

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

GTFN HOLDINGS, INC.
a Nevada Corporation
1067 E. Highway 24
Woodland Park, CO 80863

Jonathan Parker-Bray
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SIC Code 7372

Annual Report

For the period ending May 31, 2023 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

Most recent date: 207,804,236 as of June 27, 2023

Most recently completed fiscal year end: 202,048,290 and 48,290 as of the fiscal years ending May 31, 2023 and 2022, respectively

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 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:

Change in Control

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;

(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.

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

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

As of April 23, 2008, the Corporation's predecessor issuer was Britton International, Inc., a Nevada company.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

History Past Five Years: On August 1, 2003, the Corporation was incorporated as Britton International Inc. in the State of Nevada. On April 23, 2008, in conjunction with the merger of Belltower Entertainment Corp. into the Corporation, the name of the Corporation was changed to Belltower Entertainment Corp. On June 24th, 2020, Belltower Entertainment Corp., by corporate action, amended its Certificate of Incorporation, changing the name of the Corporation to GTFN Holdings, Inc. On May 5, 2021, GTFH Holdings, Inc., by corporate action, amended its Certificate of Incorporation increasing the authorized shares of the Company.

The Company is currently in good standing with the State of Nevada.

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:

On June 28, 2022, the Company completed a reverse merger acquiring Pryvate Technologies Limited ("PTL"), a U.K. company that focuses on providing secure communications solutions, and that was wholly owned by Criptyque Limited ("CL"). CL is a Jersey, Channel Islands holding company that in turn is owned and controlled by a number of private UK citizens and residents. The reverse merger was completed through an all-stock acquisition of PTL, and was satisfied by the issuance of 200,000,000 Restricted Common Shares issued at \$2.00 per share to the shareholders of PTL. As a result of the reverse merger PTL is a wholly owned subsidiary of the Company. CL became the majority shareholder of the Company, with a nearly 80 % ownership interest in BTOW.

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

GTFN Holdings, Inc., 1067 E. Highway 24, Woodland Park, CO 80863

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

Check 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?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer, Inc.
Phone: (702) 361-3033 voice
Email: info@pacificstocktransfer.com
Address: Via Austi Pkwy, Suite 300, Las Vegas, NV. 89119

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	BTOW	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	362441107	
Par or stated value:	<u>0.001</u>	
Total shares authorized:	500,000,000	<u>as of date: June 27, 2023</u>
Total shares outstanding:	207,804,236	<u>as of date: June 27, 2023</u>
Total shares in Public Float:	25,255	<u>as of date: June 27, 2023</u>
Total number of shareholders of record:	72	<u>as of date: June 27, 2023</u>

All additional class(es) of publicly quoted or traded securities (if any):

None

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Series A Preferred Stock	
CUSIP (if applicable):	None	
Par or stated value:	0.0001	
Total shares authorized:	10,000,000	<u>as of date: June 27, 2023</u>
Total shares outstanding (if applicable):	1,000,000	<u>as of date: June 27, 2023</u>
Total shares in Public Float:	0	<u>as of date: June 27, 2023</u>
Total number of shareholders of record:	1	<u>as of date: June 27, 2023</u>

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Voting rights are one (1) per share of common stock outstanding. Dividends may be declared and paid at the discretion of the Board of Directors from time to time, subject to Preferred Stock rights, if any. There are no preemption rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

The Company is authorized to issue 10,000,000 common shares with a par value of \$0.0001 per common shares.

The Preferred Stock may be issued in one or more series. The Board of Directors of the Company is authorized to determine or alter the rights, preferences, privileges, and restrictions granted or imposed upon any wholly unissued series of Preferred Stock, and within the limitations or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any such series subsequent to the issue of shares of that series, to determine the designation and par value of any series and to fix the numbers of shares of any series. Prior to issuance, the Board of Directors may set the dividend rate, the cumulative or non-cumulative nature of the dividends, and the redemption, liquidation, conversion and voting rights of the shares.

Certificate of Designation: On May 5, 2021, GTFN Holdings, Inc. filed a Certificate of Designation of Preferences, Rights and Limitations of Series "A" Preferred Stock designating One Million (1,000,000) shares of Preferred Stock as Series "A" Convertible Preferred Stock. The Certificate of Designation of Series "A" Convertible Preferred Stock contains special voting rights of five (5) votes per preferred share held, as well as conversion rights of five common share for each preferred share to any holder.

The Company currently has 1,000,000 shares of Series "A" Convertible preferred stock issued and outstanding

3. **Describe any other material rights of common or preferred stockholders.**

None

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any 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.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

The outstanding shares required by this Item 3 are attached hereto as Appendix 1 and are incorporated herein by reference.

Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: Yes: (If yes, you must complete the table below)

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.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Please ensure that these descriptions are updated on the Company's Profile on www.otcmarkets.com).

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

Historically, prior to June 2022, we did not have any operations. On June 28, 2022, the Company closed on the purchase of 100 % of the issued share capital of Pryvate Technologies Ltd., a UK Company engaged in the Secure Communications Technologies industry, from Criptyque Limited a Jersey Channel Islands company, in exchange for 200,000,000 restricted common Shares of the Company. See Section 4C below for further details.

B. List any subsidiaries, parent company, or affiliated companies.

Pryvate Technologies Ltd, a UK Company (subsidiary)

C. Describe the issuers' principal products or services.

Mission statement

"Providing access to safe, private and secure communications in an increasingly mobile and digitally connected world is now a basic right of everyone" - Jonathan Parker-Bray 2021.

Pryvate Technologies Limited ("PTL") was established in 2020, with a focus on data privacy and secure communications. PTL developed Pryvate, which offers comprehensive data privacy and security solutions that protect a customer's on/offline communications across all channels including voice, mobile email, desktop email, video, Instant Messaging and File transfer/sharing between mobile and fixed devices.

Products and Solutions.

The solutions' are able to automatically change its codec and utilize low data bandwidth capability when required, thus enabling Pryvate to work anywhere in the world, promoting rural inclusivity and operating in some of the poorest regions. Pryvate's innovative solutions ensure that maximum security to prevent leaks, hacks, or access to sensitive information. Its super-secure capabilities are user friendly, easy to use and operationally efficient. Uniquely - Pryvate itself has no access to either the encryption keys used to secure the data or the actual data itself.

The Company has expanded its product suite and has launched a number of new innovations, features and products over the past years, including:

- 1) Low-bandwidth nomadic and desktop encrypted p2p voice, video, messaging and email communications. All IM, camera, microphone use within app, voice notes etc. are fully containerized away from the OS
- 2) Optional added benefits such as anti-blocking (circumventing VOIP call blocking in many international jurisdictions), remote deletion, remote account and content delete, secure video conferencing.
- 3) In addition, the Company has developed spin-off products and services that can be applied to address the needs of businesses and service organizations:
 - Closed-User-Groups: enables an OEM's secure private communications network to be developed and customized for the client with a central/organizational administrator with full audit capabilities.
 - Secure Managed Communications: enables safe transcription and regulatorily- compliant record keeping
 - Other Value-added services such as imminently becoming a telco with on and off net calling abilities.

Some of the products and services have been recently rolled out. Others already enjoy years of customer usage. An overview of these solutions can be found at the websites: <http://gtfn-holdings-inc.com/> and <https://pryvatenow.com>

The PTL mobile app is offered in both the Apple App Store and Google Play stores. The free version of our app has over 100,000 downloads and we are preparing to release a paid version with premium features, we are also rolling out multi-platform desktop versions for business which will include all of the above plus video-conferencing along with the ability to diarize meetings. Further we are in the process of implementing a network for Tingo Inc. along with a customized OEM'd app version to be rolled out to their already present 8 million subscribers. In Q3 of 2023 we anticipate launching the secure desktop feature with video conferencing.

5) 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 and the extent in which the facilities are utilized.

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 Company is currently using very nominal facilities until such time as a more substantial facility is necessary. The Company's executive and employees work remotely.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders 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 (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding*	Names of control person(s) if a corporate entity
Jonathan Parker-Bray ⁽¹⁾	CEO, Chairman, President, Secretary	Bristol, UK	160,000,000(1)	Common	77.1%(1)	n/a
			1,000,000(1)	Preferred Series A Shares	100.0%(1)	(2)
Criptyque Limited	5%+	Jersey, Channel Islands	160,000,000	Common	77.1%	(1)(2)
			1,000,000	Preferred Series A Shares	100.0%	(2)
J V V Investments Ltd.	5%+	London, UK	19,755,000	Common	9.51%	(3)
Golden Square Equity Partners Inc.	5%+	Cheyenne, Wyoming	16,000,000	Common	7.7%	(4)

*As of May 31, 2023, there was 207,804,226 common shares and 1,000,000 Preferred Series A Shares issued and outstanding.

- (1) Appointed to all positions effective June 10, 2022. Parker-Bray is a control person for Criptyque Limited serving as a director and shareholder with approximately a 19% ownership interest therein, see footnote 2.
- (2) Controlled by Walid Kamhawi and Jonathan Parker-Bray. Acquired 1,000,000 shares of Series A Preferred Stock from SCI in June 2022; and acquired 160,000,000 common shares pursuant to the Acquisition Agreement which closed June 28, 2022 and resulted in GTFN acquiring 100% of the issued shares of Pryvate Technologies Ltd, a UK Company.
- (3) Control person is Paul Ekon.
- (4) Control person is Alex Lightman.

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities 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.

None.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Lockett + Horwitz, A Prof. Law Corporation (Jessica Lockett)
Address 1: 2 South Pointe, Ste 275
Address 2: Lake Forest, CA 92630
Phone: 949-540-6540
Email: jlockett@lhlawpc.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

Twitter: _____
Discord: _____

LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

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

None

9) Financial Statements

A. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

B. The following financial statements were prepared by (name of individual)²:

Name: Jonathan Parker-Bray
Title: Chief Executive Officer and Chief Financial Officer
Relationship to Issuer: Employee

Describe the qualifications of the person or persons who prepared the financial statements: Mr. Parker-Bray is the founder and experienced entrepreneur responsible for the issuance of the financial statements. The Company utilizes the services of a CPA and/or accountants as needed.

Provide the following financial statements 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.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

The Financial Statements required by this Item 9 are attached hereto as Appendix 2 and are incorporated herein by reference.

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Jonathan Parker-Bray, Chief Executive Officer, certify that:

1. I have reviewed this Annual Report disclosure statement of GTFN Holdings, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date June 28, 2023
Signature: /s/ Jonathan Parker-Bray
Title: Chief Executive Officer

I, Jonathan Parker-Bray, Interim Chief Financial Officer, certify that:

1. I have reviewed this Annual Report disclosure statement of GTFN Holdings, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date June 28, 2023
Signature: /s/ Jonathan Parker-Bray
Title: Chief Executive Officer

Appendix 1

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance			*Right-click the rows below and select "Insert" to add rows as needed.						
Date <u>5/31/2020</u> Common: <u>4,848,290</u> Preferred: <u>0</u>									
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 *You must disclose the control person(s) for any entities listed.	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.
5/25/21	Cancellation	4,800,000 common cancelled	Common	n/a	No	SCI, Inc. ⁽¹⁾	Stock Conversion	Restricted	144 restricted
5/25/21	Issuance	1,000,000	Preferred Series A		No	SCI, Inc. ⁽¹⁾⁽⁴⁾	Stock Conversion	Restricted	144 restricted
6/9/2022	Issuance	500,000	common	\$.023	Yes	SCI, Inc. ⁽¹⁾	Debt Cancellation Agreement	Restricted	144 Restricted
6/28/2022	Issuance	20,000,000	Common	\$2.00	No	J V V Investments Ltd. ⁽²⁾	Acquisition Agreement	Restricted	144 Restricted
6/28/2022	Issuance	20,000,000	Common	\$2.00	No	Golden Square Equity Partners Inc. ⁽³⁾	Acquisition Agreement	Restricted	144 Restricted
6/28/2022	Issuance	160,000,000	Common	\$2.00	No	Criptyque Limited ⁽⁴⁾	Acquisition Agreement	Restricted	144 Restricted
11/8/22	Issuance	2,000,000	Common	\$0.0001	Yes	Mahmoud Atalla	Share Issuance Agreement	Restricted	144 Restricted
2/8/23	Issuance	255,946	Common	\$2.00	No	Criptyque Limited ⁽⁴⁾	Share Issuance Agreement	Restricted	144 Restricted
3/6/23	Issuance	5,000,000	Common	\$0.29	Yes	Paul Cook	Share Issuance Agreement	Restricted	144 Restricted
<u>Ending Balance:</u> Date <u>June 27, 2023</u> Common: <u>207,804,236</u> Preferred: <u>1,000,000</u>									

Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

- (1) William H. Burton is the president and control person of SCI, Inc.
- (2) Control person is Paul Ekon.
- (3) Control person is Alex Lightman.
- (4) Control person is Walid Kamhawi and Jonathan Parker-Bray. Acquired 1,000,000 shares of Series A Preferred from SCI by Stock Purchase Agreement dated May 23, 2022

Appendix 2

GTFN HOLDINGS, INC.
(formerly Belltower Entertainment Corp.)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As At	May 31, 2023	May 31, 2022
<u>ASSETS</u>		
Cash	\$ 102,544	\$ 3,271
Marketable securities (Note 3)	1,600,000	—
Receivables	7,125	22,218
Prepaid Expenses	<u>224,857</u>	<u>542</u>
	1,934,526	26,031
Equipment, net of depreciation (Note 4)	<u>1,895</u>	<u>—</u>
	<u>\$ 1,936,421</u>	<u>\$ 26,031</u>
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities	\$ 3,036	\$ 4,643
Due to Related parties (Note 6)	<u>1,084,574</u>	<u>400,584</u>
	<u>1,087,610</u>	<u>405,227</u>
<u>SHAREHOLDERS' EQUITY</u>		
Common Stock; 500,000,000 authorized, \$0.0001 par value, 207,804,236 and 202,048,290 issued and outstanding, respectively (Note 3)	20,781	20,255
Additional paid-in capital (Note 5)	4,551,991	1,360,675
Preferred Class A Stock; 10,000,000 authorized; \$0.0001 par value 1,000,000 and Nil issued and outstanding respectively (Note 5)	100	100
Translation adjustment	4,322	22,168
Accumulated deficit	<u>(3,828,383)</u>	<u>(1,782,344)</u>
	<u>748,811</u>	<u>(3,79,196)</u>
	<u>\$ 1,936,421</u>	<u>\$ 26,031</u>

The accompanying notes are an integral part of these financial statements

GTFN HOLDINGS, INC.
(formerly Belltower Entertainment Corp.)
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

	Number of Common Shares	Amount of Common Shares	Number of Preferred Shares	Amount of Preferred Shares	Additional Paid-in Capital	Translation Adjustment	Accumulated Deficit	Shareholders' Equity
Balance, June 1, 2021	202,048,290	\$ 20,205	1,000,000	\$ 100	1,360,675	\$ —	\$(1,380,848)	\$ 132
Dividends declared	—	—	—	—	—	—	(2,745)	(2,745)
Translation gain (loss)	—	—	—	—	—	22,168	—	22,168
Comprehensive loss	—	—	—	—	—	—	(398,751)	(398,751)
Balance, May 31, 2022	202,048,290	\$ 20,205	1,000,000	\$ 100	\$ 1,360,675	\$ 22,168	\$(1,782,344)	\$ (379,196)
Balance, June 1, 2022	202,048,290	\$ 20,205	1,000,000	\$ 100	\$ 1,380,675	\$ 22,168	\$(1,782,344)	\$ (379,196)
Issuance for debt settlement	755,946	76	—	—	1,761,816	—	—	1,761,892
Issuance of shares for Marketable securities	5,000,000	500	—	—	1,429,500	—	—	1,430,000
Dividends declared	—	—	—	—	—	—	(1,214)	(1,214)
Translation gain (loss)	—	—	—	—	—	(17,846)	—	(11,216)
Comprehensive loss	—	—	—	—	—	—	(2,044,825)	(2,044,825)
Balance, May 31, 2023	207,804,236	\$ 20,781	1,000,000	\$ 100	\$ 4,551,991	\$ 4,322	\$(3,828,383)	\$ 748,811

The accompanying notes are an integral part of these financial statements

GTFN HOLDINGS, INC.
(formerly Belltower Entertainment Corp.)
UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended May 31,	2023	2022
REVENUES	<u>\$ 56,636</u>	<u>\$ 38,763</u>
EXPENSES		
General and administrative (Note 5)	469,715	73,232
Research and development (Note 5)	455,160	180,027
Sales and marketing	78,633	38,825
Professional Fees	<u>53,200</u>	<u>145,298</u>
	<u>1,056,708</u>	<u>437,382</u>
Operating income	(1,000,072)	(398,619)
Foreign exchange	23,782	—
Loss on debt settlement	(1,238,535)	—
Unrealized Gain	<u>170,000</u>	<u>—</u>
Net loss	<u>\$ (2,044,825)</u>	<u>\$ (398,619)</u>
Weighted average common share outstanding	202,537,301	202,048,290
Loss per common share	\$ 0.010	\$ 0.002

The accompanying notes are an integral part of these financial statements

GTFN HOLDINGS, INC.
(formerly Belltower Entertainment Corp.)
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended May 31,	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income for the period	\$ (2,044,825)	\$ (398,619)
Non-cash expenses:		
Amortization	25,143	—
Depreciation	340	—
Loss on debt settlement	1,238,535	—
Unrealized gain	(170,000)	—
Net change in operating assets and liabilities		
Receivables	15,093	(22,218)
Prepays	(250,000)	—
Accounts payable and accrued liabilities	10,327	4,643
CASH FLOWS (USED IN)		
OPERATING ACTIVITIES	<u>(1,175,387)</u>	<u>(416,194)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances to (related parties	1,295,882	400,042
Issuance of common shares	—	—
Dividends	(1,214)	(2,745)
CASH FLOWS PROVIDED		
BY FINANCING ACTIVITIES	<u>1,294,668</u>	<u>397,297</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in property and equipment	(2,162)	—
CASH FLOWS USED IN		
INVESTING ACTIVITIES	<u>(2,162)</u>	<u>—</u>
NET DECREASE IN CASH	117,119	(18,897)
Effects of Foreign exchange	(11,846)	22,168
Cash - Beginning of the period	3,271	—
Cash - End of the period	<u>\$ 102,544</u>	<u>\$ 3,271</u>

The accompanying notes are an integral part of these financial statements

GTFN HOLDINGS, INC.
(formerly Belltower Entertainment Corp)
NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
MAY 31, 2023
Internally prepared by Management

NOTE 1 – ORGANIZATION AND BUSINESS

1. Background and Basis of Presentation

History and Organization

GTFN Holdings, Inc. (the “**Company**” or “**GTFN**”) was incorporated on April 23, 2008 as a wholly owned subsidiary named Belltower Entertainment Corp., was incorporated as a Nevada Company. Under an Agreement and Plan of Merger between Britton International, Inc., and Belltower Entertainment Corp. dated September 23, 2008, Belltower Entertainment Corp. merged into Britton International, Inc. and ceased to exist, wherein Britton International, Inc. became the survivor and successor under Section 81.875 and Section 92A.180 of the Nevada Act, having acquired all of Belltower Entertainment Corp.’s assets, rights and liabilities as the constituent or resulting corporation. Pursuant to the Agreement, the name of Britton International, Inc. was changed to Belltower Entertainment Corp.

On April 6, 2009, Belltower Entertainment Corp. implemented a Reverse Stock Split by filing a Certificate of Amendment with the Nevada Secretary of State. Pursuant to the terms of the Reverse Stock Split, Belltower Entertainment Corp.’s issued, and outstanding capital shares of common and preferred stock were reversed on a one (1) to two (2) [1:2] basis.

On September 21, 2011, Belltower Entertainment Corp. implemented a reverse Stock Split by filing a Certificate of Amendment with the Nevada Secretary of State. Pursuant to the terms of the Reverse Stock Split, Belltower Entertainment Corp. issued, and outstanding capital shares of common and preferred stock were reversed on a one (1) to one thousand (1000) [1:1000] basis.

On June 24th, 2020, Belltower Entertainment Corp., by corporate action, amended its Certificate of Incorporation, changing the name of the Company to GTFN Holdings, Inc. On June 5, 2021, GTFN Holdings, Inc. filed a Certificate of Amendment which restated the Articles of Incorporation. Under the terms of the Restated Articles, the Company has the authority to issue Five Hundred and Ten Million (510,000,000) shares of stock, of which Five Hundred Million (500,000,000) shares are designated as Common Stock, having a par value of \$.0001 per share, and Ten Million (10,000,000) shares are designated as Preferred Stock, having a par value \$.0001 per share.

Effective June 28, 2022, the Company completed the acquisition of Pryvate Technologies Ltd (“**PTL**”) a UK company (“**PTL Transaction**”) which was accounted for as a merger as there was no effective change of control for either the Company or PTL.

PTL was incorporated in the UK under the Companies Act 2006 on December 16, 2020 with principal executive offices in Bristol, England.

The Company’s common shares are currently listed on the Over-the-Counter Market (“**OTC**”) under the ticker symbol “BTOW”.

Business

PTL, our wholly owned subsidiary, was incorporated in December 2020, with a focus on data privacy and secure communications. PTL developed Pryvate, which offers comprehensive data privacy and security solutions that protect a customer's on/offline communications across all channels including

voice, mobile email, desktop email, video, Instant Messaging and File transfer/sharing between mobile and fixed devices.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the presentation of the accompanying unaudited condensed financial statements follows:

General

The accompanying unaudited condensed interim financial statements (“**Financial Statements**”) of the Company have been prepared in accordance with the rules and regulations (S-X) of the Securities and Exchange Commission (the “**SEC**”). Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles (“**GAAP**”) for complete financial statements. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of these Financial Statements and the reported amounts of net revenues and expenses during the reporting periods.

Going Concern

These Financial Statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and classification of liabilities and commitments in the normal course of business. The accompanying financial statements do not reflect any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classifications of liabilities that might result if the Company is unable to continue as a going concern.

The Company has experienced recurring net losses and negative cash flows from operations since inception and as at May 31, 2023 has an accumulated deficit of approximately \$3,828,383 (May 31, 2022 - \$1,782,344) and a working capital deficit of approximately \$748,811 (May 31, 2022 - \$379,196). The Company has funded its activities to date almost exclusively from debt and equity financings. The conditions raise substantial doubt about the Company’s ability to continue as a going concern. The Company will continue to require funds to execute its business. Management’s plans in order to meet its operating cash flow requirements may include among other types of transaction the following private placements of its common stock, preferred stock offerings, and issuances of debt and convertible debt instruments.

The Company’s ability to continue as a going concern for the next twelve months from the issuance of these financial statements depends on its ability to execute its business plan, increase revenue, and reduce expenditures. Such conditions raise substantial doubts about the Company’s ability to continue as a going concern.

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of the Company, and all entities in which the Company has a controlling voting interest or is the primary beneficiary of a variable interest as of and for the reporting periods. The Company assesses control under the variable interest entity (“**VIE**”) model to determine whether the Company is the primary beneficiary of that entity’s operations. If an entity is not deemed to be a VIE, the Company consolidates the entity if the Company has a controlling voting interest. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. Investments in which the Company has the ability to exercise significant influence over the operating and financial policies of the investee, but does not have control, are accounted for under the equity method of accounting.

Subsidiaries	Jurisdiction of Incorporation	Date of Incorporation	Ownership Interest (%)
Pryvate Technologies Limited	UK	12/2020	100

All intercompany transactions and balances are eliminated upon consolidation.

Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Significant estimates and assumptions include, among other things, valuation of derivative liabilities, expected credit losses on long term financial assets, impairment losses on goodwill and indefinite-lived intangible assets, impairment losses on long-lived assets, inventory write-downs, share-based payments, valuation allowance on deferred income tax assets and uncertain tax liabilities. Actual results could differ from those estimates.

The Company's most significant estimates relate to the valuation of its contingent liabilities and the valuation of its common stock.

Cash and cash equivalents and short-term investments

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is computed using the percentage declined method follows:

Classification	Rate
Computers and software	30%

When assets are disposed of, the cost and accumulated depreciation are removed from the respective accounts and any related gain or loss is recognized within the Consolidated Statement of Operations and Comprehensive Loss. Maintenance and repairs are charged to expense as incurred. Significant expenditures, which increase productivity or extend the useful life of the asset, are capitalized.

Accrued liabilities

Accrued payroll and related expenses include salaries and wages, bonuses, and other related payroll expenses associated with the Company's employees. Accrued professional fees include fees for legal expenses, litigation, consulting, marketing, and other related expenses. Accrued taxes include sales, excise and other taxes owed. Other accrued expenses include the fair value of deferred share units outstanding to directors and other general expenses.

Leases

The Company enters into leases in the normal course of business, primarily for the land-use rights, office premises, and equipment used in the production of its products. At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company performs an analysis over the classification of the lease agreement as either an operating lease or finance lease.

A right-of-use asset and the related lease obligation associated with the lease are recorded at the inception of the lease. The right-of use asset's recorded amount is based on the present value of future lease payments over the lease term at the commencement date plus any initial direct costs incurred. If the rate implicit in the lease is not readily determinable for the Company's operating leases, an incremental borrowing rate is generally used based on information available at the lease commencement date to determine the present value of future lease payments. Subsequent changes to these lease payments due to rate updates are recorded as lease expense in the period incurred. Leases with a term of 12 months or less are not recorded on the balance sheet as a lease.

The right-of-use asset is subject to impairment testing whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. The leased asset is amortized over the shorter of the lease term or its estimated useful life if title does not transfer to the Company, while the leased asset is depreciated in accordance with the Company's depreciation policy if the title is to eventually transfer to the Company.

The Company's lease agreements generally exclude non-lease components. As a result, non-lease components are accounted for separately for all classes of assets and expensed as incurred. In addition, the Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. For finance leases, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, the right-of-use asset is amortized on a straight-line basis and the interest expense is recognized on the lease liability using the effective interest method. For operating leases, lease expense is recognized on a straight-line basis over the term of the lease and presented as a single charge in the consolidated statements of net income (loss) and comprehensive income (loss).

Impairment of goodwill and indefinite-lived intangible assets

Goodwill and indefinite-lived intangible assets are not amortized. Goodwill and indefinite-lived intangible assets are reviewed for impairment annually or more frequently when events or changes in circumstances indicate that fair value of the reporting unit has been reduced to less than its carrying amount in accordance with the provisions of ASC Topic 350, Intangibles—Goodwill and Other. The Company performs an impairment test annually in the fourth quarter by comparing the fair value of the reporting unit with its carrying amount, including goodwill. If the fair value of the reporting unit exceeds its carrying amount, goodwill is not considered to be impaired. An impairment charge would be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value. The Company determined that it has two segments: the U.S. segment and the Rest of World segment.

Convertible Debt Instruments

Convertible features of conventional debt instruments can provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount pursuant to ASC Topic 470-20 "Debt with Conversion and Other Options".

In those circumstances, the convertible debt is recorded net of the discount related to the BCF, and the Company amortized the discount to operations over the life of the debt using the effective interest method. The Company did not have any issued or outstanding convertible debt during the periods ending May 31, 2023 and 2022.

Fair Value

Accounting Standards Codification subtopic 825-10, Financial Instruments ("**ASC 825-10**") requires disclosure of the fair value of certain financial instruments. The carrying amount reported in the consolidated balance sheet for accounts payable and accrued expenses, advances and notes payable approximates fair value because of the immediate or short-term maturity of these financial instruments.

Fair Value of Financial Instruments

The Company's financial instruments consist primarily of accounts payable and accrued expenses. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

The Company adopted ASC Topic 820, *Fair Value Measurements* ("**ASC Topic 820**"), which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard provides a consistent definition of fair value which focuses on an exit price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for

fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date.

The three-level hierarchy for fair value measurements is defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets; liabilities in active markets;
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active; or directly or indirectly including inputs in markets that are not considered to be active;
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement

Capital stock

Capital stock is presented at the fair value at the time of issuance of the shares that are issued. Costs related to the issuance of shares are reported in equity, net of tax, as a reduction from the issuance proceeds.

Revenue recognition

The Company has recognized revenue in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition (“**ASC 605-10**”) which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management’s judgments regarding the fixed nature of the selling prices of the products delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments will be provided for in the same period the related sales will be recorded.

ASC 605-10 incorporates Accounting Standards Codification subtopic 605-25, Multiple-Element Arrangements (“**ASC 605-25**”). ASC 605-25 addresses accounting for arrangements that may involve the delivery or performance of multiple products, services and/or rights to use assets.

The Company derives its revenue from subscription fees from customers for access to its platform. The Company’s policy is to exclude sales and other indirect taxes when measuring the transaction price of its subscription agreements. The Company accounts for revenue contracts with customers through the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company’s subscription agreements generally have monthly contractual terms and a small percentage have multi-year contractual terms. Revenue is recognized ratably over the related contractual term beginning on the date that the platform is made available to a customer. Access to the platform represents a series of distinct services as the Company continually provides access to, and fulfills its obligation to, the end customer over the subscription term. The series of distinct services represents a single performance obligation that is satisfied over time. The Company recognizes revenue ratably because the customer receives and consumes the benefits of the platform throughout the contract period. The Company’s contracts are generally non-cancelable.

The Company bills in advance for monthly contracts. The Company also recognizes an immaterial amount of contract assets, or unbilled receivables, primarily relating to consideration for services completed but not billed at the reporting date. Unbilled receivables are classified as receivables when the Company has the right to invoice the customer.

The Company records contract liabilities when cash payments are received or due in advance of performance to deferred revenue. Deferred revenue primarily relates to the advance consideration received from the customer.

The price of subscriptions is generally fixed at contract inception and therefore, the Company's contracts do not contain a significant amount of variable consideration. As a result, the amount of revenue recognized in the periods presented from performance obligations satisfied (or partially satisfied) in previous periods was not material.

Research and development

The Company accounts for research and development costs in accordance with Accounting Standards Codification subtopic 730-10, Research and Development ("**ASC 730-10**"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved as defined under the applicable agreement. The Company sponsored research and development costs related to both present and future products or service are expensed in the period incurred.

Share-based compensation

The Company has an incentive stock option plan for grants to eligible directors, officers, senior management and consultants under its incentive stock option ("**ISO**") plan and in accordance with Accounting Standards Codification subtopic 718-10, Compensation ("**ASC 718-10**") all share-based payments to both employees and non-employees be recognized in the income statement based on their fair values.

Equity instruments granted are initially measured at fair value on the grant date. The fair value of the ISO is determined using the Black-Scholes option pricing model. This is recognized on a straight-line basis in the consolidated statements of net income (loss) and comprehensive income (loss) over the vesting period for employees, and over the contractual term for non-employees. The related costs for all equity-settled share-based awards are reflected in additional paid-in capital until the awards are settled or exercised. Upon settlement or exercise, shares are issued and the amount previously reflected in the additional paid-in capital is, along with any proceeds paid upon settlement or exercise, credited to share capital. Forfeitures are estimated at the time of grant, and the Company revises these estimates in subsequent periods if there is a difference in actual forfeitures and the estimates.

Income taxes

The Company uses the liability method of accounting for income taxes, under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to be in effect when such assets and liabilities are recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the year that includes the enactment date. The Company determines deferred tax assets including net operating losses and liabilities, based on temporary differences between the book and tax bases of assets and liabilities.

A valuation allowance is established to reduce some or all net deferred tax assets to amounts that are more likely than not to be realized. The Company considers all available evidence, both positive and negative, including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies, in assessing the need for a valuation allowance.

The Company has a full valuation allowance against its net deferred tax assets, and has concluded, based on the weight of all available evidence, that it is more likely than not that the net deferred tax assets will not be realized, primarily due to the historical net operating losses. The valuation allowance against the net deferred tax assets does not in any way impact the Company's ability to use future tax deductions such as

the Company's net operating loss carryforwards; rather, the valuation allowance indicates, according to the provisions of Accounting Standards Codification ("ASC") 740, Income Taxes, it is more likely than not that the deferred tax assets will not be realized. The valuation allowance that was established will be maintained until there is sufficient positive evidence to conclude that it is more likely than not that the net deferred tax assets will be realized. The Company's income tax expense for future periods will be reduced to the extent of corresponding decreases in our valuation allowance. There is uncertainty regarding any future realization of the benefit by the Company of all or part of our net deferred tax assets.

Judgment is required to determine the recognition and measurement attributes prescribed in the accounting guidance for uncertainty in income taxes. The Company uses a two-step approach for evaluating uncertain tax positions. Step one, recognition, requires us to determine if the weight of available evidence indicates that a tax position is more likely than not to be sustained upon audit, including resolution of related appeals or litigation processes, if any. If a tax position is not considered "more likely than not" to be sustained, no benefits of the position are recognized. If we determine that a position is "more likely than not" to be sustained, then we proceed to step two, measurement, which is based on the largest amount of benefit which is more likely than not to be realized on effective settlement. This process involves estimating our actual current tax exposure, including assessing the risks associated with income tax audits, together with assessing temporary differences resulting from the different treatment of items for tax and financial reporting purposes. If actual results differ from our estimates, our net operating loss and credit carryforwards, to the extent not covered by a valuation allowance, could be materially impacted in the period which such determination is made.

The Company recognizes uncertain income tax positions at the largest amount that is more-likely-than-not to be sustained upon examination by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Recognition or measurement is reflected in the period in which the likelihood changes. Any interest and penalties related to unrecognized tax liabilities are presented within income tax expense in the consolidated statements of net income (loss) and comprehensive income (loss). Accrued interest and penalties are included in accounts payable and other liabilities in the consolidated balance sheets.

Foreign currency

The Company's functional currency is the U.S. dollar ("US\$") as is its reporting currency. All assets and liabilities of operations with a functional currency other than the U.S. dollar are translated at period-end currency exchange rates. The resulting translation adjustments are recorded in accumulated other comprehensive income (loss), net of tax. Revenues and expenses of operations, as well as all cash flows, with a functional currency other than the U.S. dollar are translated at the average exchange rates for the period. Transaction gains and losses resulting from changes in foreign currency exchange rates are recorded in either cost of sales, general and administrative expenses, or other, net in the consolidated statements of net income (loss) and comprehensive income (loss).

Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares. Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. Diluted loss per share has not been provided as it would be anti-dilutive.

Fair value measurements

The carrying amount of the Company's cash and cash equivalents, accounts receivable, other receivables, loans receivable, account payables and other liabilities approximate fair value, given their short-term nature. The Company uses a fair value hierarchy, which gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities, noted as Level 1 measurements, and the lowest priority to unobservable inputs, noted as Level 3 measurements.

The following are the three levels of inputs used to measure fair value:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – valuation techniques using the inputs for the asset or liability that are not based on observable market data.

The Company's policy for determining when transfers between levels of the fair value hierarchy occur is based on the date of the event or changes in circumstances that caused the transfer.

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change.

Reclassification

Certain reclassifications have been made to prior periods' data to conform to the current period's presentation. These reclassifications had no effect on reported income or losses.

Net Loss per Common Share, basic and diluted

The Company has adopted Accounting Standards Codification subtopic 260-10, Earnings Per Share ("**ASC 260-10**") specifying the computation, presentation and disclosure requirements of earnings per share information. Basic loss per share has been calculated based upon the weighted average number of common shares outstanding.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash, cash equivalents and trade receivables. The Company places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the FDIC insurance limit.

Reliance on Key Personnel and Consultants

The Company has one (1) full-time employee and no part-time employees, as the Company has consultants performing various specialized services. The Company is heavily dependent on the continued active participation of this current executive officer and key consultants. The loss of any of the senior management or key consultants could significantly and negatively impact the business until adequate replacements can be identified and put in place.

Recent Accounting Pronouncements

On January 1, 2023, the Company adopted Accounting Standards Update (ASU) 2016-13, "*Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*," ASU 2018-19, "*Codification Improvements to Topic 326, Financial Instruments – Credit Losses*," ASU 2019-04, "*Codification Improvements to Topic 326, Financial Instruments – Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*," ASU 2019-05, "*Financial Instruments – Credit Losses (Topic 326): Targeted Transition Relief*," ASU 2019-10, "*Financial instruments—Credit losses (Topic 326), Derivatives and hedging (Topic 815), and Leases (Topic 842)—Effective dates*," ASU 2019-11, "*Codification Improvements to Topic 326, Financial Instruments—Credit Losses*," ASU 2020-02, "*Financial Instruments—Credit Losses (Topic 326) and Leases (Topic 842)*," ASU 2020-03, "*Codification Improvements to Financial Instruments*" and ASU 2022-02, "*Financial Instruments – Credit Losses (Topic 326) - Troubled Debt Restructurings and Vintage Disclosures*"(collectively, ASC 326).

ASC 326 introduced an approach based on current expected credit losses (CECL) to estimate credit losses on certain types of financial instruments, replacing the incurred loss methodology from prior GAAP. It also applies to unfunded commitments to extend credit, including loan commitments, standby letters of credit, and other similar instruments. It modified the impairment model for available-for-sale debt securities and provided for a simplified accounting model for purchased financial assets with credit deterioration since their origination. It also modified the measurement principles for modifications of loans to borrowers experiencing financial difficulty, including how the allowance for credit losses (ACL) is measured for such loans. While Company has not finalized evaluating the impact of adopting this guidance, it does not anticipate any material impact of the financial position of the Company.

3. Marketable Securities

The marketable securities are carried at cost and mark-to market as at the date of the balance sheet with any variance from the prior fiscal year recorded in the Consolidated Statement of Operations as Unrealized Gain or Loss.

May 31,	2023	2022
Cost	\$ 1,430,000	\$ —
Unrealized Gain	170,000	—
	<u>\$ 1,600,000</u>	<u>\$ —</u>

4. Equipment

All property and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at historical cost. Depreciation is charged so as to write off the cost of assets over the estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount to the asset and is recognized in the statement of operations and comprehensive loss.

	As at May 31, 2023		
	Cost	Accumulated depreciation	Net Book Value
Computers & software	\$ 2,244	\$ 349	\$ 1,895
	<u>\$ 2,244</u>	<u>\$ 349</u>	<u>\$ 1,895</u>

There were no impairment charges on equipment during the period ended May 31, 2023 and 2022.

For the year ended May 31, 2023, the Corporation recorded depreciation expense of \$349 (May 31, 2022 - \$Nil).

5. Capital Stock and Additional Paid-in Capital

Common Shares

The Company is authorized to issue 500,000,000 common shares with a par value of \$0.0001 per common shares with each common share entitles the holder to one vote.

Preferred Shares

The Company is authorized to issue 10,000,000 common shares with a par value of \$0.0001 per common shares.

The Preferred Stock authorized by these Articles of Incorporation may be issued in one or more series. The Board of Directors of the Company is authorized to determine or alter the rights, preferences, privileges, and restrictions granted or imposed upon any wholly unissued series of Preferred Stock, and within the limitations or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any such series subsequent to the issue of shares of that series, to determine the designation and par value of any series and to fix the numbers of shares of any series.

Class A Convertible Preferred Stock

As of May 31, 2023, there were 1,000,000 shares of Class A Preferred issued and outstanding.

The specific powers, preferences, rights and limitations of the Class A Convertible Preferred Stock are as follows: The Company designated 1,000,000 shares of Class A Convertible Preferred Stock with a par value of \$0.0001 per share. Initially, there will be no dividends due or payable on the Class A Convertible Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Company's Certificate of Incorporation ("**Certificate**"). Any and all such future terms concerning dividends shall be reflected in an amendment to the Certificate, which the Board shall promptly file or cause to be filed. All shares of the Series A Preferred Stock shall rank *pari passu* with the Company's common stock and the Series A Preferred shall have no liquidation preference over any other class of stock.

Each holder of outstanding shares of Class A Preferred Stock shall be entitled to five (5) votes for each share held as at the record date on all matters submitted to a vote of the shareholders. Except as provided by law, or by the provisions establishing any other series of Preferred Stock, holders of Class A Convertible Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

Each holder of shares of Class A Convertible Preferred Stock may, at any time and from time to time, convert (an "**Optional Conversion**") each of their shares of Series A Preferred Stock into one fully paid and nonassessable share of Common Stock. In the event of a reverse split or a forward split shall occur, then in each instance the Conversion Rate shall be adjusted such that the number of shares issued upon conversion of one share of Class A Convertible Preferred Stock will equal the number of shares of Common Stock that would otherwise be issued but for such event.

During the year ended May 31, 2022, the Company did not issue any shares.

During the period ending May 31, 2023, the Company completed the following share transactions:

1. issued 500,000 common shares to settle a liability of \$11,465 at a deemed price of \$0.0229 per common share (Note 5);
2. issued 255,946 common shares to settle a related party liability of \$511,892 at a deemed price of \$2.00 per common share (Note 5); and
3. issued 5,000,000 common shares in exchange for 5,000,000 common shares of Tingo, Inc. (Note 3), trading on the OTC under the symbol TMNA.

Preferred Shares

The Company is authorized to issue 10,000,000 shares of preferred stock with a par value of \$0.0001 per share with the relative rights and preferences of these shares or series of shares to be fixed and determined by the Board of Directors. There are 1,000,000 Series A Preferred Shares ("**Series A**") issued and outstanding, where each Series A entitles the holders to 5 votes and to exchange each Series A in to one common share.

6. Transactions with related parties and payments to key management

Related party transactions include transactions with parties related by common directors and transactions with other private entities owned or controlled by officers and directors. All transactions are provided in the normal course of business and are measured at exchange amounts agreed upon by the related parties. The following table summarizes the related party transactions occurring during the fiscal period.

Year ended May 31,	2023	2021
Expenses		
Management & Director Fees (General and administrative)	\$ 439,129	\$ 52,650
Research & Development	5,050	—

The key management personnel of the Company include the Chief Executive Officer, Chief Financial Officer and the Board of Directors.

During the period ending May 31, 2023, the Company settled \$11,465 in liabilities to previous shareholders via the issuance of 500,000 common shares (Note 3) and \$511,892 in liabilities to a shareholder via the issuance of 255,946 common shares.

As at May 31, 2022, the Company owed \$1,184,574 (May 31, 2022 - \$400,584) to its directors, officers and entities that they control or controls the Company. This amount is due on demand and bears no interest.

7. Commitments and contingencies

The Company, from time to time, may be involved in various claims, legal and tax proceedings and complaints arising in the ordinary course of business. The Company is not aware of any pending or threatened proceedings that would have a material adverse effect on the financial condition or future results of the Company.

8. Financial Instruments

Fair Value Instruments

The Company complies with ASC 820 Fair Value Measurements for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. In general, fair values are determined by:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves.
- Level 3 inputs are unobservable data points for the asset or liability, and includes situations where there is little, if any, market activity for the asset or liability.

The following tables present information about the Company's assets that are measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value:

As at May 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Cash	\$ 102,544	\$ —	\$ —	\$ 102,544
Marketable securities	—	1,600,000	—	1,600,000

Receivables	—	7,125	—	1,125
Total Assets	\$ 102,544	\$ 1,607,125	\$ —	\$ 1,709,669
Liabilities				
Accounts payables	\$ —	\$ 3,036	\$ —	\$ 3,036
Notes payable	—	1,184,574	—	1,184,574
Total liabilities	\$ —	\$ 1,187,610	\$ —	\$ 1,187,610

9. Financial Risks

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk, market risk, interest rate risk, and foreign currency rate risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities, primarily accounts receivable and other receivables, and its investing activities, including cash held with banks and financial institutions, short term investments, loans receivable, and advances to joint ventures. The Company's maximum exposure to this risk is equal to the carrying amount of these financial assets, which amounted to \$Nil (May 31, 2022 - \$3,271).

Accounts receivable

The Company has receivable of \$6,953 (May 31, 2022 - \$22,218). An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments for a period of greater than 120 days past due. As of May 31, 2023 and May 31, 2022, the Company did not have any concentration of customers that increased the potential credit losses on receivables.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to review liquidity resources and ensure that sufficient funds are available to meet financial obligations as they become due. Further, the Company's management is responsible for ensuring funds exist and are readily accessible to support business opportunities as they arise. The Company's funding is primarily provided in the form of capital raised through the issuance of common shares and warrants as well as notes payable. As of May 31, 2023 and May 31, 2022, the Company has determined that there is no liquidity risk.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, market and economic conditions, and equity and commodity prices. The Company is exposed to market risk in divesting its investments, such that unfavorable market conditions could result in dispositions of investments at less than their carrying amounts. Further, the revaluation of securities classified as fair value through net income could result in significant write-downs of the Company's investments, which would have an adverse impact on the Company's results of operations, unless these would flow through other comprehensive income.

The Company manages risk by having a portfolio of securities from multiple issuers, such that the Company was not materially exposed to any one issuer.

Interest rate risk

Interest rate risk is the risk that the value or yield of fixed-income investments may decline if interest rates change. Fluctuations in interest rates may impact the level of income and expense recorded on the cash equivalents and short-term investments, and the market value of all interest-earning assets, other than those which possess a short term to maturity. A 10% change in the interest rate in effect as at May 31, 2023 and 2022, would not have a material effect on (i) fair value of the cash equivalents and short-term investments as the majority of the portfolio has a maturity date of three months or less, or (ii) interest income. Management continues to monitor external interest rates and revise the Company's investment strategy as a result.

Foreign currency risk

Currency rate risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in foreign exchange rates. The Company is exposed to this risk on as it holds denominations in Euro, British Pound, Canadian and Jamaican dollars. The Company does not currently use foreign exchange contracts to hedge its exposure to currency rate risk. As such, the Company's financial position and financial results may be adversely affected by the unfavorable fluctuations in currency exchange rates.

10. Loss Per Share

In calculating the diluted loss per share, issued and outstanding incentive stock options and warrants were not considered as they would have been anti-dilutive.

For the year ended May 31,	2023	2022
Denominator basic and diluted loss per share		
Weighted average number of Common shares outstanding	202,537,301	202,548,290
Dilutive effect of incentive stock options	—	—
Dilutive effect of warrants	—	—
Weighted average number of Common shares outstanding	<u>202,537,301</u>	<u>202,548,290</u>

**END OF NOTES TO THE
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**