

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONDENSED UNAUDITED BALANCE SHEETS

	<u>SEPTEMBER 30,</u> <u>2022</u>	<u>JUNE 30,</u> <u>2022</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ —	\$ —
Prepaid expenses	2,917	1,167
Total Current Assets	<u>2,917</u>	<u>1,167</u>
Total Assets	<u>\$ 2,917</u>	<u>\$ 1,167</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	\$ 1,185	\$ —
Accrued Legal Settlement	25,000	25,000
Note Payable - Related Party	29,749	26,249
Total Current Liabilities	<u>55,934</u>	<u>51,249</u>
Total Liabilities	<u>55,934</u>	<u>51,249</u>
Commitments and Contingencies (Note 7)		
Shareholders' Deficit		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized 500,000 shares issued and outstanding	50,000	50,000
Common stock, \$0.001 par value; 1,010,000,000 shares authorized 472,056 shares issued and outstanding	472	472
Additional Paid In Capital	923,450	923,450
Accumulated Deficit	(1,026,939)	(1,024,004)
Total Shareholders' Deficit	<u>(53,017)</u>	<u>(50,082)</u>
Total Liabilities and Shareholders' Deficit	<u>\$ 2,917</u>	<u>\$ 1,167</u>

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONDENSED UNAUDITED STATEMENTS OF OPERATIONS

	FOR THE THREE MONTHS ENDED	
	SEPTEMBER 30,	SEPTEMBER 30,
	2022	2021
REVENUE	\$ —	\$ —
OPERATING EXPENSES:		
General and administrative expenses	2,935	—
Total Operating Expenses	2,935	—
OPERATING LOSS	(2,935)	—
OTHER INCOME (EXPENSE)	—	—
LOSS BEFORE TAXES	(2,935)	—
TAXES	—	—
NET LOSS	\$ (2,935)	\$ —
Weighted average shares outstanding- basic and diluted	472,056	472,056
Net income (loss) per share – basic and diluted	\$ (0.00)	\$ (0.00)

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONDENSED UNAUDITED STATEMENTS OF CHANGES INSTOCKHOLDERS' DEFICIT
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>Series A Preferred Shares</u>		<u>Common Shares</u>		<u>Additional Paid-In</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Capital</u>	<u>Deficit</u>	
Balance at June 30, 2021	500,000	\$ 50,000	472,056	\$ 472	\$ 923,450	\$ (978,977)	\$ (5,055)
Net loss for the period	—	—	—	—	—	—	—
Balance at September 30, 2021	<u>500,000</u>	<u>\$ 50,000</u>	<u>472,056</u>	<u>\$ 472</u>	<u>\$ 923,450</u>	<u>\$ (978,977)</u>	<u>\$ (5,055)</u>
Balance at June 30, 2022	500,000	50,000	472,056	472	\$ 923,450	(1,024,004)	(50,082)
Net loss for the period	—	—	—	—	—	(2,935)	(2,935)
Balance at September 30, 2022	<u>500,000</u>	<u>\$ 50,000</u>	<u>472,056</u>	<u>\$ 472</u>	<u>\$ 923,450</u>	<u>\$ (1,026,939)</u>	<u>\$ (53,017)</u>

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONDENSED UNAUDITED STATEMENTS OF CASH FLOWS

	FOR THE THREE-MONTHS ENDED SEPTEMBER 30,	
	2022	2021
Cash Flows from Operating Activities:		
Net Loss	\$ (2,935)	\$ —
Adjustments to reconcile net loss to net cash from operating activities		
Changes in working capital items:		
Prepaid expenses	(1,750)	—
Accounts payable	1,185	—
Net Cash Flows Used in Operating Activities	(3,500)	—
Net Cash Flows Used in Investing Activities	—	—
Cash Flows from Financing Activities		
Note Payable - Related Party	3,500	—
Net Cash Flows From Financing Activities	3,500	—
Net Cash Flows From Investing Activities	—	—
Net Change in Cash:	—	—
Cash, beginning of period:	\$ —	\$ —
Cash, end of period:	\$ —	\$ —
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest	\$ —	\$ —
Cash paid for tax	\$ —	\$ —

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
Notes to Condensed Financial Statements
September 30, 2022
(Unaudited)

NOTE 1 – NATURE OF OPERATIONS

Nature of Business

Asberry 22 Holdings, Inc., formerly known as Vapor Hub International Inc., (“the Company,” “we” “us”) was originally incorporated under the laws of the State of Nevada in 2008 and redomiciled to the State of Delaware effective July 2022.

We are a shell company seeking to merge with an entity with experienced management and opportunities for growth in return for shares of our common stock to create values for our shareholders.

We announced that a change of control occurred on December 23, 2021 by virtue of the sale of 500,000 shares of Series A Supermajority Voting Preferred Stock, which were purchased by the Michael A. Littman Atty, Defined Benefit Plan.

Effective July 13, 2022, as part of a holding company reorganization, we redomiciled from Nevada to Delaware, changed our name from Vapor Hub International, Inc. to Asberry 22 Holdings, Inc. and our trading symbol from “VHUB” to “ASHI”.

Impact of the COVID-19 Pandemic

We have not commenced operations as yet and consequently have not been directly impacted by the Covid-19 outbreak at this time. However, the detrimental effect of the Covid-19 outbreak on the economy as a whole may have a detrimental impact on our ability to raise funding and identify an entity to merge with for the foreseeable future. We are unable to predict with any certainty the ultimate impact Covid-19 outbreak on our plans at this time.

Impact of the Ukrainian Conflict

We have not commenced operations as yet and consequently have not been directly impacted by the Ukrainian conflict at this time. Currently, we do not believe that the conflict between Ukraine and Russia will have any direct impact on our operations, financial condition or financial reporting. We believe the conflict will have only a general impact on our operations in the same manner as it is having a general impact on all business operations resulting from international sanction and embargo regulations, possible shortages of goods and goods incorporating parts that may be supplied from the Ukraine or Russia, supply chain challenges, and the international and domestic inflationary results of the conflict and government spending for and funding of their response. We do not believe we will be targeted for cyber-attacks. We have no operations in the countries directly involved in the conflict or that are specifically impacted by any of the sanctions and embargoes, we do not believe that the conflict will have any impact on our internal control over financial reporting. Other than general securities market trends, we do not have reason to believe that investors will evaluate the company as having special risks or exposures related to the Ukrainian conflict.

NOTE 2. GOING CONCERN

Our financial statements are prepared using accounting principles generally accepted in the United States of America (“GAAP”) applicable to a going concern, which contemplate the realization of assets and the liquidation of liabilities in the normal course of business. We have no ongoing business or income and for the three-months period ended September 30, 2022 we incurred a loss of \$2,935 and had an accumulated deficit of \$1,026,939 as of September 30, 2022. These conditions raise substantial doubt about our ability to continue as a going concern. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of these uncertainties. Our ability to continue as a going concern is dependent upon our ability to raise additional debt or equity funding to meet our ongoing operating expenses and ultimately in merging with another entity with experienced management and profitable operations. No assurances can be given that we will be successful in achieving these objectives.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The summary of significant accounting policies is presented to assist in the understanding of the financial statements. These policies conform to accounting principles generally accepted in the United States of America ("GAAP") and have been consistently applied.

Interim Financial Statements

The accompanying unaudited interim condensed financial statements have been prepared in accordance with GAAP for interim financial information in accordance with Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The accompanying condensed financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, changes in shareholders' deficit and cash flows as of September 30, 2022 and for the related periods presented, have been included. The results for the three-months period ended September 30, 2022 are not necessarily indicative of the results of operations for the full year. These financial statements and related footnotes should be read in conjunction with the financial statements and footnotes thereto for the years ended June 30, 2022 and 2021 included in our Annual Report filed on October 07, 2022.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

Cash and cash equivalents

We consider all highly liquid securities with original maturities of three months or less when acquired to be cash equivalents. There were no cash equivalents as of September 30, 2022 and June 30, 2022.

Fair Value of Financial Instruments

ASC Topic 820, Fair Value Measurements and Disclosures ("ASC 820"), provides a comprehensive framework for measuring fair value and expands disclosures which are required about fair value measurements. Specifically, ASC 820 sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. ASC 820 defines the hierarchy as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed on the New York Stock Exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets but are either directly or indirectly observable as of the reported date. The types of assets and liabilities in Level 2 are typically either comparable to actively traded securities or contracts or priced with models using highly observable inputs.

Level 3 – Significant inputs to pricing that are unobservable as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine the fair value of financial transmission rights.

Our financial instruments consist of our prepaid expenses, accounts payable, litigation contingency reserve and note payable – related party which equate to their fair values because of the short-term maturities of these instruments.

Related Party Transactions

A related party is generally defined as (i) any person that holds 10% or more of our membership interests including such person's immediate families, (ii) our management, (iii) someone that directly or indirectly controls, is controlled by or is under common control with us, or (iv) anyone who can significantly influence our financial and operating decisions. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. See Note 6 below for details of related party transactions in the period presented.

Leases:

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) as assets, operating lease non-current liabilities, and operating lease current liabilities in our balance sheet. Finance leases are property and equipment, other current liabilities, and other non-current liabilities in the balance sheet.

ROU assets represent the right to use an asset for the lease term and lease liability represent the obligation to make lease payment arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over lease term. As most of the leases doesn’t provide an implicit rate. We generally use the incremental borrowing rate on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The operating ROU asset also includes any lease payments made and exclude lease incentives. Lease expense for lease payment is recognized on a straight-line basis over lease term.

The Company was not party to any lease transaction during the three-months period ended September 30, 2022 and 2021.

Income Taxes

The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carry-forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Uncertain Tax Positions:

We evaluate tax positions in a two-step process. We first determine whether it is more likely than not that a tax position will be sustained upon examination, based on the technical merits of the position. If a tax position meets the more-likely-than-not recognition threshold, it is then measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. We classify gross interest and penalties and unrecognized tax benefits that are not expected to result in payment or receipt of cash within one year as long-term liabilities in the financial statements.

Revenue Recognition:

Revenues are recognized when control of promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when the entity satisfies a performance obligation

At this time, the Company has not identified specific planned revenue streams.

During the three months ended September 30, 2022 and 2021, the Company did not recognize any revenue.

Advertising Costs

We expense advertising costs when advertisements occur. No advertising costs were incurred during the three-months period ended September 30, 2022 and 2021.

Stock-Based Compensation

The cost of equity instruments issued to employees and non-employees in return for goods and services is measured by the grant date fair value of the equity instruments issued in accordance with ASC 718, Compensation – Stock Compensation. The related expense is recognized as services are rendered or vesting periods elapse.

Net Loss per Share Calculation

Basic net loss per common share is computed by dividing loss available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net income by the weighted average shares outstanding, assuming all dilutive potential common shares were issued. Diluted earnings per share is not presented when their effect is anti-dilutive. The Company's shares of Series A Preferred Stock are convertible into such number of common shares as represents 90% of the total shares of common stock issued and outstanding. There potentially dilutive shares have not be included in the calculation of net loss per share for the periods presented as their inclusion would be anti-dilutive as the Company recognized losses for all periods presented.

Recent Accounting Pronouncements

The Company has implemented all applicable accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 4 – ACCOUNTS PAYABLE

As of September 30, 2022 and June 30, 2022 the balance of accounts payable was \$1,185 and \$0, respectively, and related to balances due to our share transfer agent.

NOTE 5 – LITIGATION CONTINGENCY RESERVE

As of September 30, 2022 and June 30, 2022 we accrued \$25,000 in respect of a litigation contingency reserve for an ongoing legal issue.

NOTE 6 – NOTE PAYABLE- RELATED PARTY

As of September 30, 2022 and June 30, 2022 the balance of note payable- related party was \$ 29,749 and \$26,249, respectively.

During the three-months period ended September 30, 2022, our new controlling shareholder advanced to us \$ 3,500 (June 2022 - \$26,249), by way of a note payable to finance our working capital requirements.

The note payable is unsecured, due on demand and interest free.

NOTE 7 – COMMITMENTS & CONTINGENCIES

Legal Proceedings

As of September 30, 2022 we accrued \$25,000 in respect of a litigation contingency reserve for an ongoing legal issue.

Contractual Obligations

We are not party to any contractual obligations at this time.

NOTE 8 – SHAREHOLDERS' DEFICIT

Preferred Stock

We are authorized to issue 10,000,000 shares of preferred stock with the par value of \$ 0.001, with such relative rights, preferences and designations as may be determined by our Board of Directors in its sole discretion upon the issuance of any shares of Preferred Stock.

1,000,000 share of Series A Super Majority Voting Convertible Preferred Stock were designated effective May 26, 2020.

There are no remaining shares of preferred stock available for designation at this time.

Series A Preferred Stock

500,000 shares of Series A Preferred Stock were issued and outstanding as on September 30, 2022 and June 30, 2022.

The share of Series A Preferred Stock carry super majority voting power equivalent to 90% of common stock at all times.

The share of Series A Preferred Stock was convertible to 90% of the common shares of the Common Stock of the Company.

Common Stock

As of September 30, 2022, we were authorized to issue 1,010,000 000 shares of common stock with a par value of \$ 0.001.

No shares of common stock were issued during the three-months period ended September 30, 2022 and 2021.

As of September 30, 2022 and June 30, 2022, 472,056 shares of common stock were issued and outstanding.

Warrants

No warrants were issued or outstanding during the three-months period ended September 30, 2022 and 2021.

Stock Options

We currently have no stock option plan.

NOTE 9– SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were issued and has determined that it does not have any material subsequent events to disclose in these unaudited financial statements.