

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

HPIL Holding

1720 – 650 West Georgia Street
Vancouver British Columbia Canada V6B 4N8

778-819-1956
www.hpilholding.ca
SIC: 8742

Amended Quarterly Report For the Period Ending: June 30, 2021 (the "Reporting Period")

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

12,468,232,718 Common shares

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

7,755,908,628 Common shares

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

7,505,908,628 Common shares

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☒ No: ☐

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

OTC Markets Group Inc.

OTC Pink Basic Disclosure Guidelines February 2021

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities and the dates of the name changes.

Current name HPIL Holding, previous name" Trim Holding Group. The name was changed from Trim Holding Group to HPIL Holding on May 21, 2012.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The current state of incorporation of Wyoming. The Company is in good standing. The Company was previously incorporated in the State of Nevada, and was in incorporated in Nevada from March 5, 2009 to March 22, 2019.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

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

The address(es) of the issuer's principal executive office:

1720 – 650 West Georgia Street, Vancouver BC Canada V6B 4N8

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☒ No: ☐

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

On April 13, 2020, a shareholder, Haining Zhang, filed a Complaint in the 42nd Circuit Court, Case No. 20-06979-CB-C, Midland County, Michigan, against HPIL Holding for Declaratory Judgment and the Appointment of a Receiver. On October 6, 2020, in the Court of the Honorable Stephen P Carras, a Notice of Receivership was filed, appointing Angela Collette as Receiver; an acceptance of appointment was filed on September 30, 2020.

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

On September 17, 2021, an Order on the Hearing was filed with the Court, whereby the Honorable Stephen P Carras granted Plaintiff's Ray Wong, Chris Phibrick and Frank Dougherty's Motion to Set Aside the Default Judgment and to Intervene as Shareholders on behalf of HPIL Holding.

2) Security Information

Trading symbol: **HPIL**
Exact title and class of securities outstanding: **Common Stock**
CUSIP: **40432Y 109**
Par or stated value: **\$0.001**

Total shares authorized: **60,000,000,000 Common shares** as of date: **June 30, 2021**
Total shares outstanding: **12,468,232,718 common shares** as of date: **June 30, 2021**
Number of shares in the Public Float²: **11,420,677,358 common shares** as of date: **June 30, 2021**
Total number of shareholders of record: **485** as of date: **June 30, 2021**

Transfer Agent

Name: **Olde Monmouth Stock Transfer Co., Inc.**
Phone: **(732) 872-2727**
Email: **matt@oldemonmouth.com**
Address: **200 memorial Parkway, Atlantic Highlands, NJ 07716**

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of 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. Using the tabular format below, please describe these events.

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of the Second Most Recent Fiscal Year End: Date December 31, 2018		<u>Opening Balance</u> Common: 2,085,816,088								
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)		Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
01/17/2019	Issue Securities	115,000,000	Common	0.001	No		EROP Capital LLC (Matt Myers)	Cash	Restricted	Exempt
01/28/2019	Issue Securities	120,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
01/30/2019	Cancel Securities	(100,000,000)	Common	0.001	No		LUX LAW-AS ESCROW AGENT PARTNERS HIP	N/A	Restricted	Exempt
01/30/2019	Issue Securities	139,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
02/04/2019	Cancel Securities	(100,000,000)	Common	0.001	No		McGee Law Firm LLC (Jonathan McGee)	N/A	Restricted	Exempt
02/06/2019	Issue Securities	140,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
02/06/2019	Issue Securities	138,000,000	Common	0.001	No		EROP Capital LLC (Matt Myers)	Cash	Restricted	Exempt
01/31/2019	Issue Securities	75,000,000	Common	0.001	No		Brandon Dean	Cash	Restricted	Exempt
02/08/2019	Issue Securities	50,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
02/12/2019	Issue Securities	122,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
02/13/2019	Issue Securities	111,000,000	Common	0.001	No		GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt

02/27/2019	Issue Securities	98,000,000	Common	0.001	No	EROP Capital LLC (Matt Myers)	Cash	Restricted	Exempt
03/04/2019	Issue Securities	140,000,000	Common	0.001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
03/07/2019	Issue Securities	220,000,000	Common	0.001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
03/12/2019	Issue Securities	140,000,000	Common	0.001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
04/02/2019	Issue Securities	150,000,000	Common	0.001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
06/06/2019	Issue Securities	135,668,900	Common	0.001	No	Auctus Fund, LLC (Lou Posner)	Cash	Restricted	Exempt
06/10/2019	Issue Securities	135,000,000	Common	0.001	No	EROP Capital LLC (Matt Myers)	Cash	Restricted	Exempt
07/12/2019	Issue Securities	149,000,000	Common	0.001	No	EROP Capital LLC (Matt Myers)	Cash	Restricted	Exempt
08/28/2019	Issue Securities	202,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Cash	Restricted	Exempt
10/06/2020	Issue Securities	95,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/07/2020	Issue Securities	106,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/07/2020	Issue Securities	212,847,700	Common	0.001	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
10/08/2020	Issue Securities	95,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/13/2020	Issue Securities	96,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/16/2020	Issue Securities	95,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/19/2020	Issue Securities	125,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
10/21/2020	Issue Securities	254,007,600	Common	0.001	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
10/22/2020	Issue Securities	128,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt

10/27/2020	Issue Securities	126,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
11/03/2020	Issue Securities	126,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
11/05/2020	Issue Securities	126,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
11/10/2020	Issue Securities	174,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
11/23/2020	Issue Securities	174,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
11/23/2020	Issue Securities	300,614, 500	Common	0.001	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
11/30/2020	Issue Securities	174,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
12/04/2020	Issue Securities	30,633,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
12/07/2020	Issue Securities	174,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
12/08/2020	Issue Securities	40,000,000	Common	0.001	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
12/10/2020	Issue Securities	234,000,000	Common	0.001	No	GPL Ventures, LLC (Alexander Dillon)	Cash	Restricted	Exempt
12/29/2020	Issue Securities	354,320,840	Common	0.001	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
02/11/2021	Issue Securities	250,000,000	Common	0.00001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
04/14/2021	Issue Securities	384,476,440	Common	0.00015	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
04/20/2021	Issue Securities	800,000,000	Common	0.00001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
04/23/2021	Issue Securities	220,762,710	Common	0.00031	No	Power Up Lending Group Ltd (Curt Kramer)	Conversion of Note	Restricted	Exempt
05/11/2021	Issue Securities	300,000,000	Common	0.0005	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt

05/11/2021	Issue Securities	112,000,000	Common	0.00001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
05/18/2021	Cancel Securities	(300,000,000)	Common	N/A	N/A	GPL Ventures, LLC (Alexander Dillon)	N/A	N/A	N/A
05/18/2021	Issue Securities	180,000,000	Common	0.0005	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
05/18/2021	Issue Securities	350,000,000	Common	0.00001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
05/24/2021	Issue Securities	300,000,000	Common	0.00005	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
05/26/2021	Issue Securities	75,835,600	Common	0.00005	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
06/07/2021	Issue Securities	700,000,000	Common	0.0001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
06/09/2021	Issue Securities	540,317,840	Common	0.00042	No	Auctus Fund, LLC (Lou Posner)	Conversion of Note	Restricted	Exempt
06/23/2021	Issue Securities	248,931,500	Common	0.0001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
06/24/2021	Issue Securities	800,000,000	Common	0.0001	No	GPL Ventures, LLC (Alexander Dillon)	Conversion of penalties on Convertible Note	Restricted	Exempt
Shares Outstanding as of date of this Report: Date June 30, 2021		Ending Balance: Common: 12,468,232,718							

Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
November 9, 2016	\$294,572.56	\$250,000	\$44,572.56	July 30, 2017	Conversion price shall equal to 75% of lowest Trading Price (defined separately) during the Valuation Period (defined separately)	GPL Ventures LLC (Alexander Dillon)	Services
December 9, 2016	\$1,521.623	\$5,000	\$1,251.63	June 9, 2017	Conversion price shall equal to 50% of lowest Trading Price (defined separately) during the Valuation Period (defined separately) Effective as of January 16, 2019, the Conversion Price shall equal to \$0.00001	GPL Ventures LLC (Alexander Dillon)	Services
May 10, 2017	\$1,040.67	\$10,000	\$40.67	Not defined	Conversion terms unknown	GPL Ventures LLC (Alexander Dillon)	Services
July 28, 2017	\$13,893.15	\$11,000	\$2,159.32	February 28, 2018	Conversion price shall equal to 50% of lowest Trading Price (defined separately) during the Valuation Period (defined separately)	GPL Ventures LLC (Alexander Dillon)	Services
October 13, 2017	\$63,615.56	\$44,000	\$19,615.56	Not defined	Conversion terms unknown	Auctus Fund, LLC (Lou Posner)	Services

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
Feb 11, 2019	\$52,010.96	\$42,000	\$10,010.96	Feb 11, 2020	Conversion Price shall equal lesser of: (i) 50% of the lowest Trading Price (defined) during 20 trading days prior to the day the Holder request conversion; or (ii) \$0.0001	GPL Ventures LLC (Alexander Dillon)	Services
April 29, 2021	\$50,849.32	\$50,000	\$849.32	April 29, 2022	Conversion price shall equal to 0.00001	GPL Ventures LLC (Alexander Dillon)	Services
May 7, 2021	\$50,739.73	\$50,000	\$739.73	May 7, 2022	Conversion price shall equal to 0.00001	GPL Ventures LLC (Alexander Dillon)	Services
May 17, 2021	\$20,241.10	\$20,000	\$241.10	May 17, 2022	Conversion price shall equal to 0.00001	GPL Ventures LLC (Alexander Dillon)	Services

4) Financial Statements

The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: **Stephen Brown**
Title: **CFO**
Relationship to Issuer: **Officer**

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Changes in Shareholders' Equity
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

The financial statements for the Quarterly Report for the period ending June 30, 2021 are attached.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

On August 22, 2018, the Company Signed an Asset Purchase Agreement with Ray Wong and My Boca Holdings Inc. to acquire all of the assets and business, including the Proximity Marketing Technology/Software, of MyFlyWiFi, referred to herein as "MFWF". HPIL Holding will deliver to the Seller Three Hundred and Fifty Million (350,000,000) restricted shares, \$0.0001 par value, of its Common Stock.

As far as the Company can tell, although the Shares were issued to My Boca Holdings, Inc., the Company does not have access to MyFlyWiFi and it is an inactive, administratively dissolved in 2019 (Delinquent Taxes) Wyoming incorporated company.

On October 15, 2018, the Company signed an Asset Purchase Agreement with RodDoc, LLC, Frank Dougherty and Christopher Philbrick to acquire all of the assets and business, including the intellectual property for "spiral banding" of RodDoc, Inc. horizontal directional drilling rod resurfacing business, referred to herein as "RODDOC". HPIL Holding will deliver to the Seller Three Hundred and Fifty Million (350,000,000) restricted shares, \$0.0001 par value, of its Common Stock.

As far as the Company can tell, although the shares were delivered, the patent is still in Mr. Dougherty's name and the company ROD DOC is an active and registered company in the state of Florida.

On March 15, 2019, an 8-K was filed with the SEC stating that the following wholly-owned companies of HPIL were incorporated in the state of Wyoming: MyFlyWiFi, Inc.; RodDoc, Inc.; Crypto Currency Engine, Inc.; Karate Games Company, Inc.; Global Live Streaming, Inc.; HPIL Real Estate LLC; and nuUnlimited North America, Inc.

All of the aforementioned “wholly owned subsidiaries” were administratively dissolved by the state of Wyoming on May 5, 2020, due to delinquent taxes, with the exception of ROD DOC, which was administratively dissolved on 6/23/2020 due to delinquent taxes.

On April 17, 2019, the Company filed an 8K regarding the purchase of 278 E Saginaw Rd., Sanford, MI 48657 APN: 110-033-100-420-00. This transaction was never completed, and the property remains titled in the Seller’s name, Mike Rudy.

On May 14, 2021, an application was filed with FINRA regarding changing the name of the Company to Cybernetic Technologies, Ltd. Subsequently, a Press Release was issued on that same day saying FINRA had approved the name change. This news release was incorrect; FINRA had not finished processing the application at that time, and in fact, requested documents that the Company was unable to produce. The FINRA application was withdrawn as to the name change of the Company. Additionally, the Company had filed an amendment with the state of Wyoming changing the name of the Company; pursuant to the withdrawal of the FINRA application, the Company filed an amendment with the state of Wyoming changing the name back to HPIL Holding, Inc.

On September 27, 2021, the Company filed a News Release regarding the acquisition of valuable business assets, IP, technology & technologists, acquiring World Gaming Group; Apogee Dynamics (Apogee D7 EV) NFT Procurement; Medusa Intelligence and ZIPPA.

These were miscategorized and were not acquisitions; they were assets that Stephen Brown brought into the Company, that he designated as divisions. They were never, and are not now, separate incorporated companies, nor subsidiaries of the Company.

On September 28, 2021, the Company filed a News Release regarding the acquisition of NFT Procurement. Again, this was miscategorized and this was actually an asset brought into the Company by Stephen Brown. It is not now, nor has it been, a separate incorporated company, nor a subsidiary of the Company.

On October 4, 2021, the Company filed an 8-K, and on October 5, 2021, the Company published a press release, stating that the Company had entered into a Letter of Intent with Auctus Fund, LLC, whereby Auctus would provide Ten Million Dollars (\$10,000,000) to the Company pursuant to an S-1 Registration Statement with an Equity Line of Credit. In fact, the Company had entered into a term sheet, that although fully executed, the Company and Auctus Fund LLC never entered into definitive agreements and thus, the Company does not have access to an equity line of credit of \$10,000,000.

On October 7, 2021, the Company published a News Release regarding a Letter of Intent with the representatives of the Michael Czysz estate to develop a proof-of-concept Electric Motorcycle under the Apogee Dynamics Power Management System. The Letter of Intent is attached herein to this Disclosure Statement. Definitive Agreements have not yet been executed as the Estate is still going through various processes. Additionally, the news release misstated that Apogee Dynamics is the parent company of HPIL Holding. Apogee Dynamics is a division of HPIL Holding.

On October 8, 2021, the Company published a News Release stating that its division World Gaming Group had almost finished its ZIPPA platform. The Company decided to expand the platform to make it more robust and is getting closer to finishing the platform. The Company still plans to sponsor a tournament through its World Gaming Group division.

On October 18, 2021, the Company published a News Release regarding the sale of its NFT Procurement, and stating it had entered into a Letter of Intent with Stargaze Entertainment, of which

Stephen Brown was an officer (until January 5, 2021). On January 5, 2022, the Agreement, which was between Stephen Brown and Stargaze Entertainment, was rescinded and currently the NFT Procurement, has been categorized as a division of HPIL Holding.

On November 30, 2021, the Company published a News Release stating that Apogee Dynamics, a division of HPIL Holding that it had been selected as a Finalist by Mitsubishi Chemical Advanced Materials for its High-Temperature Carbon-Fiber 3D Printing Challenge from amongst many high-quality submissions from all over the world. Apogee Dynamics did not win the challenge; however, it was an honor to be selected.

On February 22, 2022, the Board of Directors resolved to issue the following shares, pursuant to employment/management agreements: Stephen Brown (Brown Family Investments, Ltd) – 8,000,000,000 shares; David Postula – 6,000,000,000 shares; Lord Ferrox D Tutinean – 2,000,000,000 shares; and Michael Torrey – 1,000,000,000 shares.

On February 22, 2022, the Board of Directors resolved to issue the following shares to satisfy debt owed to the following pursuant to loans by same: Gurvinder Singh Butter – 985,000,000 shares; and Ravdeep Singh Basanti – 335,000,000 shares.

Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference.

No Subsidiaries.

Describe the issuers' principal products or services, and their markets

None.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Issuer leases a 3,000 square foot office at 1720-650 West Georgia Street, Vancouver, British Columbia for \$4,066 per month. The lease is on a month to month basis.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Stephen Brown	CEO/Director	Vancouver, BC	Nil	N/A	N/A	
David Postula	President	Park City, Utah	Nil	N/A	N/A	

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, 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);

None.

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;

None.

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; or

None.

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.

None.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

On April 13, 2020, a shareholder, Haining Zhang, filed a Complaint in the 42nd Circuit Court, Case No. 20-06979-CB-C, Midland County, Michigan, against HPIL Holding for Declaratory Judgment and the Appointment of a Receiver. On October 6, 2020, in the Court of the Honorable Stephen P Carras, a Notice of Receivership was filed, appointing Angela Collette as Receiver; an acceptance of appointment was filed on September 30, 2020.

On April 21, 2021, Angela Collette appointed Stephen Brown as CEO and David Postula as President of the Company.

On August 5, 2021, Sylvia Meadows filed a civil claim in the Supreme Court of British Colombia, No. VLC S-S-217169 against Crank Media, a publicly trading company, and Stephen Brown, CEO of Crank Media, with regard to failure to pay a debt and issue shares. On 11/12/2021, a Default Judgment was entered with the Court in favor of Sylvia Meadows for damages and costs.

On October 17, 2021, an Order on a Hearing to Set Aside the Default Judgment (granted to Haining Zhang) and to Intervene as Shareholders on behalf of HPIL Holding was filed with the Court, whereby the Honorable Stephen P Carras granted Plaintiff's Ray Wong, Chris Philbrick and Frank Dougherty's Motion to Set Aside the Default Judgment and to Intervene as Shareholders on behalf of HPIL Holding was granted.

On December 10, 2021, Sandor Miklos and HPIL Holding entered into a Settlement Agreement with regard to Case Number CV-21-00001866-0000 filed in Ontario Superior Court of Justice, under Case Number CV-21-00000135-000, wherein Miklos filed an Application against HPIL Holding to recover on a contract. The Settlement Agreement called for the issuance of 500,000,000 shares of HPIL to Miklos, along with the filing of a registration statement. The 500,000,000 shares were issued on January 6, 2022, to Sandor Miklos. The Company has been unable to file a registration statement to date, as the Company continues to work at getting the Company current.

On January 13, 2022, Roots Properties filed a civil claim in the Supreme Court of British Colombia, No. 220186 against Crank Media and Stephen Brown, CEO of Crank Media, with regard to failure to pay a debt and issue shares.

On January 13, 2022, Roots Properties filed a civil claim in the Supreme Court of British Colombia, No. 2110873 against HPIL Holding and Stephen Brown, CEO of HPIL Holding, with regard to the sale of convertible debt to Plaintiff.

On January 31, 2022, Arthur Brown and Cyrus Driver filed a claim in the Supreme Court of British Colombia, No. S-220698 against Stephen Brown with regard to failure to pay a debt.

On February 7, 2022, A Complaint on Convertible Debt was filed by Roots Properties, Inc. in the Circuit Court of the Twelfth Judicial Circuit Court in Sarasota County, Florida, against HPIL Holdings (f/k/a Cybernetic Technologies, Ltd) and for monies owed to Roots Properties in the amount of \$400,000 by HPIL and Crank Media.

On March 30, 2022, A Motion to Approve Amended Settlement Agreement was filed in the Sarasota County Circuit Court, Case No: 2022-CA-000580-NC regarding the Claim filed on 2/7/2022 with debts remaining in the principal amounts of \$44,000 and \$20,000. HPIL acknowledges debt; however, the Company does not have sufficient funds to pay the debt and as agreed to issue 2,800,000,000 shares under section 3(a)(10) of the Securities Act of 1933. Roots shall not own more than 9.99% of the issued and outstanding shares at any one time. The Company is waiting for the Court to approve the Amended Settlement Agreement. The Settlement Agreement, if approved, will discharge the lawsuits filed against HPIL, Stephen Brown and Crank Media filed in British Columbia. The shares to be issued to Roots Properties will be issued from shares owned by Stephen Brown and will not be issued from treasury.

On April 11, 2022, the Company filed a Complaint in the United States District Court Southern District New York, Case Number 1:22-cv-02959 against GPL Ventures, LLC, Alexander Dillon and Cosmin Panait, seeking \$16,000,000 for multiple alleged violations of Federal Securities and RICO Laws.

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: None.
Firm:
Address 1:
Address 2:
Phone:
Email:

Accountant or Auditor

Name: N/A – the Company has not engaged any independent auditor.
Firm:
Address 1:
Address 2:
Phone:
Email:

Investor Relations

Not Applicable

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

SRCO Professional Corporation
Chartered Professional Accountants
Park Place Corporate Centre
15 Wertheim Court, Suite 409, Richmond Hill, ON L4B 3H7

The Company engaged SRCO Professional Corporation ("SRCO") to assist management in preparing/drafting financial statements, based on the information provided by management of the Company, including advising on certain complex US GAAP accounting matters and related disclosures. The ultimate responsibility for the preparation of the financial statements is of the Company's management (CFO/CEO).

Meraki Corporate Services Inc.

10) Issuer Certification

Principal Executive Officer:

I, **Stephen Brown** certify that:

1. I have reviewed this amended **quarterly disclosure statement** of **HPIL Holding**;
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.

May 20, 2022

/s/ Stephen Brown

CEO, Director

Principal Financial Officer:

I, **Stephen Brown** certify that:

1. I have reviewed this amended **quarterly disclosure statement** of **HPIL Holding**
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.

May 20, 2022

/s/ Stephen Brown

Chief Financial Officer

Condensed Interim Financial Statements

HPIL Holding

For the quarterly periods ended June 30, 2021 and 2020
(Unaudited – Prepared by Management)

(Expressed in US dollars)

NOTICE OF NO AUDIT/REVIEW OF THE
MANAGEMENT'S PREPARED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of the Company as at and for the quarterly periods ended June 31, 2021 and 2020 have been prepared by and are the responsibility of the Company's management, and these condensed interim financial statements are neither audited nor reviewed by an independent auditor.

HPIL Holding

Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

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HPIL Holding

CONDENSED INTERIM BALANCE SHEETS

(Unaudited – Prepared by Management)

(Expressed in US dollars)

	June 30, 2021 \$	December 31, 2020 \$
ASSETS		
Current assets		
Due from related parties [Note 5]	16,402	—
Due from shareholder [Note 5]	125,104	—
Total current assets	141,507	—
Non-current assets		
Secutiry deposits	12,276	—
Advances	23,657	—
Total assets	177,440	—
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities		
Bank overdraft	319,796	—
Accounts payables and accrued liabilities	32,736	—
Convertible notes payable [Note 6]	490,683	566,566
Total current liabilities	843,215	566,566
Stockholders' deficiency		
Common stock, \$0.0001 par value, 60,000,000,000 shares authorized as at June 30, 2021: 200,000,000,000 shares authorised as at December 31, 2020		
Common stock, 12,468,232,718 common shares outstanding as at June 30, 2021, and 7,505,908,628 December 31, 2020 [Note 7]	1,246,823	750,591
Additional paid-in capital	949,460	933,812
Other comprehensive loss	(874)	—
Accumulated deficit	(2,861,184)	(2,250,969)
Total stockholders' deficiency	(665,775)	(566,566)
Total liabilities and stockholders' deficiency	177,440	—

See accompanying notes

Going concern [Note 3]

Contingencies and commitments [Note 8]

Related party transactions and balnces [Note 9]

Subsequent events [Note 12]

HPIL Holding

CONDENSED INERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited – Prepared by Management)

(Expressed in US dollars)

	For the three months ended June 30, 2021	For the six months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2020
	\$	\$	\$	\$
EXPENSES				
Stock based compensation	—	—	—	—
Legal and professional fees	165,674	165,674	—	—
Salary and wages	32,572	32,572	—	—
Interest expense and penalties <i>[Note 6]</i>	356,892	393,827	9,285	18,543
Purchase of computer software	8,143	8,143	—	—
Rent and lease expense	12,215	12,215	—	—
Advertising and promotion	24,583	24,583	—	—
Office and general	594	594	—	—
Accretion expenses <i>[Note 6]</i>	2,608	2,608	—	8,178
Total operating expenses	603,280	640,215	9,285	26,721
Net loss from operations	(603,280)	(640,215)	(9,285)	(26,721)
Net loss from operations before income taxes	(603,280)	(640,215)	(9,285)	(26,721)
Income taxes	—	—	—	—
Net loss for the period	(603,280)	(640,215)	(9,285)	(26,721)
Translation adjustment	(874)	(874)	—	—
Comprehensive loss	(604,154)	(641,089)	(9,285)	(26,721)
Loss per share, basic and diluted	(0.0001)	(0.0001)	(0.0000)	(0.0000)
Weighted average number of common shares outstanding	6,781,499,443	5,638,299,908	4,265,484,988	4,265,484,988

See accompanying notes

HPIL Holding

STATEMENTS OF STOCKHOLDERS' DEFICIENCY

(Unaudited – Prepared by Management)

(Expressed in US dollars)

	Common stock		Additional paid-in capital	Other Comprehensive Loss	Accumulated deficit	Total shareholder's equity (deficiency)
	Shares	Amount				
		\$	\$	\$	\$	\$
December 31, 2020	7,505,908,628	750,591	933,812	—	(2,250,969)	(566,566)
Shares issued during the period <i>[Note 7]</i>	5,262,324,090	526,232	—	—	—	526,232
Shares cancelled during the year <i>[Note 7]</i>	300,000,000	(30,000)	—	—	30,000	—
Beneficial conversion feature			15,648			15,648
Translation adjustment	—	—	—	(874)	—	(874)
Net loss	—	—	—	—	(640,215)	(640,215)
June 30, 2021	13,068,232,718	1,246,823	949,460	(874)	(2,861,184)	(665,775)

	Common stock		Additional paid-in capital	Other Comprehensive Loss	Accumulated deficit	Total shareholder's equity (deficiency)
	Shares	Amount				
		\$	\$	\$	\$	\$
December 31, 2019	4,265,484,988	426,549	933,812	—	(2,066,563)	(706,202)
Shares issued during the period <i>[Note 7]</i>	3,240,423,640	324,042	—	—	—	324,042
Net loss	—	—	—	—	(184,406)	(184,406)
December 31, 2020	7,505,908,628	750,591	933,812	—	(2,250,969)	(566,566)

See accompanying notes

HPIL Holding

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited – Prepared by Management)

(Expressed in US dollars)

	For the six months ended June 30, 2021 \$	For the six months ended June 30, 2020 \$
OPERATING ACTIVITIES		
Net loss for the period	(640,215)	(26,721)
<i>Items not affecting cash</i>		
Professional fees	120,000	—
Interest expenses and penalties	343,389	18,543
Accretion expenses	2,608	8,178
<i>Changes in non-cash working capital</i>		
Change in advances	(23,657)	—
Change in accounts payables	32,736	—
Due from related parties	(16,402)	—
Due from shareholder	(125,104)	—
Net cash used in operating activities	(306,646)	—
INVESTING ACTIVITIES		
Security Deposits	(12,276)	—
Net cash used in investing activities	(12,276)	—
FINANCING ACTIVITIES		
Proceeds from issuance of promissory note payable	—	—
Net cash provided by financing activities	—	—
Net decrease in cash during the period	(318,922)	—
Effect of translation adjustment	(874)	—
Cash at the beginning	—	—
Cash/ overdraft, end of period	(319,796)	—

See accompanying notes

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

1. NATURE OF OPERATIONS

HPIL Holding (“HPIL” or the “Company”) is a worldwide diversified company developing projects with cutting edge technology. The Company is mainly involved in the business of producing a revolutionary batteryless power train that will make charging optional and NFT procurement and auctioning. HPIL has entered into world of artificial intelligence and is in the process of completion of building a unique multi-gaming global platform for gamers i.e. “ZIPPA”.

The Company was originally incorporated under the laws of Nevada on May 5, 2009. On March 22, 2019, the Company renounced its state of incorporation in Nevada, and was incorporated in the State of Wyoming.

On April 21, 2021, the name of the Company was changed from HPIL Holding to Cybernetic Technologies Ltd. However, effective from August 2021, the name of Company was changed to HPIL Holding.

The Company operates under the web-site address www.hpilholding.ca.

2. BASIS OF PRESENTATION, MEASUREMENT

The accompanying unaudited condensed interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements and should be read in conjunction with the Company’s annual consolidated financial statements for the years ended December 31, 2020 and 2019 and their accompanying notes.

The accompanying unaudited condensed interim financial statements are expressed in United States dollars (“USD”). In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of financial position and results of operations for the interim periods presented have been reflected herein. Operating results for the interim periods presented herein are not necessarily indicative of the results that may be expected for the year ending December 31, 2021. The Company’s fiscal year-end is December 31.

3. GOING CONCERN

The accompanying unaudited condensed interim financial statements have been prepared assuming the Company will continue on a going concern basis. As disclosed in the condensed interim balance sheet, the Company has accumulated losses at each reporting period. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. The Company is in the process of launching meta data analytics, tournament platforms for gaming and live auction of 3 NFTs. These activities will result into raising of additional funds required to meet future liabilities and expenses. The Company believes it can satisfy minimum cash requirements for the next twelve months with an equity financing or if needed, loans from shareholders.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these unaudited condensed interim financial statements.

The unaudited condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of unaudited condensed interim financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Areas involving significant estimates and assumptions include deferred income tax assets and related valuation allowance and accruals. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Loss Per Share

The Company has adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 260-10 which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income or loss available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Diluted earnings per share exclude all potentially dilutive shares if their effect is anti-dilutive. There were no potentially dilutive shares outstanding as at each period end.

Fair Value of Financial Instruments

ASC 820 defines fair value, establishes a framework for measuring fair value and expands required disclosure about fair value measurements of assets and liabilities. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation based on quoted market prices for similar assets and liabilities in active markets.
- Level 3 – Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments or interest rates that are comparable to market rates. These financial instruments include cash and accounts payable. The Company's cash, which is carried at fair value, is classified as a Level 1 financial instrument. The Company's bank accounts are maintained with financial institutions of reputable credit, therefore, bear minimal credit risk.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of loss and comprehensive loss.

The results and financial position of an entity that has a functional currency different from the presentation currency is translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position; and
- income and expenses for each statement of loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated as the rate on the dates of the transactions).

Effect of translation differences are accumulated and presented as a component of equity under accumulated other comprehensive (loss) income.

Derivative Instruments

The Company accounts for conversion options embedded in convertible notes in accordance with ASC 815. ASC 815 generally requires companies to bifurcate conversion options embedded in convertible notes from their host instruments and to account for them as free-standing derivative financial instruments. ASC 815 provides for an exception to this rule when convertible notes, as host instruments, are deemed to be conventional, as defined by ASC 815-40.

The Company accounts for convertible notes deemed conventional and conversion options embedded in non-conventional convertible notes which qualify as equity under ASC 815, in accordance with the provisions of ASC 470-20, which provides guidance on accounting for convertible securities with beneficial conversion features. Accordingly, the Company records, as a discount to convertible notes, the intrinsic value of such conversion options based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt.

Income Taxes

Under ASC 740, "Income Taxes," deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Valuation allowances are established when it is more likely than not that some or all of the deferred tax assets will not be realized. As of period end, there were no deferred taxes due to the uncertainty of the realization of net operating loss or carry forward prior to expiration.

Operating Leases

The Company leases office space under operating lease agreements on month-to-month basis. The lease term begins on the date of initial possession of the leased property for purposes of recognizing lease expense on a straight-line basis over the term of the lease. Lease renewal periods are considered on a lease-by-lease basis and are generally not included in the initial lease term.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

The Company qualifies as an “emerging growth company” (EGC) under the 2012 JOBS Act. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. As an emerging growth company, management can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The management has elected to take advantage of the benefits of this extended transition period.

In August 2018, the FASB issued ASU 2018-13, “Changes to Disclosure Requirements for Fair Value Measurements”, which will improve the effectiveness of disclosure requirements for recurring and nonrecurring fair value measurements. The standard removes, modifies, and adds certain disclosure requirements, and is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019 (for “emerging growth company” beginning after December 15, 2020). The Company has adopted this standard effective from January 1, 2021 and the adoption of this standard did not have any significant impact on the unaudited condensed interim financial statements.

5. DUE FROM RELATED PARTIES AND SHAREHOLDER

These advances are from Crank Media, HPIL and shareholder of the Company. The amount is non-interest bearing, unsecured and due on demand. The carrying value of the advances approximates the market value due to the short-term maturity of the financial instruments.

6. CONVERTIBLE NOTES PAYABLE

The details of the convertible notes are as follows:

Activity relating to issuances of convertible notes during the quarter ended June 30, 2021

During the Q2 ended June 30, 2021, the Company issued three convertible notes to certain debtors of the Company amounting to \$120,000 in consideration of the past services. The Company recorded \$120,000 in the statements of operations as professional fees with a corresponding credit to convertible notes. These convertible notes carried interest rate of 10%, with a maturity date of one year from the date of issuance. These notes were convertible into common shares at a fixed conversion price.

The Company evaluated the terms of these convertible notes in the light of requirements of ASC Topic 470 and 815 and concluded that these convertible notes meet fixed to fixed criteria due to fix conversion price. The Company fair valued the debt component at \$104,648 using a discount rate of 25% (representing peer industry rate using these instruments without conversion feature), and accordingly reduced \$15,648 from the debt with corresponding credit to additional paid in capital under equity.

During the Q2 ended June 30, 2021, interest accrued (including accretion and other penalty charges) relating to these convertible notes issued during 2021 amounting to \$4,438 were recorded in the statement of operation under interest and other charges with corresponding credit to convertible notes.

As at June 30, 2021, the remaining outstanding balance of convertible notes (including interest and other charges) was \$108,790.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

6. CONVERTIBLE NOTES PAYABLE (continued)

Activity relating to issuances of convertible notes during the quarter ended March 31, 2021

There was no issuance of convertible notes during the quarter ended March 31, 2021.

Activity relating to issuances of convertible notes during the year ended December 31, 2020

There was no issuance of convertible notes during the year ended December 31, 2020.

Activity relating to issuances of convertible notes during the year ended December 31, 2019

During the year ended December 31, 2019, the Company issued three convertible notes to certain debtors of the Company amounting to \$73,000 in consideration of the past services. The Company recorded \$73,000 in the statements of operations as professional fees with a corresponding credit to convertible notes. These convertible notes carried interest rates ranging from 5% to 24% (including default rate) and were with a maturity date of one year from the date of issuance. These notes were convertible into common shares at a variable conversion price.

Activity relating to issuances of convertible notes during the year ended December 31, 2019 (continued)

The Company evaluated the terms of these convertible notes in the light of requirements of ASC Topic 815 and concluded that these convertible notes contain embedded derivatives due to the variability of the conversion price. The Company fair valued the embedded derivatives amounting to \$273,574 (as further explained in Note 6 – Derivative Liabilities) on the issuance dates of the above convertible notes. The fair value of embedded derivatives at the inception was reduced from the convertible notes, and accordingly recorded \$200,574 as day-one derivative loss with corresponding credit to derivative liabilities. These derivative liabilities were remeasured at year ended December 31, 2019, and the related fair value change was recorded in the statements of operations amounting to \$171,986 for the year ended December 31, 2019.

During the year ended December 31, 2019, interest accrued (including other penalty charges) relating to these convertible notes issued during 2019 amounting to \$6,235 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

The above-mentioned derivative liabilities were remeasured at year ended December 31, 2020, and the related fair value change was recorded in the statements of operations amounting to \$101,588.

During the year ended December 31, 2020, interest accrued (including other penalty charges) relating to these convertible notes issued during 2019 amounting to \$8,123 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

During the quarter ended March 31, 2021 and 2020, interest accrued (including other penalty charges) relating to these convertible notes issued during 2019 amounting to \$2,180 and \$1,875 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

During the quarter ended June 30, 2021 and 2020, interest accrued (including other penalty charges) relating to these convertible notes issued during 2019 amounting to \$1,321 and \$1,857 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

As at June 30, 2021, the remaining outstanding balance of convertible notes (including interest and other charges) was \$52,011.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

6. CONVERTIBLE NOTES PAYABLE (continued)

Activity relating to issuances of convertible notes prior to December 31, 2018

As at December 31, 2018, the total amount of convertible notes outstanding including accrued interest and other charges amounting to \$503,781. These convertible notes were issued during previous years with a maturity date of one year from the date of issuance, carried interest rates ranging from 5% to 24% (including default rate). The maturity of the aforementioned notes expired during fiscal 2018. These notes were convertible into common shares at a variable conversion price, and were at default as at December 31, 2018.

During the year ended December 31, 2019, interest accrued (including other penalty charges) relating to convertible notes issued prior to December 31, 2018, amounting to \$50,270 were recorded in the statements of operation under interest and other charges with corresponding credit to convertible notes. In addition, during the year ended December 31, 2019, these convertible notes issued prior to December 31, 2018 amounting to \$27,490 were converted into common stock of the Company, and accordingly, the Company issued 1,669,668,900 of common shares.

During the year ended December 31, 2019, the Company issued 710,000,000 common shares to previous debtors in connection with certain settlement agreements. These common shares were fair valued based on the market price on the date of issuance, and accordingly recognized \$168,300 in the statements of operations as stock-based compensation with corresponding credit to equity.

During the year ended December 31, 2020, interest accrued (including other penalty charges) relating to convertible notes issued prior to December 31, 2018, amounting to \$41,241 were recorded in the statements of operation under interest and other charges with corresponding credit to convertible notes. In addition, during the year ended December 31, 2020, the convertible notes issued prior to December 31, 2018 amounting to \$130,046 were converted into common stock of the Company, and accordingly, the Company issued 3,240,423,640 of common shares.

During the quarter ended March 31, 2021 and 2020, interest accrued (including other penalty charges) relating to these convertible notes issued during 2019 amounting to \$9,755 and \$7,410 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

During the quarter ended June 30, 2021 and 2020, interest accrued (including other penalty charges) relating to these convertible notes issued during 2018 amounting to \$4,955 and \$7,410 were recorded in the statements of operations under interest and other charges with corresponding credit to convertible notes.

As at June 30, 2021, the remaining outstanding balance of convertible notes (including interest and other charges) was \$329,882.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

7. STOCKHOLDERS' DEFICIENCY

Authorized stock

Common stock

On May 24, 2021, the Company through a board resolution decreased the authorized capital to 60,000,000,000 shares of common stock with a par value of \$0.0001. Prior to the amendment, the authorized capital was 200,000,000,000 shares of common stock with a par value of \$ 0.0001.

Issued and Outstanding stock

As at June 30, 2021, the Company has 12,468,232,718 common shares outstanding (As at December 31, 2020: 7,505,908,628 common shares outstanding).

During the period ended June 30, 2021, the Company issued 5,012,324,090 number of common shares in connection with the conversion of convertible notes as detailed in Note 5

During the period ended March 31, 2021, the Company issued 250,000,000 number of common shares in connection with the conversion of convertible notes as detailed in Note 5

During the year ended December 31, 2020, the Company issued 3,240,423,640 number of common shares in connection with the conversion of convertible notes as detailed in Note 5.

8. CONTINGENCIES AND COMMITMENTS

Contingencies

As at June 30, 2021, there are no pending lawsuits that could have a material effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

Commitments

The Company has a month-to-month arrangement of \$ 4,066 per month in connection with the use of leased premises of the office building.

9. RELATED PARTY TRANSACTIONS AND BALANCES

The Company's transactions with related parties were carried out on normal commercial terms and in the course of the Company's business.

Other than those disclosed elsewhere in the condensed interim financial statements, the related party transactions and balances are as follows:

The Company expenses \$ 12,215 towards rent (month to month basis) for usage of office space leased by a related company. Also, during the period ended June 30, 2021, the Company incurred \$ 32,572 (June 30, 2020 – NIL) in connection with the remuneration of the Chief Executive Officer.

HPIL Holding

Notes to Condensed Interim Financial Statements

For the quarterly periods ended June 30, 2021 and 2020

(Unaudited – Prepared by Management)

(Expressed in US dollars)

10. INCOME TAXES

Income taxes

The Tax Cuts and Jobs Act (the “Act”) enacted on December 22, 2017 reduces the US federal corporate tax rate from 35% to 21% and requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were previously tax deferred and creates new taxes on certain foreign sourced earnings. As of period end, the Company has not completed the accounting for the tax effects of enactment of the Act; however, as described below, it has made a reasonable estimate of the effects on existing deferred tax balances. These amounts are provisional and subject to change.

The provision for income taxes is calculated at US corporate tax rate of approximately 21% (2020: 21%) as follows:

	six month ended June 30, 2021	six month ended June 30, 2020
	\$	\$
Net income before income taxes	(603,280)	—
US tax rate	21%	—
Expected income tax recovery from net loss	(126,689)	—
Tax effect of expenses not deductible for income tax		
Change in valuation allowance	126,689	—
	—	—

Deferred tax assets

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Company had net operating loss carry forwards of approximately \$174,217(2020: \$ NIL) that may be offset against future taxable income from the year by 2040. No tax benefit has been reported in the interim financial statements since the potential tax benefit is offset by a valuation allowance of the same amount. The Company is taxed in the United States at the Federal level.

11. SUBSEQUENT EVENTS

The Company’s management has evaluated subsequent events up to February 8, 2022, the date the unaudited condensed interim financial statements were issued, pursuant to the requirements of ASC Topic 855 and has determined following significant event to report:

Subsequent to period ended June 30, 2021, the Company has issued 3,300,110,904 common shares until February 8, 2022 to various parties in connection with the services provided by them.