

QUARTERLY REPORT OF
AFFINITY BEVERAGE GROUP, INC.
FOR THE THREE MONTHS ENDED MARCH 31, 2017

A NEVADA CORPORATION

1432 Florida Ave., Suite B274 Washington DC 20009

(888) 406-1138

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ITEM 1. EXACT NAME OF THE ISSUER AND ITS PREDECESSORS

The exact name of the company is Affinity Beverage Group, Inc.

The company was originally incorporated as E Investments, Inc., in the state of Nevada on February 25, 1999. On December 16, 1999, the Company changed its name to Arbor, Inc. On February 19, 2004, the Company changed its name to China Granite Corporation. On June 14, 2006, the Company changed its name to Affinity Beverage Group, Inc.

ITEM 2. ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES

A. Company Headquarters

Our principal executive and administrative offices are located at 1432 Florida Ave., Suite B274 Washington DC 20009

Email: info@affinitybeverage.com

Website: www.affinitybeverage.com

B. IR Contact

1432 Florida Ave., Suite B274 Washington DC 20009

Phone: (888) 406-1138

Email: info@affinitybeverage.com

Website: www.affinitybeverage.com

ITEM 3. SECURITY INFORMATION

Trading symbol: ABVG

CUSIP: 00831F101

Exact title and class of securities outstanding:

As of March 31, 2017, the capital stock of the company was as follows:

Class: Common stock, \$ 0.001 par value;

Number of shares authorized: 5,000,000,000 shares;

Number of shares outstanding: 3,299,424,157 issued and outstanding;

Freely tradable shares: 3,088,866,693;

Total number of shareholders of record: 248

Transfer Agent: Madison Stock Transfer, Inc.
1688 East 16th Street
Brooklyn, NY 11229
Telephone: (718) 627-4453
FAX: (718) 627-6341

Is the transfer agent registered under the Exchange Act?
Yes.

List any restrictions on the transfer of security:
None.

Describe any trading suspension orders issued by the SEC in the past 12 months:
None.

ITEM 4. ISSUANCE HISTORY

The company has not executed any securities offering, either public or private, since December, 2010.

ITEM 5. FINANCIAL STATEMENTS:**AFFINITY BEVERAGE GROUP, INC.****Balance Sheet****March 31, 2017 & December 31, 2016****Unaudited**

	March 31, <u>2017</u>	December 31, <u>2016</u>
ASSETS		
Current Assets		
Cash on hand, in bank	\$ 16,353	\$ -
Accounts receivable	10,593	10,593
Inventory	140,202	140,202
Deferred Financing Costs, net of amortization of \$13,893 and \$6,985 at March 31, 2017 and December 31, 2016, respectively	<u>21,107</u>	<u>28,015</u>
Total current assets	<u>188,255</u>	<u>178,810</u>
Fixed Assets	-	-
Other Assets		
Other capitalized costs	49,130	49,130
Investment - Parker Technologies	<u>13,000</u>	<u>13,000</u>
Total other assets	62,130	62,130
Total assets	<u>\$ 250,385</u>	<u>\$ 240,940</u>

See accountants' report and notes to financial statements

AFFINITY BEVERAGE GROUP, INC.
Balance Sheet
March 31, 2017 & December 31, 2016
(Unaudited)

	<u>March 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
LIABILITIES		
Current Liabilities		
Accounts payable and Accrued Expenses	\$ 265,954	\$ 274,192
Other current liabilities	393,236	529,054
Non-convertible debt	182,687	220,500
Short term debt- convertible, net of discount of \$161,147 and \$37,316	58,228	8,684
Derivative liability- short term	439,000	92,000
Current portion - long-term debt	<u>25,000</u>	<u>25,000</u>
Total Current Liabilities	<u>1,364,105</u>	<u>1,149,430</u>
Long-term Liabilities		
Non-Convertible debt	314,874	339,274
Convertible long term debt, net of discount of \$5,576 and \$5,577	424	423
Derivative liability- long term	<u>12,000</u>	<u>12,000</u>
Total Long-term Liabilities	<u>327,298</u>	<u>351,697</u>
Total liabilities	<u>1,691,402</u>	<u>1,501,127</u>

Preferred stk. Series B	13	13
131,250 shares, par val. \$.001, stated val. \$4		

STOCKHOLDERS' EQUITY

Common stock, 5,000,000,000
shares

authorized, par value \$.001

3,299,424,157 and
1,837,663,132 issued and
outstanding at

3/31/17 and 12/31/16	3,299,424,	1,867,663
Additional paid in capital	(2,411,324)	(1,391,166)
Accumulated (Deficit)	<u>(2,329,130)</u>	<u>(1,731,084)</u>
Total Stockholders' equity	<u>(1,441,030)</u>	<u>(1,260,199)</u>

**Total Liabilities and Stockholders'
Equity**

\$ 250,385

\$ 240,940

AFFINITY BEVERAGE GROUP, INC.

Statement of Income

For the Three Months Ended

March 31, 2017 & March 31, 2016

(Unaudited)

	Three Months Ended	
	March 31,	March 31,
	<u>2017</u>	<u>2016</u>
Revenue	\$ -	\$ 2,842
Total Revenue	<u>-</u>	<u>2,842</u>
Cost of Goods Sold		
Total Cost of Goods Sold	<u>-</u>	<u>1,705</u>
Gross Income	<u>-</u>	<u>1,137</u>
Expenses		
Derivative Expense	173,500	-
Loss on Conversion of debt	156,198	13,000
Loss on Liabilities Purchase Agreement	14,895	-
Consulting fees	143,000	-
General & Administrative	47,162	18,722
Amortization of Deferred Financing expenses	6,908	-
Interest Expense	51,267	2,980
Professional fees	5,116	-
Total Expenses	<u>598,047</u>	<u>34,702</u>
Net (Loss)	<u>\$ (598,407)</u>	<u>\$ (33,565)</u>

Affinity Beverage Group, Inc.
Statement of Cash Flows
For the Three Months Ended
March 31, 2017 and March 31,
2016

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net income	\$ (598,047)	\$ (33,565)
Add:		
Amortization of Deferred Financing Expense	6,908	-
Loss on 3a10 program	14,895	-
Loss on Conversion of Debt	156,198	13,000
Derivative Liability Expense	173,500	-
Legal expense and accrued interest on debt conversions	12,480	-
Amortization of discount on convertible debt	49,330	-
Cash on hand at Village Tea not transferred with merger		-
Accrual of Original issue discount on convertible debt	215	-
Changes in working capital:		
Accounts Receivable		(6,210)
Inventory		1,705

Accounts payable and Accrued Expenses	(8,238)	(7,196)
Other current liabilities	(135,818)	10,269
Non-convertible short term debt and current portion of long term debt	(37,813)	-
	<hr/>	<hr/>
Cash flow from Operating Activities	(366,390)	(21,997)
Cash flows from Investing Activities	-	-
Cash flows from Financing Activities		
Retirement of liabilities through Liabilities ourcalse agreement	209,242	
Cash notes issued	35,500	
Common stock proceeds, net of retirement of debt		21,491
Consulting notes issued	138,000	
	<hr/>	<hr/>
Cash flow from Financing Activities	382,742	21,491
	<hr/>	<hr/>
Net change in cash	16,353	(506)
Cash on hand at beginning of period	-	2,294
	<hr/>	<hr/>
Cash on hand at end of period	\$ 16,353	\$ 1,788
	<hr/>	<hr/>

AFFINITY BEVERAGE GROUP, INC.
MARCH 31, 2017
NOTES TO FINANCIAL STATEMENTS

NOTE 1- NATURE OF OPERATIONS

Nature of Operations

The Company was incorporated in the state of Nevada February, 1999. The Company is a holding company organized with a goal of acquiring and managing a diversified portfolio of profitable, growth-oriented companies.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements are presented in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America.

NOTE 3- ACQUISITION OF VILLAGE TEA DISTRIBUTORS, INC.

On October 30, 2015, Affinity Beverage Inc. (the "Company" or "Affinity") entered into an agreement with Accel Brands, Inc. whereby the company issued 131,250 shares of its newly issued Series B Preferred Stock for ownership of the net assets of Village Tea Distributors, Inc. At the time, the net assets acquired were as follows:

Cash	\$	190
Accounts Receivable		4,384
Inventory		142,549
Other capitalized costs		<u>49,130</u>
Total tangible assets		
acquired	\$	196,252
Accounts payable and		
Accrued expenses		263,946
Non-convertible debt		220,500
Other short-term debt		25,000
Other current liabilities		<u>361,428</u>
Total liabilities		
acquired	\$	<u>870,874</u>
Net assets acquired	\$	<u>(674,621)</u>

The Company viewed Village Tea to be the legal acquirer and all liabilities were acquired at fair value and no goodwill was recorded

NOTE 4- OTHER CURRENT LIABILITIES

Other current liabilities principally of accrued salaries to Martin Ekechukwu and Janon Costley and have been included in the Liabilities Purchase Agreement. As of the date of this report, \$225,000 of these liabilities have been eliminated through the Liabilities Purchase Agreement. See Note 9- subsequent events below

NOTE 5 – SHORT TERM DEB T- NON-CONVERTIBLE

\$220,500 of debt is comprised of the following:

a. Trillium Partners	\$	25,687*
b. Dana Pope		<u>157,000**</u>
Total Short term debt and current portion of long-term debt	\$	<u>182,687</u>

*- The above liabilities included in the Liabilities Purchase Agreement detailed in *Note 9- Subsequent Events*.

** - Dana Pope received a judgment on her liability for the full amount

NOTE 6- SHORT TERM DEBT- CONVERTIBLE

During the first quarter of 2016, the Company issued the following notes:

January 6, 2017- The Company issued a note to an investor for cash proceeds of \$5,000. The note matures on January 31, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion. The Note also has a \$1,000 Original Issue discount (“OID”) provision associated with it. The OID will be amortized into interest expense over the life of the Note.

January 1, 2017- the Company issued a note for consulting services for \$6,000. The note matures on February 28, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

February 1, 2017- the Company issued a note for consulting services for \$6,000. The note matures on March 31, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

February 6, 2017- the Company issued a note for services rendered for \$120,000. The note relates to past and current services and matures on August 7, 2018 and carries no interest rate. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

March 1, 2017- the Company issued a note for consulting services for \$6,000. The note matures on April 30, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

March 27, 2017- The Company issued a note to an investor for cash proceeds of \$30,500. The note matures on March 31, 2018 and carries an interest rate of 15%. The Note is convertible at a 10% discount to the low closing bid price for the 30 days prior to conversion.

Balances at March 31, 2017 are as follows:

<u>Issuance Date</u>	<u>Outstanding Balance</u>	<u>Discount</u>	<u>OID</u>	<u>Net value</u>
October 1, 2016	\$ 35,000	\$ 21,107		\$ 13,893
October 17, 2016	5,000	3,125		1,875
November 1, 2016	6,000	3,882		2,118
December 1, 2016	6,000	4,310		1,690
January 1, 2017	6,000	4,738		1,262
January 6, 2017	5,000	3,923	215	1,292
February 1, 2017	6,000	5,177		823
February 6, 2017	120,000	85,055		34,945
March 1, 2017	6,000	5,576		424
March 27, 2017	<u>30,500</u>	<u>30,169</u>		<u>331</u>
Total	\$ 225,500	\$167,063	215	\$ 58,652
Long term	<u>(6,000)</u>	<u>(5,576)</u>	-	<u>(424)</u>
Short-term	<u>\$ 219,500</u>	<u>\$161,147</u>	<u>\$ 215</u>	<u>\$ 58,228</u>

Balances at December 31, 2016 are as follows:

<u>Issuance Date</u>	<u>Outstanding Balance</u>	<u>Discount</u>	<u>Net value</u>
October 1, 2016	\$ 35,000	\$28,015	\$ 6,985
October 17, 2016	5,000	4,148	852
November 1, 2016	6,000	5,153	847
December 1, 2016	<u>6,000</u>	<u>5,577</u>	<u>423</u>
Total	\$ 52,000	\$ 42,893	\$ 9,107
Long term	<u>(6,000)</u>	<u>(5,577)</u>	<u>(423)</u>
Short-term	<u>\$ 46,000</u>	<u>\$ 37,316</u>	<u>\$ 8,684</u>

NOTE 7 – NON- CONVERTIBLE LONG-TERM DEBT

Non-convertible debt related to outstanding debt on the books of Affinity Beverage Group, Inc. prior to the acquisition of Village Tea, Inc. (See note 3, above). At December 31, 2016, the

balance owed on such debt was \$339,274. During the quarter ended March 31, 2017, \$15,000 of previously not-convertible debt was sold to a related party who renegotiated the debt into a convertible instrument. The entire \$15,000 was converted into common stock for the quarter ended March 31, 2017. Another \$9,400 of debt was retired through the issuance of 94 million shares.

NOTE 8 – PREFERRED STOCK- SERIES B

In order to acquire Village Tea, the Company issued 131,250 shares of Series B Preferred Stock to the former founders and investors of Village Tea. The par value per share is \$.0001 and the stated value is \$4 per share:

	2017	2016
<u>Book Value</u>	<u>March 31</u>	<u>December 31</u>
Shares outstanding	131,250	131,250
Par value per share	<u>\$.0001</u>	<u>\$.0001</u>
Book value	<u>\$ 13</u>	<u>\$ 13</u>

	2017	2016
<u>Stated Value</u>	<u>March 31</u>	<u>December 31</u>
Shares outstanding	131,250	131,250
Stated value per share	<u>\$ 4</u>	<u>\$ 4</u>
Stated value	<u>\$525,000</u>	<u>\$525,000</u>

NOTE 9- STOCKHOLDERS' EQUITY

Common stock

The company's capitalization is 5,000,000,000 common shares with a par value of \$.001 per share. At March 31, 2017 and December 31, 2016, there were 3,299,424,157 and 1,837,663,132 shares outstanding respectively.

Liabilities Purchase Agreement and Accounts Payable

On December 20, 2016, the Circuit Court in the Second Judicial District for Leon County, Florida entered an order approving the stipulation of the parties (the "Stipulation") in the matter of Tarpon Bay Partners ("Tarpon") LLC v. Affinity Beverage, Inc. The Stipulation was done in accordance with Section 3(a)(10) of the Securities Act of 1933. Under the terms of the Stipulation, we agreed to issue to Tarpon, as settlement of certain liabilities owed by us in the aggregate amount of \$350,721.66 (the "Claim Amount"), shares of common stock (the "Settlement Shares"), as well as a promissory note in the principal amount of the \$35,000.00 maturing six months from the date of issuance, as a fee to Tarpon ("Fee Note"). In addition, the Company also issued a promissory note to MD Global Partners of \$7,500.00 under the same

terms as the Fee Note. Tarpon had purchased the liabilities from our creditors who were both affiliated and non-affiliated.

Pursuant to the Stipulation entered into by the parties, we agreed to issue to Tarpon, in tranches as necessary, that number of shares of common stock sufficient to generate net proceeds (less a discount of 40%) equal to the Claim Amount, as defined in the Stipulation. The parties reasonably estimated that, should we issue Settlement Shares sufficient to satisfy the entire Claim Amount, the fair market value of such Settlement Shares and all other amounts to be received by Tarpon would equal approximately \$585,000. Notwithstanding anything to the contrary in the Stipulation, the number of shares beneficially owned by Tarpon may not exceed 9.99% of our outstanding shares of common stock at any one time.

The creditors originally in this pool under this agreement are as follows:

Janon Costley	\$	75,000
Madison Stock Transfer Inc.		26,634
Steven Heller		4,000
Curtis Edwards		31,587
Martin Ekechukwu		150,000
Trillium Partners		<u>63,500</u>
Total	\$	<u>350,722</u>

During the quarter ended March 31, 2017, the Company issued 818,167,625 shares to Tarpon pursuant to the program. During the period, 747,126,000 shares were sold and used to retire \$209,242 of liabilities as follows:

Other current liabilities	\$	171,358
Non- convertible short-term debt		<u>37,884</u>
Total retirements	\$	<u>209,242</u>

As of March 31, 2017, the remaining balance is \$141,480. As of the date of this report, these liabilities have been retired through the issuance of the remaining shares under the 3a10 program.

NOTE 10- SUBSEQUENT EVENTS

Issuance of Convertible debt

The following debt has been issued by the Company after the Balance Sheet date as of the date of this report:

April 1, 2017- the Company issued a note for consulting services for \$6,000. The note matures on May 31, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

May 1, 2017- the Company issued a note for consulting services for \$6,000. The note matures on June 30, 2018 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

May 11, 2017- the Company issued a note for consulting services for \$6,000. The note matures on November 30, 2017 and carries an interest rate of 10%. The Note is convertible at a 50% discount to the low closing bid price for the 30 days prior to conversion.

Transfer of debt

During the period between March 31, 2017 and the date of this report, an additional \$25,000 of previously non-convertible debt has become convertible

Issuance of shares

During the period between March 31, 2017 and the date of this report, the Company issued 163,080,000 for the conversion of \$15,000 principal plus \$1,308 of expenses.

Liabilities Purchase Agreement

During the period between March 31, 2017 and the date of this report, the remaining \$141,480 was retired through the sale of 236,581,625 shares of common stock.

ITEM 6. DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES.

A. DESCRIPTION OF ISSUER'S BUSINESS OPERATIONS.

The Company has recently changed business direction and become a holding company focused on branded consumer product acquisition opportunities in the \$3.4 trillion health and wellness sector.

B. DATE AND STATE OF INCORPORATION

The Company was incorporated in the State of Nevada on March 2, 2006.

C. PRIMARY AND SECONDARY SIC CODES

The Company's primary (and only) SIC code is 5063 (Holding Companies).

D. THE COMPANY'S FISCAL THREE MONTH PERIOD END DATE

The Company's fiscal three month period ends on December 31.

E. PRINCIPAL PRODUCTS OR SERVICES AND THEIR MARKETS

The Company primarily targets lifestyle brands, company and/or exclusive product distribution rights focusing on traditional and non-traditional healthy beverage options. The Company will also seek opportunities involving uniquely positioned young brands specializing in all natural/organic foods, bio-food, supplements and personal care products for strategic partnerships, distribution agreements and potential acquisition

F. RESULTS OF OPERATIONS FOR THE THREEE MONTH PERIOD ENDED MARCH 31, 2017 COMPARED TO THE PERIOD ENDED MARCH 31, 2016:

Revenues: The Company had no revenue of for the three month period ended March 31, 2017, compared to \$2,842 in revenue for the three month period ended March 31, 2016.

Cost of Goods sold: The Company incurred no costs of goods sold for the three month period ended March 31, 2017 compared to \$1,705 for the three month period ended March 31, 2016.

Gross Profit: The Company had no gross profit for the three month period ended March 31, 2017 compared to \$1,137 of gross profit for the three month period ended March 31, 2016.

Operating Costs: Operating costs consist of the Company's administrative expenses before depreciation and interest. Operating costs for the three month period ended March 31, 2017 totaled \$323,102, compared to operating costs of \$34,702 for the three month period ended March 31, 2016.

Net (Loss): The Company produced an operating loss for the three month period ended March 31, 2017 of (\$323,102), compared to an operating loss of (\$33,565) for the three month period ended March 31 , 2016. The main reason for the increase was due to greater levels of debt conversions plus greater issuances of debt.

Liquidity and Capital Resources:

During the three month period ended March 31, 2017, the Company utilized \$246,390 in conducting its operations versus a cash utilization of \$21,997 for the three months ended March 31, 2016

During the three month period ended March 31, 2017, the Company generated \$262,742 in versus of \$21,491 for the three months ended March 31, 2016. The main reason for the increase was the issuance of shares though the Liabilities Purchase Agreement. See Note 9 above for more detail.

G. OFF-BALANCE SHEET ARRANGEMENTS

The Company did not engage in any off-balance sheet arrangements during the three months ended March 31, 2017 or March 31, 2016.

ITEM 7. DESCRIBE THE ISSUER'S FACILITIES

At this time the Company does not have any significant tangible assets and is in the process of identifying suitable targets for acquisition. The Company does not own any real estate and leases office space on a month-to-month basis.

ITEM 8. OFFICERS, DIRECTORS AND CONTROL PERSONS

A. NAMES OF OFFICERS, DIRECTORS AND CONTROL PERSONS

The current president and secretary of the Company Janon Costley, was hired on August 17, 2015. Mr. Janon Costley is the chairman and sole current member of the Board of Directors of the Company.

B. LEGAL/DISCIPLINARY HISTORY

Please identify whether any of the foregoing persons have, in the last five three month periods, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses):

NO.

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:

NO.

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:

NO.

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:

NO.

C. BENEFICIAL SHAREHOLDERS

Paul Bakajin
512 N. Juanita Avenue, Unit A
Redondo Beach, CA 90277

Mr. Bakajin is the owner of 365,920,000 common shares of the Company.

ITEM 9. THIRD PARTY PROVIDERS

A. Legal Counsel

Hoffman and Weigel
Russ Weigel
5775 Blue Lagoon Dr., Suite 100
Miami, Florida 33126
P. (786) 888-4567

B. Accountant or Auditor

Huynh,Hawkins and Associates International
17011 Beach Blvd, #900
Huntington Beach, CA 92647

C. Investor Relations Consultant

D. Other Advisor(s)

Martin Ekechukwu

B. Accountant or Auditor

C. Investor Relations Consultant

D. Other Advisor(s)

None.

ITEM 10. OTHER INFORMATION

On August 17, 2015, Bill Schaefer resigned from his positions as CEO and director and Janon Costley was appointed elected to the Board of Directors and hired as the new CEO. It is the intention of new management to change the business direction of the company into a different and more profitable industry after first completing an internal reorganization.

On November 5, 2015,, the Company entered into an agreement with Accelpath, Inc., to acquire its wholly-owned subsidiary, Village Tea Company Distribution, Inc., in an equity exchange. Village Tea Company Distribution, Inc., sources high quality, unique teas that are

blended to create distinct flavor combinations which are packaged in a variety of creative and earth-friendly ways for wholesale and retail sales. The brand has been sold in several major retailers in North America including Vitamin Shoppe, Whole Foods and many other independent specialty and grocery store retailers. Its products are also available through e-commerce retailers such as Amazon and the company's own website: www.villageteaco.com.

On April 12, 2016, the Company received final approval from FINRA to change the name of the Company to Affinity Beverage Group, Inc., with a new trading symbol of ABVG and a new CUSIP number of 00831F101. The change is effective April 13, 2016, and will be reflected in future filings after that date.

On April 1, 2016, the Company's wholly owned subsidiary, Village Tea Company Distribution, Inc executed a multi-three month period supply agreement with Sodexo Operations, LLC to become an approved supply partner/vendor of Sodexo and its affiliates.

On May 6, 2016 the Company's wholly owned subsidiary, Village Tea Company Distribution Inc., renewed its national minority certification with the Capital Region of the National Minority Supplier Development Council (NMSDC).

On June 9, 2016 the company's wholly owned subsidiary, Village Tea Company Distribution, Inc entered into a commission based sales brokerage agreement with Artisanal Edge. LLC d.b.a. Jawaea Frozen Desserts to provide sale broker and business services for its Jawaea brand of vegan, non-dairy ice cream.

On June 29th, the company's wholly owned subsidiary, Village Tea Company Distribution, Inc entered into a binding memorandum of understanding with Undone Chocolate for the purposes of identifying potential projects (the "Projects") that the parties, each employing their unique areas of expertise, can collectively develop, capitalize, monetize, and exploit, specifically co-branded chocolate bars, teas and other related opportunities.

On August 22, 2016, the Company's wholly owned subsidiary, Village Tea Company Distribution, Inc executed a supply agreement to become an approved supply partner/vendor Carnival Corporation and each operating company of Carnival Corporation and/or Carnival plc.

On February 22, 2017 the Company entered into an LOI with Undone Chocolate, LLC to acquire a controlling interest in the company.

On March 24, 2017 the Company the DTC Chill restriction was removed and the Company is now DWAC/FAST eligible

On May 18, 2017 the Company acquired a controlling interest in Undone Chocolate, LLC, making it a wholly owned subsidiary of Affinity Beverage Group, LLC

ITEM 11. EXHIBITS

N/A

ITEM 12. CERTIFICATIONS

I, Janon Costley, certify that:

1. I have reviewed this annual disclosure statement of Affinity Beverage Group, 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.

/s/Janon Costley

Janon Costley, CEO

Dated: May 22, 2017