mobile applications for a two-hour delivery or one-hour delivery, and those order requests (“Deliverables”) are delivered by Scoobeez’s DAs in coordination with Scoobeez’s Dispatcher or Enterprise Client’ designees from delivery stations, sort centers, fulfillment centers, and/or other distribution points (including merchant locations) (collectively known as the “Distribution Points”). These deliverables are accepted by Scoobeez Monday through Sunday, 363 days a year, at times and days designated by our Enterprise Client. Revenue is recognized once delivery is made.

Tips received by our DAs are reimbursed by the Enterprise Client and paid out to DAs. The Company recognizes these tips as flow throw income and expenses.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

In accordance with Accounting Standards Codification ("ASC") 605-45, Principal Agent Considerations, the gross sales of the Service Provider will be included/consolidated with the Company's revenues. The amount of revenue recorded by the Company is based on the entire amount generated from the reports between Scoobeez and Enterprise Client or other similar business or enterprise customers. The contractual rates with the Service Provider will be paid to the Service Provider and will be recorded as Cost of Sales. The administrative costs incurred for processing the transactions and providing support services are included in General and Administrative expenses in the consolidated statements of operations.

Other costs of revenue consist of mainly the labor costs of dispatchers and drivers.

Concentrations of Credit Risk

Cash

The Company maintains its cash balances at a single financial institution. The balance may at times exceed insured limits.

Revenues

During the Year ended December 31, 2018 and 2017, the Company has one significant customer. Revenues generated from this single customer represented approximately 99% and 98% of total revenue for the Year ended December 31, 2018 and 2017, respectively. Approximately 98% of accounts receivable was due from this single customer at December 31, 2018 and December 31, 2017. The loss of this customer would have a significant impact on the Company's operations.

Accounts Payable

There is significant doubt around the validity of the amount of accounts payable due to lack of transparency by the counterparty, to which the amount is potentially owed. Items such as workers' compensation, interest, one-time expenses that are communicated to the Company without support of breakdown of detail give Company's management reason to believe the amount owed is far less than presented. The Company is in the process of conducting deep due diligence with the counterparty to assess the exact value owed.

Legal Proceedings

The Company is currently involved in certain legal proceedings. The Company discloses a loss contingency if there is at least a reasonable possibility that a material loss has been incurred. The Company records its best estimate of a loss related to pending legal proceedings when the loss is considered probable and the amount can be reasonably estimated. Where a range of loss can be reasonably estimated with no best estimate in the range, the Company records the minimum estimated liability. As additional information becomes available, the Company assesses the potential liability related to pending legal proceedings and revises its estimates and updates its disclosures accordingly. The Company's legal costs associated with defending itself are recorded to expense as incurred.

Basic and Diluted Loss per Share

The Company follows ASC 260, Earnings Per Share, to account for earnings per share. Basic earnings per share ("EPS") calculations are determined by dividing net loss by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive, they are not considered in the computation. As of December 31, 2018, the Company had 300 million potentially dilutive shares related to 20 million preferred shares which were excluded from the diluted net loss per share as the effects would have been anti-dilutive. As of December 31, 2018, the Company had approximately 778.4 million potentially dilutive shares related to four convertible notes and 20 million preferred shares which were excluded from the diluted net loss per share as the effects would have been anti-dilutive.

Recent Accounting Pronouncements

In November 2016, the FASB issued Accounting Standards Update ("ASU") 2016-17, Income Taxes – Balance Sheet Classification of Deferred Taxes. The purpose of the standard is to simplify the presentation of deferred taxes on a classified balance sheet. Under current GAAP, deferred income tax assets and liabilities are separated into current and noncurrent amounts in the balance sheet. The amendments in ASU 2016-17 require that all deferred tax assets and liabilities be classified as noncurrent in the balance sheet. The ASU is effective beginning in the first quarter of 2017, but with early adoption permitted, and may be applied either prospectively or retrospectively. The Company has elected to early adopt ASU 2016-17 on a retrospective basis effective in the fourth quarter of 2016. The adoption of ASU 2016-17 impacted the presentation of the Company's deferred tax assets and liabilities in the consolidated balance sheets and certain disclosures, but did not have an impact on the results of operations or cash flow fair values. See Note 16 for further details.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), which supersedes the revenue recognition requirements in Topic 605, Revenue Recognition, including most industry-specific requirements. ASU 2014-09 establishes a five-step revenue recognition process in which an entity will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU 2014-09 also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenues and cash flows from contracts with customers. In August 2016, the FASB issued ASU 2016-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, which defers the effective date of ASU 2014-09 by one year. ASU 2014-09 will be effective for the Company in the first quarter of 2018. Management is currently evaluating the impact the adoption of ASU 2014 - 09 will have on the Company's consolidated financial position, results of operations or cash flows. The Company currently anticipates applying the modified retrospective approach when adopting the standard.

In August 2014, the FASB issued ASU No. 2014-15, Presentation of Financial Statements Going Concern, which requires management to evaluate, at each annual and interim reporting period, whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date the financial statements are issued and provide related disclosures. ASU 2014-15 is effective for annual periods ending after December 15, 2017 and interim periods thereafter. The guidance is not expected to have a material impact on the Company's consolidated financial statements.

In April 2016, FASB issued ASU 2016-03, Simplifying the Presentation of Debt Issuance Costs, which changes the presentation of debt issuance costs in financial statements. ASU 2016-03 requires an entity to present such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. Amortization of debt issuance costs will continue to be reported as interest expense. ASU 2016-03 is effective for annual reporting periods beginning after December 15, 2016. The guidance did not have a material impact on the Company's consolidated financial statements.

In February 2017, the FASB issued ASU 2017-02, Leases (Topic 840), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this standard are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for a public entity. Early adoption of the amendments in this standard is permitted for all entities and the Company must recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Company is conducting this guidance on its consolidated financial statements and related disclosures.

Other

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the United States Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 3. GOING CONCERN

The Company's consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company reported a net loss of approximately \$2,903,000 (excluding noncontrolling interest) and an accumulated deficit of approximately \$34,171,000 for the Year ended December 31, 2018. These factors raise substantial doubt for the Company to continue as a going concern.

The Company's ability to continue as a going concern may be dependent on the success of management's plans discussed below. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

To the extent the Company's operations are not sufficient to fund the Company's capital requirements, the Company may attempt to enter into a revolving loan agreement with financial institutions or attempt to raise capital through the sale of additional capital stock or through the issuance of debt. In October 2016 and January 2017, the Company issued a convertible debenture in the amount of \$5,800,000 and \$2,494,000 respectively with an investment company, which was used to fund growth in operations and pay debts. The Company intends to continue its efforts in growing its facilities service operations, as well as raising funds through private placement offering and debt financing.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 4. OTHER CURRENT ASSETS AND OTHER ASSETS

At December 31, 2018, other assets consist of approximately \$62,128 in utility deposit, \$12,537 in rent security deposits and \$141,785 of prepaid expenses.

NOTE 5. ACQUISITION OF BUSINESS

On August 27, 2015, the Company entered into a formal agreement to purchase 76% of outstanding equity (the "Purchased Shares") of Scoobeez for \$36,000 in cash, a \$60,000 short term note payable and \$1,200,000 in convertible promissory notes totaling \$1,296,000 in consideration. Scoobeez is an "On Demand" door-to-door logistics and delivery service company that primarily utilizes scooters and motorcycles along with cars to facilitate "Same Day" deliveries.

The excess of the consideration transferred in the acquisition over the net amounts assigned to the fair value of the assets acquired was recorded as goodwill, which represents the opportunity to expand the on-demand delivery services and enhance the breadth and depth of the Company's networks. The goodwill related to this acquisition of \$1,424,494 is expected to be deductible for income tax purposes through amortization over 15-year period.

There were no acquisition-related costs incurred to effect the acquisition and no such costs have been expensed during the period. The Company conducted its own internal valuation analysis and no finder's fees; advisory, legal, accounting, valuation, and other professional or consulting fees were paid out. The general administrative costs, including the costs of maintaining acquisition documentation; and costs of registering and issuing debt and equity securities were incurred by the Company.

The assets acquired and liabilities assumed of Scoobeez were recorded at their estimated fair values as of the closing dates of August 27, 2015. The following table summarizes the final purchase price allocation of acquisition-date fair values of the assets and liabilities acquired in connection with the Scoobeez acquisition:

Cash and cash equivalents	\$ 1,419
Loan receivable from officer	14,640
Customer relationships	119,000
Non-compete	55,000
Trademarks	89,000
Goodwill	1,424,494
Accounts payable	(340)
Total purchase price plus cash acquired	<u>1,703,213</u>
Cash acquired	(1,419)
Fair value of non-controlling interest	(407,213)
Fair value of notes payable issued	<u>(1,260,000)</u>
Net cash paid	<u>\$ 34,581</u>

The estimated fair values of the intangible assets acquired was determined based upon a third-party valuation using a combination of the income and cost approaches to measure the fair value of the customer relationships, non-competes and trademarks. The fair value of the non-competes was measured based on variation of income approach, typically a "with-without" enterprise cash flow analysis. The fair value of the trademarks was measured based on the relief from royalty method. The income approach, specifically the residual earnings method, was used to value the customer relationships.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The fair value of non-controlling interest is calculated by multiplying the fair value of the net identifiable assets acquired from Scoobeez by the non-controlling percentage:

Cash and cash equivalents	\$ 1,419
Loan receivable from officer	14,640
Customer relationships	119,000
Non-compete	55,000
Trademarks	89,000
Goodwill	1,418,000
Accounts payable	(340)
Total fair value of net identifiable assets	<u>1,696,719</u>
Non-controlling interest percentage of ownership	<u>24%</u>
Fair value of non-controlling interest	<u>\$ 407,213</u>

On January 22, 2016, the Company purchased an additional 15% of outstanding equity of Scoobeez for \$34,224 in cash in consideration. The fair value of non-controlling interest was reduced proportionally based on the fair value of the additional interest acquired in the amount of \$163,000.

NOTE 6. GOODWILL AND ACQUIRED INTANGIBLE ASSETS

The changes in the carrying amount of goodwill for the Year ended December 31, 2018 were as follows:

	Goodwill	Accumulated Impairment Losses	Net Book Value
Balance as of December 31, 2017	\$ 1,421,207	\$ -	\$ 1,421,207
Acquisitions	-	-	-
Balance as of December 31, 2018	\$ 1,421,207	\$ 4,428	\$ 1,415,779

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The components of acquired intangible assets as of December 31, 2018 and December 31, 2017 were as follows:

	December 31, 2018			December 31, 2017		
	Gross Carrying	Accumulated	Net Carrying	Gross Carrying	Accumulated	Net Carrying
	Amount	Amortization	Value	Amount	Amortization	Value
Customer relationships	\$ 119,000	\$ (119,000)	\$ 0	\$ 119,000	\$ (92,556)	\$ 26,444
Non-compete	55,000	(55,000)	0	55,000	(42,777)	12,223
Trademarks	89,000	(89,000)	0	89,000	(69,223)	19,777
Acquired intangible assets, net	\$ 263,000	\$ (263,000)	\$ 0	\$ 263,000	\$ (116,889)	\$ 58,444

Amortization expense for acquired intangible assets was \$58,444, and \$65,750 for the Year ended December 31, 2018 and 2017, respectively.

During the year ended September 31, 2016, the Company recorded additions to acquired intangible assets of \$263,000 because of the acquisition of Scoobeez. The components of the acquired intangibles assets added during the year ended December 31, 2016 were as follows:

	Year Ended	Amortization
	December 31, 2016	Period
		(years)
Customer and vendor relationships	\$ 119,000	3
Non-compete	55,000	3
Trademarks	89,000	3
Total	\$ 263,000	

Estimated future amortization expense of acquired intangible assets as of December 31, 2018 was as follows:

2018	58,444
2019	0
Total	\$ 58,444

As of December 31, 2018, the remaining Company's acquired intangibles was written off.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 7. PROPERTY AND EQUIPMENT

At December 31, 2018 and December 31, 2017, property and equipment consisted of:

	December 31, 2018	December 31, 2017
Furniture and fixtures	\$ 51,830	\$ 40,652
Office equipment	66,968	78,852
Phone	140,313	-
Leasehold improvements	750,428	82,435
	1,009,539	201,937
Accumulated depreciation	(124,497)	(65,902)
Total	\$ 885,042	\$ 136,036

During the Year ended December 31, 2018 and 2017, depreciation expense was \$65,374 and \$37,334, respectively. As of December 31, 2018, equipment purchased under capital leases had a cost of approximately \$82,435 and accumulated depreciation of approximately \$46,345.

NOTE 8. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2017, the Company received cash advances of \$1,323,500 from its Chief Executive Officer. This amount was reflected in the note payable due to the same Officer, and then all offset by the Advance to shareholder.

On 5/27/2015, the Chief Executive Officer (CEO) paid expenses of approximately \$500,000 on behalf of the company. This amount became a promissory note. This amount was offset against advance to CEO. As of December 31, 2018, the balance of this note is \$0

During the year ended December 31, 2017, the Company received some short-term loans from the shareholders when needed. The company paid back the loans afterwards. As of December 31, 2018, the shareholders' loan had been all paid off.

During the Year ended December 31, 2018 and 2017, the Company advanced a total of approximately \$800,000 and \$260,000, respectively, to its Chief Executive Officer (CEO), who is also the majority shareholder. The amount is offset by the Related party notes payable to its CEO. The balance as of December 31, 2018 of approximately \$446,900 is reflected on the balance sheet as advance to shareholder. The remaining balance of advance to shareholder will be expected to paid off by February 2019.

NOTE 9. LINE OF CREDIT

On November 30, 2015, the Company obtained a \$400,000 revolving line of credit from Premier Business Bank to be used to fund operations. The line of credit has a maturity date of November 3, 2016 with a variable interest rate equal to the Wall Street Journal's prime rate plus 1.50% (5.00% at December 31, 2016); and a floor of 4.75% per annum. At December 31, 2017, the Company had drawn \$281,699 on the line of credit. In addition, the line of credit is secured by all of the Company's real and personal property (tangible or intangible) and contains various financial and non-financial covenants. On February 24, 2017, a third party paid off the line of credit on behalf of the Company. On September 1, 2017, The Company had a new agreement with the third party for the debt amount of \$279,539. The company paid a monthly payment of \$25,000 to the third party during 2017 and early 2018. As of December 31, 2018, all debt amounts have been paid off.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 10. NOTES PAYABLE

Debt Financing

During the year ended December 31, 2018, the Company obtained several merchant loans that total approximately \$6,600,000 with several lenders to fund operations. The net amount received by the Company was approximately \$3,420,000 and approximately \$3,180,000 was recorded as debt discount. During the Year ended December 31, 2018, approximately \$3,000,000 of the debt discount was amortized and recorded as interest expense. During the Year ended December 31, 2018, the Company made payments of approximately \$6,100,000. At December 31, 2018, the merchant loan net of the unamortized debt discount was approximately \$447,000.

October 2016 Securities Purchase Agreement and Debenture

On October 6, 2016 and January 30, 2017 respectively (the “Closing Date”), the Company entered into a securities purchase agreement dated as of the Closing Date (the “Purchase Agreement”) with Hillair Capital Investment L.P. (the “Purchaser” or “Hillair”). The Purchase Agreement provided that, upon the terms and subject to the conditions set forth therein, the Purchaser would invest \$5,000,000 and \$2,000,000 (“Investment Amount”) in exchange for a Convertible Debenture (the “Debenture”) in the total principal amount of \$8,294,000 (the “Principal Amount”), and issuing 1,650,000 and 371,200 series A preferred stock and warrants to purchase an aggregate of 11,600,000 and 5,568,000 shares of the Company’s common stock, par value \$0.001 per share, for an exercise price of \$0.50 per share for a period of five (5) years from the Closing Date (the “Warrants”). Pursuant to the Purchase Agreement, on the Closing Date, the Company issued the Debenture and Warrant to the Purchaser. The Debenture is secured by all of the Company’s real and personal property (tangible or intangible) and contains various financial and non- financial covenants. To reiterate, the Company recently conducted due diligence and found inconsistencies in the total balances of the note documents that Hillair had provided. The Company is in the process of working with Hillair to identify the correct amount of the combined loans, as the terms were negotiated and signed electronically by the prior CFO, with whom the Company is in current litigation. There may be a markdown of the total amount of the loan due to moneys missing and/or renegotiating of the entire note.

If any Event of Default occurs, which means the Company fails to observe or perform any other covenant or agreement contained in the Debentures or the Purchase Agreement, the outstanding principal amount of this Debenture, plus accrued but unpaid interest, liquidated damages and other amounts owing in respect thereof through the date of acceleration, shall become, at the Holder’s election, immediately due and payable in cash at the Mandatory Default Amount.

At December 31, 2018 and subsequent to December 31, 2018, the Purchaser had not executed or enforced immediate demand payment from the Company. The Company has re-classified the debenture as a current liability.

Notes Payable – related parties

The Company’s notes payable to related parties consist of the following:

	December 31, 2018	December 31, 2017
0% note payable to Executive Officer, principal due on demand	-	\$ 155,724
0% note payable to the CEO, principal due on demand	\$18,414	\$ 18,414
0% note payable to a related individual, principal due on demand	-	\$ 50,000
Total notes payable to related parties	\$18,414	\$ 224,138
Less: current	(\$18,414)	(\$224,138)
Notes payable to related parties, non-current	\$ 0	\$ 0

Notes Payable

The Company’s notes payable consists of the following:

	December 31, 2018	December 31, 2017
6% notes payable to a third-party, principal and accrued interest are due on demand	\$ 27,824	\$ 27,824
14% notes payable to an individual, principal and accrued interest are due on demand	\$ 500,000	\$ 500,000
10% notes payable to an individual, principal and accrued interest are due on demand	\$ 0	\$ 140,650
Total loans payable	\$ 527,824	\$ 668,474
Less: current	(\$ 527,824)	(\$668,474)
Loans payable, non-current	\$ 0	\$ 0

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 11. COMMITMENTS AND CONTINGENCIES

Office Facility and Other Operating Leases

The Company has various operating lease agreements for its office facilities which expire at various dates through March 2021. The terms of the lease agreements provide for rental payments on a graduated basis. The Company can, after the initial lease term, renew its leases for an additional five years under right of first offer terms at fair value at the time of renewal. The Company recognizes rent expense on a straight-line basis over the lease term.

The company used 396 S Pasadena Ave., Pasadena, California as its headquarter office most of time during the Year 2018. On May 31, 2018, the Company signed a one-year commercial lease agreement for facility located at 3463 Foothill Blvd, Glendale, California. The terms of the lease provide for equal monthly lease payments of approximately \$10,500. On December 28, 2018, the company moved in to the above address from the previous office in Pasadena.

During the year ended December 31, 2018, the Company signed several commercial lease agreements for facilities located in various states. The terms of the lease agreements provide for equal monthly lease payments.

Annual rental expense was approximately \$292,000 and \$373,000 for the Year ended December 31, 2018 and 2017, respectively.

During the year ended December 31, 2017, the Company signed three operating vehicle lease agreements for its officers, which expire in 2019. The terms of the lease agreements provide for equal monthly lease payments of approximately \$7,800. The Company made approximately \$65,000 in lease payments for the Year ended December 31, 2018.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)

Equipment Capital Leases

During the year ended December 31, 2017 and year ended December 31, 2016, the Company capitalized approximately \$0 and \$73,000, respectively, of office equipment with a two-year, interest free, monthly lease installment payment plan, which expire at various dates through 2017 and 2018. During the year ended December 31, 2017 and year ended December 31, 2016, the Company paid approximately \$129,800, and \$115,600, respectively, in lease payments. During the Year ended December 31, 2018, the company paid off the remaining lease obligation of \$20,100. There were \$0 Lease obligation as of December 31, 2018.

Employment Agreement

Effective May 27, 2016, the Company is obligated to pay its Chief Executive Officer a salary of \$15,000 each per month with increases each succeeding year should the agreement be approved annually by the Company.

Material Pending Litigation

The following factors were considered in determining whether accrual and/or disclosure is required with respect to pending or threatened litigation and actual or possible claims and assessments:

- The period in which the underlying cause of the pending or threatened litigation or of the actual or possible claim or assessment occurred from date of hire of plaintiffs to date of conversion to employee.
- The degree of probability of an unfavorable outcome as per Company is probable, hence the Company has accrued the loss and disclosed the contingency.
- The ability to make a reasonable estimate of the amount of loss equal to is approximately as per Management's estimate.

The Company reviews these provisions at least quarterly and adjusts them accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information.

On May 19, 2017, Arturo Vega filed in the Superior Court for the State of California in the County San Diego a Private Attorney Generals Act lawsuit alleging violations of the California wage and hour laws. On May 19, 2017, Unta Key filed a similar lawsuit, which was consolidated with with the Vega Case. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. Because of the nature of the case and the current status of litigation, any assessment of liability would be highly speculative.

On July 12, 2017, Imran Firoz, former Chief Financial Officer of the Company has filed retaliation and wage claims complaint with the California Department of Labor, which is currently pending. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. The matter is currently pending. On January 9, 2018, the Company filed an action against Mr. Firoz arising out of his failure to competently and faithfully discharge his duties as the companies' CFO. On February 7, 2019, Mr. Firoz filed a cross-complaint against Company along with its Board of Directors alleging the same retaliation and wage claims as well as derivative claims arising out of the same underlying facts. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. Because of the nature of the case and the current status of litigation, any assessment of liability would be highly speculative.

On September 25, 2017, Scoobeez SD, LLC and its principals filed an action alleging violations of the California Franchise Laws, which is currently pending. The Company will be filing an action against Scoobeez SD, LLC and its principals in the near future for various issues arising out of a contract between the parties. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. Because of the nature of the case and the current status of litigation, any assessment of liability would be highly speculative.

On May 31, 2018, Marwan Griffin filed in the Superior Court for the State of California in the County San Diego a Private Attorney Generals Act lawsuit alleging violations of the California wage and hour laws. This is similar in type and scope to lawsuit to the one filed by Arturo Vega and Unta Key. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. Because of the nature of the case and the current status of litigation, any assessment of liability would be highly speculative.

On October 4, 2018, Avitus, Inc., the Company's former professional employer organization filed a complaint in federal court arising out of the contract between the two parties alleging a balance due of \$16,111,835.61. The Company disputes the alleged balance due. The Company also intends to file a cross-action against Avitus, Inc. for failure to faithfully and properly execute their responsibilities under the contract. The Company's ability to assess this contingent liability depends upon receiving information from the Company's attorneys. Because of the nature of the case and the current status of litigation, any assessment of liability would be highly speculative.

Although some of these proceedings may result in adverse decisions or settlements, the Company's management believes that the final disposition of such matters will not have a material adverse effect on our business, financial position, results of operations or cash flows.

SCOOBEEZ GLOBAL, INC.
(FORMERLY KNOWN AS ABT HOLDINGS, INC.)
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)

NOTE 13. STOCKHOLDERS' DEFICIT

Authorized Shares

As of December 31, 2018, the authorized capital stock of the Company consists of 25,000,000 shares of preferred stock, par value \$0.001 per share and 1,200,000,000 shares of common stock, par value \$0.0001 per share. As of December 31, 2018, the Company had 167,986,270 common shares issued and outstanding and 21,650,000 million preferred shares issued and outstanding.

In the event of any liquidation, dissolution or winding up of this Corporation, either voluntary or involuntary, the holder of Series A Preferred Stock may at his sole option elect to receive, prior and in preference senior to any distribution of any of the assets of this Corporation to the holders of common stock or other classes of preferred stock by reason of their ownership thereof, an amount per share equal to \$0.001 for the outstanding shares of Series A Preferred Stock.

NOTE 14. RECLASSIFICATIONS MADE TO THE PRIOR 10K FILING

There is uncertainty surrounding some of the payables and receivables due to a few vendors' inability to either produce records or simply not being forthcoming. In light of more discoveries post deeper due diligence, albeit not yet fully conclusive, The Company decided to either write off or reclassify balances to the prior 10K, which may change again as more discoveries are made. The Company made changes on the 2017 Balance Sheet that was filed along with the 2017 10K as follows: Accounts Receivable changed from \$4,467,834 to \$4,115,656. The \$352,178 difference is due to (1) Richmond Capital overpayment receivable changed from \$719,412 to \$400,000, and (2) \$32,766 Eat24 A/R Allowance was been written off. Related Party Advances changed from \$1,624,356 to \$1,547,637. The \$76,717 difference is due to the reclassification from Related party advances to operating expense. Merchant Financing balance changed from \$657,930 to \$899,498. The \$241,568 difference is due to (1) \$74,424 more for ABT Empire Funding, (2) \$61,390 more for ABT Ram Capital Funding, and (3) \$107,495 more for ABT Yellowstone Funding. Accumulated Deficit amount changed from \$30,645,684 to \$31,273,219. The \$627,535 difference is due to (1) Richmond Capital Interest Expense of \$68,386, (2) Legal Order Interest for Yellowstone of \$10,080, (3) Legal Order Interest Expense for Core Funding of \$38,328, (4) Queen Funding Interest Expense of \$157,200, (5) Additional \$243,309 Interest Expenses for 3 Capital Funds due to recalculation, (6) \$8,458 Other Interest Expense Increase (7) Write-off Eat24 A/R Allowance of \$32,766 and (8) \$76,719 reclassification from Related party advance to operating expense. Non-controlling Interest changed from \$1,191,102 to \$1,234,032. The \$42,930 difference is due to the calculation of non-controlling interest after more Accumulated Deficit Amount.

6) DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES

A. A description of the issuer's business operations;

The Company's overall business strategy is to operate as a diversified holding company, which is primarily engaged in investing, acquiring, developing, managing, and growing various revenue generating businesses. Most of the revenues were derived from one Customer delivering goods during same or next day timeframes.

Government Regulations

To the best of its knowledge, there are currently no known existing or probable government regulations that may adversely affect the Company's business, as the company operates in the online sector, specifically related to cellular phone applications, as well as product delivery services. However, if the regulations related to cellular phone applications and software or product delivery services change or become regulated by a federal or state agency, it could affect the amount of revenue generated by our Company, as we may need to use revenue or working capital to comply with any new regulations.

The Company will be subject to local and international laws and regulations that relate directly or indirectly to its operations, such as the Securities Act of 1933, the Securities and Exchange Act of 1934, and the Idaho Corporations Act. It will also be subject to common business and tax rules and regulations pertaining to the operation of its business, such as the United States Internal Revenue Tax Code, and the Idaho State Tax Code. The Company will also be subject to proprietary regulations such as United States Trademark and Patent Law as it applies to the intellectual property of third parties. The Company believes that the effects of existing or probable governmental regulations will be additional responsibilities of the management of the Company to ensure that the Company is in compliance with securities regulations as they apply to the Company's products as well as ensuring that the company does not infringe on any proprietary rights of others with respect to its products. The Company will also need to maintain accurate financial records in order to remain compliant with securities regulations as well as any corporate tax liability it incurs.

Employees

As of the date of this registration, the Company had 60 full-time employees as defined by the Affordable Care Act. The Company has 700 full time and part-time employees, who work on average of 25-30 hours a week and in some case over 30 hours a week on an ongoing basis. The fluctuation in hours makes it difficult to determine the exact range of employees who are full time but is approximated to be around 300. The median age of employees is 34.

There are currently no employment agreements with our officers and directors, and although the Company does not believe this will occur, our officers and directors may choose to terminate their employment at any time. The Company's activities are managed by the Company's Directors and Officers.

The officers of the company have the same powers and duties with respect to the management of the business affairs for the Company and the oversight of the day-to-day management operations for the Company as officers of a business would have. They perform such other reasonable duties (taking into consideration the person's position in the Company) as may be prescribed by the Board of Directors of the Company from time to time. They are obligated to use best efforts to serve the Company faithfully and promote its best interests and shall devote all his or her business time, attention and services to the faithful and competent discharge of such duties.

B. The issuer's primary and secondary SIC Codes;

6719/1044

C. The issuer's fiscal year end date;

December 31

D. Principal products or services, and their markets;

Currently, the Company's main businesses are divided into two main segments:

Currently, the Company's main businesses are divided into two main segments:

Scoobeez, Inc. – On-Demand Delivery Business

Scoobeez business model consists of a Same Day/Next Day door-to-door logistics and real-time delivery service that primarily utilizes cars along with scooters and motorcycles to facilitate same day deliveries. Scoobeez generates revenues primarily when customers place an order for delivery through its website, its mobile application or one of the Company's listed phones. The Company is the majority shareholder in Scoobeez and manages its day-to-day operations.

Scoobeez currently operates in Southern California, Illinois and Texas. Scoobeez has pre-existing contractual arrangements ("Main Contract") with on-demand mobile apps, retailers, e-tailers, logistic companies, and carriers. These entities are engaged in the business of transporting products, including groceries, food from restaurants, alcohol, and other product lines carried by supermarket chains and retail warehouses to their customers/end-users from delivery stations, sort centers, fulfillment centers, and other distribution points, including merchant locations.

Scoobeez has contract agreements with large enterprise client(s), whereby Scoobeez (also known as the Delivery Service Provider, "DSP") provides last mile logistics necessary to deliver packages to Enterprise Client's customers. Scoobeez receives fees for services which are usually directly tied to planned routes. These routes are the number of deliveries in each area that Enterprise Client plans for a single person and Vehicle for delivery on a specific shift and day and that in turn is assigned by Scoobeez to a person and Vehicle for delivery on a specific shift and day. Scoobeez trains its drivers (Delivery Associates) for approximately two full weeks; which consist of in-house presentations and working full-length shifts, during which they perform numerous practice deliveries and dry runs. At the fulfillment centers, Scoobeez dispatchers work side by side with enterprise client's dispatchers in assigning work to and monitoring the Delivery Associates.

7) DESCRIBE THE ISSUER'S FACILITIES

See footnotes to the financial statement

8) OFFICERS, DIRECTORS, AND CONTROL PERSONS

Shahan Ohanessian, CEO, President, Chairman, Director of Scoobeez Global, Inc.

Business history of Mr. Ohanessian follows:

With more than 25 years of marketing experience at several software and business development companies, Mr. Ohanessian leads the Company with strong marketing, management and organizational skills. He has built companies and had successful exits from mid-sized to large companies.

Prior to acquiring Scoobeez, Mr. Ohanessian led one of the first online claims management companies in 2001. The start-up company started in one location in Southern California and grew to include offices nationwide, managing more than 4,000 vendors and handling thousands of claims. Mr. Ohanessian also led online video streaming and encoding companies ranging from startups to large caps.

Mr. Ohanessian studied computer science and engineering at University of Southern California (USC).

1. Full name: Shahan Ohanessian
2. Business address: 3463 Foothill Blvd, Glendale, CA 91214 ("Glendale Office").
3. Board memberships and other affiliations: None.

George Voskanian, CFO

George has spent over 12 years in financial services with 5 years in public accounting as a CPA, auditing financial institutions, hedge funds and brokered deals. Prior to earning his MBA from Cornell University, George worked as a financial analyst at Ares Management, responsible for 90 plus liquid debt and private equity fund revenue and expense forecasts. After receiving his MBA, George worked in investment banking helping clients in M&A and capital raising transactions.

1. Full name: George Voskanian
2. Business address: 3463 Foothill Blvd, Glendale, CA 91214 (“Glendale Office”).
3. Board memberships and other affiliations: None.

Legal Proceedings.

Neither Shahan Ohanessian nor George Voskanian have been subject to the following in the past 10 years:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person’s involvement in any type of business, securities, commodities, or banking activities;
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated;
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person’s involvement in any type of business or securities activities.

Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer’s equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Name & Address ⁽¹⁾	Number of Shares Beneficially Owned	Class	Percentage of Class ⁽²⁾
Shahan Ohanessian, President	150,000,000	Common	89.50%
Imran Firoz, CFO (former)	282,609	Common	00.17%
All Directors & Officers	150,282,609	Common	89.67%

⁽¹⁾ Unless noted otherwise, the address for all persons listed is c/o The Company at 3463 Foothill Blvd, Glendale, CA 91214.

⁽²⁾ The above percentages are based on 167,599,137 shares of common stock outstanding as of December 31, 2018.

Name & Address ⁽³⁾	Number of Shares Beneficially Owned	Class	Percentage of Class ⁽⁴⁾
Shahan Ohanessian, President	18,400,000	Preferred	85.00%
Imran Firoz, CFO (former)	1,600,000	Preferred	7.00%
Hillair Capital investment L.P.	1,650,000	Preferred	8.00%
All Directors & Officers	21,650,000	Preferred	100.00%

⁽³⁾ Unless noted otherwise, the address for all persons listed is c/o The Company at 3463 Foothill Blvd, Glendale, CA 91214.

⁽⁴⁾ The above percentages are based on 21,650,000 shares of Series A preferred stock outstanding as of December 31, 2018.

9) Third Party Providers

LEGAL COUNSEL

Krista M. Cabrera
Foley & Lardner LLP
3579 Valley Centre Drive.
Suite 300
San Diego, CA 92130
P: +1 858.847.6718
E: KCabrera@foley.com

AUDITOR

DBBMCKENNON
Russ Boyer
CEO, President, Director
Certified Public Accountants /
Registered Firm - PCAOB
T: 858-217-4035

Office - San Diego
T: 949-200-3292

Office - Newport Beach
F: 949-200-3281

www.dbbmckennon.com
San Diego
16959 Bernardo Center Drive,
Ste 202
San Diego, CA 92128
Orange County
20321 SW Birch St, Ste 200
Newport Beach, CA 92660
Accountant – Scoobeez

IR & MARKETING CONSULTANT

ir@scoobeez.com

OTHER ADVISOR

N/A

10) ISSUER CERTIFICATION

I, Shahan Ohanessian, certify that:

1. I have reviewed this annual disclosure statement of Scoobeez Global, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

| Date: April 12, 2019

A handwritten signature in black ink, consisting of a series of overlapping loops and a long horizontal stroke extending to the right.

/s/ Shahan Ohanessian
Shahan Ohanessian

Chief Executive Officer, Director

Scoobeez Global, Inc.