Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

MARIJUANA COMPANY OF AMERICA, INC.

633 W. 5th Street, Suite 2826
Los Angeles, California 90071
+1(888)777-4362
http://www.marijuanacompanyofamerica.com/
info@mcoainvestments.com
2833 – Medicinal and Botanicals

Quarterly Report

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

Outstanding Shares
The number of shares outstanding of our Common Stock was:

22,076,491,633 as of July 14 , 2023

22,076,491,633 as of May 31, 2023

19,413,091,633 as of December 31, 2022

7,122,806,264 as of December 31, 2021

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 Control[1] of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

[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.

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.

Marijuana Company Of America, Inc.
633 W. 5th Street, Suite 2826
Los Angeles, California 90071

- The Company was incorporated in the State of Utah on October 4, 1985, under the name of Mormon Mint, Inc.
- On January 5, 1999, the Company changed its name to Converge Global, Inc.
- On December 1, 2015, the Company changed its name to Marijuana Company of America, Inc. and its stock trading symbol to MCOA.

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):

The company is incorporated in the State of Utah and Active

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

_____

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

<u>None</u>

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

Marijuana Company Of America, Inc.
633 W. 5th Street, Suite 2826
Los Angeles, California 90071

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

<u>Transfer Agent</u>

Name: **Pacific Stock Transfer Co.**
Phone: +1 (702) 361-3033
Email: ipstc@pacificstocktransfer.com
Address: 6725 Via Austi Parkway, Suite 300
Las Vegas, NV 891169

<u>Publicly Quoted or Traded Securities:</u>

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:	MCOA
Exact title and class of securities outstanding:	Common
CUSIP:	56782E204
Par or stated value:	$0.001
Total shares authorized:	32,000,000,000 as of date: July 14, 2023
Total shares outstanding:	22,076,491,633 as of date: July 14, 2023
Total number of shareholders of record:	414 as of date: July 14, 2023

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

Trading symbol:	____
Exact title and class of securities outstanding:	____
CUSIP:	____
Par or stated value:	____
Total shares authorized:	____ as of date: ______
Total shares outstanding:	____ as of date: ______
Total number of shareholders of record:	____ as of date: __

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:	Preferred A
CUSIP (if applicable):	
Par or stated value:	$0.001
Total shares authorized:	10,000,000 as of date: July 14, 2023
Total shares outstanding (if applicable):	10,000,000 as of date: July 14, 2023
Total number of shareholders of record	2 as of date: July 14, 2023

Exact title and class of the security:	Preferred B
CUSIP (if applicable):	
Par or stated value:	$0.001
Total shares authorized:	5,000,000 as of date: July 14, 2023
Total shares outstanding (if applicable):	2,000,000 as of date: July 14, 2023
Total number of shareholders of record	1 as of date: July 14, 2023

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.**

Common Stock: Holders of shares of common stock are entitled to share ratably in dividends, if any, as may be declared, from time to time, by the Board of Directors in its discretion, from funds legally available therefore. The Company does not currently anticipate paying any dividends on its common stock. In the event of a liquidation, dissolution or winding up of the Company, the holders of shares of common stock are entitled to share pro rata all assets remaining after payment in full of all liabilities. Holders of common stock have no preemptive rights to purchase the Company's common stock. There are no conversion rights or redemption or sinking fund provisions with respect to the common stock. All of the outstanding shares of common stock are fully paid and non-assessable.

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

Series A Preferred Stock: Holders of Series A Convertible Preferred Stock hold rights to vote on all matter requiring a shareholder vote at 100 common shares vote equivalent for each share of Series A Convertible Preferred Stock held.

Series B Preferred Stock: The Class B Preferred Stock carries a voting preference of One Thousand (1,000) times that number of votes on all matters submitted to the shareholders that is equal to the number of shares of Common Stock (rounded to the nearest whole number), at the record date for the determination of the shareholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of such shareholders is affected.

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)

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 12/31/2021 Common: 7,122,806,264 Preferred A: 10,000,000 Preferred B: 2,000,000			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation,**	**Number of Shares**	**Class of Securities**	**Value of shares issued ($/per**	**Were the shares issued at a discount**	**Individual/ Entity Shares were issued to.**	**Reason for share issuance (e.g. for cash or debt conversion) -**	**Restricted or Unrestricted**	**Exemption or**

	shares returned to treasury)	Issued (or cancelled)		share) at Issuance	to market price at the time of issuance? (Yes/No)	*You must disclose the control person(s) for any entities listed.	OR- Nature of Services Provided	as of this filing.	Registration Type.
1/7/22	Issuance	50,000,000	Common	$0.0010	No	Power Up Lending Group - Seth Kramer	Purchase Shares	Unrestricted	Rule 144
1/10/22	Issuance	166,224,700	Common	$0.0010	No	Labrys Fund LP - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
1/12/22	Issuance	10,000,000	Common	$0.0013	No	Conventry Enterprises LLC - Jack Bodenstein	Incentive Shares issued with debt	Restricted	Rule 144
1/18/22	Issuance	40,000,000	Common	$0.0010	No	GS Capital Partners - Gabe Sayegh	Purchase Shares	Unrestricted	Rule 144
1/20/22	Issuance	25,000,000	Common	$0.0012	No	Fourth Man LLC - Edward Deese	Incentive Shares issued with debt	Restricted	Rule 144
1/24/22	Issuance	363,125,000	Common	$0.0008	No	Firstfire - Ely Fireman	Debt Conversion	Unrestricted	Rule 144
1/26/22	Issuance	180,486,830	Common	$0.0130	No	Beach Labs, Inc. - Ron Russo	Acquisition	Restricted	Rule 144
1/26/22	Issuance	282,326,369	Common	$0.0009	No	Beach Labs, Inc. - Ron Russo	Acquisition	Restricted	Rule 144
2/8/22	Issuance	62,500,000	Common	$0.0008	No	GW Holdings – Noah Weinstein	Purchase Shares	Unrestricted	Rule 144
2/15/22	Issuance	93,750,000	Common	$0.0012	No	Bucktown Capital - John Fife	Debt Conversion	Unrestricted	Rule 144
2/15/22	Issuance	75,000,000	Common	$0.0008	No	White Lion - Sam Yaffa	Purchase Shares	Unrestricted	Rule 144
3/1/22	Issuance	31,850,737	Common	$0.0004	No	GS Capital Partners - Gabe Sayegh	Debt Conversion	Unrestricted	Rule 144
3/4/22	Issuance	70,591,981	Common	$0.0040	No	GS Capital Partners - Gabe Sayegh	Debt Conversion	Unrestricted	Rule 144
3/18/22	Issuance	71,320,322	Common	$0.0004	No	GS Capital Partners - Gabe Sayegh	Debt Conversion	Unrestricted	Rule 144
3/25/22	Issuance	50,000,000	Common	$0.0008	No	Pinnacle Consulting Services, Inc. - Robert L. Hymers III	Purchase Shares	Unrestricted	Rule 144
3/25/22	Issuance	125,000,000	Common	$0.0008	No	Streeterville Capital LLC - John Fife	Purchase Shares	Unrestricted	Rule 144
3/29/22	Issuance	43,057,715	Common	$0.0004	No	GS Capital Partners - Gabe Sayegh	Debt Conversion	Unrestricted	Rule 144
3/29/22	Issuance	75,000,000	Common	$0.0008	No	Power Up Lending Group - Seth Kramer	Purchase Shares	Unrestricted	Rule 144
3/29/22	Issuance	40,670,034	Common	$0.0008	No	GW Holdings – Noah Weinstein	Debt Conversion	Unrestricted	Rule 144

3/30/22	Issuance	187,500,000	Common	$0.0016	No	Bucktown Capital - John Fife	Debt Conversion	Unrestricted	Rule 144
3/30/22	Issuance	38,762,344	Common	$0.0004	No	Dutches Capital Growth Fund LP - Michael Novielli	Debt Conversion	Unrestricted	Rule 144
3/30/22	Issuance	62,500,000	Common	$0.0008	No	Power Up Lending Group - Seth Kramer	Purchase Shares	Unrestricted	Rule 144
3/31/22	Issuance	112,500,000	Common	$0.0008	No	Power Up Lending Group - Seth Kramer	Purchase Shares	Unrestricted	Rule 144
3/31/22	Issuance	59,578,767	Common	$0.0008	No	GW Holdings – Noah Weinstein	Debt Conversion	Unrestricted	Rule 144
4/1/22	Issuance	76,923,077	Common	$0.0013	No	North Equities USA Ltd - Ernest Schuang	Services	Restricted	Rule 144
4/4/22	Issuance	93,750,000	Common	$0.0008	No	Dutches Capital Growth Fund LP - Michael Novielli	Purchase Shares	Unrestricted	Rule 144
4/6/22	Issuance	435,540,070	Common	$0.0006	No	Beach Labs, Inc. - Ron Russo	Acquisition	Restricted	Rule 144
4/7/22	Issuance	93,750,000	Common	$0.0008	No	Dutches Capital Growth Fund LP - Michael Novielli	Purchase Shares	Unrestricted	Rule 144
4/11/22	Issuance	12,500,000	Common	$0.0016	No	SRAX, Inc – Chris Miglino	Debt Conversion	Unrestricted	Rule 144
4/20/22	Issuance	50,000,000	Common	$0.0008	No	Power Up Lending Group - Seth Kramer	Debt Conversion	Unrestricted	Rule 144
4/27/22	Issuance	500,000,000	Common	$0.0008	No	Dutches Capital Growth Fund LP - Michael Novielli	Purchase Shares	Unrestricted	Rule 144
5/6/22	Issuance	37,500,000	Common	$0.0007	No	Dutches Capital Growth Fund LP - Michael Novielli	Incentive Shares issued with debt	Restricted	Rule 144
5/6/22	Issuance	50,000,000	Common	$0.0007	No	Dutches Capital Growth Fund LP - Michael Novielli	Incentive Shares issued with debt	Restricted	Rule 144
5/17/22	Cancellation	-30,000,000	Common		No	Jesús Quintero	Free up	Restricted	Rule 144
5/17/22	Issuance	180,685,000	Common	$0.0008	No	Mast Hill Fund - Patrick Hassani	Incentive Shares issued with debt	Restricted	Rule 144
5/23/22	Issuance	100,000,000	Common	$0.0002	No	Pinnacle Consulting Services, Inc. - Robert L. Hymers III	Purchase Shares	Unrestricted	Rule 144
6/1/22	Issuance	33,333,333	Common	$0.0012	No	SRAX, Inc – Chris Miglino	Services	Restricted	Rule 144
6/7/22	Issuance	125,000,000	Common	$0.0016	No	Bucktown Capital - John Fife	Debt Conversion	Unrestricted	Rule 144
6/8/22	Issuance	370,000,000	Common	$0.0002	No	Mast Hill Fund - Patrick Hassani	Purchase Shares	Unrestricted	Rule 144
6/14/22	Issuance	250,000,000	Common	$0.0002	No	Chicago Ventures - John Fife	Purchase Shares	Unrestricted	Rule 144

6/15/22	Issuance	12,000,000	Common	$0.0010	No	Paula Vetter	Services	Restricted	Rule 144
6/27/22	Issuance	350,000,000	Common	$0.0002	No	GW Holdings – Noah Weinstein	Purchase Shares	Unrestricted	Rule 144
6/29/22	Issuance	200,000,000	Common	$0.0002	No	Mast Hill Fund - Patrick Hassani	Purchase Shares	Unrestricted	Rule 144
7/8/22	Issuance	33,508,170	Common	$0.0004	No	Mario Greco	Debt Settlement	Restricted	Rule 144
7/19/22	Issuance	159,349,315	Common	$0.0002	No	Pinnacle Consulting Services, Inc. - Robert L. Hymers III	Debt Conversion	Unrestricted	Rule 144
7/25/22	Issuance	178,750,000	Common	$0.0002	No	Fourth Man LLC - Edward Deese	Debt Conversion	Unrestricted	Rule 144
7/27/22	Issuance	25,000,000	Common	$0.0004	No	GS Capital Partners - Gabe Sayegh	Incentive Shares issued with debt	Restricted	Rule 144
8/3/22	Issuance	13	Common		No	Charles Schwab & Co, Inc	Round Up Shares	2634	Rule 144
8/4/22	Issuance	250,000,000	Common	$0.0002	No	GW Holdings – Noah Weinstein	Purchase Shares	Unrestricted	Rule 144
8/12/22	Issuance	200,000,000	Common	$0.0050	No	Bucktown Capital - John Fife	Debt Conversion	Unrestricted	Rule 144
8/17/22	Issuance	88,888,889	Common	$0.0002	No	Dutches Capital Growth Fund LP - Michael Novielli	Purchase Shares	Unrestricted	Rule 144
8/24/22	Issuance	59,636,466	Common	$0.0003	No	GS Capital Partners - Gabe Sayegh	Purchase Shares	Unrestricted	Rule 144
8/29/22	Cancellation	-10,568,095	Common	$0.0003	No	Crown Bridge Partners LLC - Seth Ahdoot	Legal Settement	Unrestricted	Rule 144
8/29/22	Cancellation	-207,963,992	Common	$0.0003	No	Crown Bridge Partners LLC	Legal Settement	Restricted	Rule 144
9/1/22	Issuance	460,000,000	Common	$0.0002	No	Mast Hill Fund - Patrick Hassani	Purchase Shares	Unrestricted	Rule 144
9/9/22	Issuance	100,000,000	Common	$0.0002	No	Fourth Man LLC - Edward Deese	Debt Conversion	Unrestricted	Rule 144
9/15/22	Issuance	650,000,000	Common	$0.0002	No	Alan T. Hawkins	Debt Settlement	Unrestricted	Rule 144
9/15/22	Issuance	650,000,000	Common	$0.0002	No	Robert L. Hymers III	Debt Settlement	Unrestricted	Rule 144
9/29/22	Issuance	167,500,000	Common	$0.0002	No	Fourth Man LLC - Edward Deese	Debt Conversion	Unrestricted	Rule 144
10/13/22	Issuance	300,000,000	Common	$0.0001	No	GW Holdings – Noah Weinstein	Purchase Shares	Unrestricted	Rule 144
10/17/22	Issuance	357,142,857	Common	$0.0001	No	Beach Labs, Inc. - Ron Russo	Debt Conversion	Unrestricted	Rule 144
10/13/22	Issuance	577,000,000	Common	$0.0003	No	Mast Hill Fund - Patrick Hassani	Incentive Shares issued with debt	Restricted	Rule 144

11/2/22	Issuance	574,376,600	Common	$0.0001	No	Conventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
11/29/22	Issuance	625,000,000	Common	$0.0001	No	Beach Labs, Inc. - Ron Russo	Debt Conversion	Unrestricted	Rule 144
12/1/22	Issuance	302,100,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
12/6/22	Issuance	67,222,200	Common	$0.0001	No	Dutches Capital Growth Fund LP - Michael Novielli	Debt Conversion	Unrestricted	Rule 144
12/7/22	Issuance	317,200,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
12/13/22	Issuance	60,000,000	Common	$0.0001	No	Dutches Capital Growth Fund LP - Michael Novielli	Debt Conversion	Unrestricted	Rule 144
12/13/22	Issuance	336,400,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
12/19/22	Issuance	356,100,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
12/27/22	Issuance	356,100,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
12/29/22	Issuance	-100,000	Common	$0.0010	No	Tad Mailander	Free up	Unrestricted	Rule 144
12/29/22	Issuance	-83,333	Common	$0.0001	No	Tad Mailander	Free up	Restricted	Rule 144
1/10/23	Issuance	391,700,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
1/18/23	Issuance	411,200,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
1/26/23	Issuance	431,700,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
2/9/23	Issuance	453,300,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
2/24/23	Issuance	475,900,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
3/14/23	Issuance	499,600,000	Common	$0.0001	No	Mast Hill Fund - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
1/7/22	Issuance	50,000,000	Common	$0.0010	No	Power Up Lending Group - Seth Kramer	Purchase Shares	Unrestricted	Rule 144
1/10/22	Issuance	166,224,700	Common	$0.0010	No	Labrys Fund LP - Patrick Hassani	Debt Conversion	Unrestricted	Rule 144
1/12/22	Issuance	10,000,000	Common	$0.0013	No	Conventry Enterprises LLC - Jack Bodenstein	Incentive Shares issued with debt	Restricted	Rule 144
1/18/22	Issuance	40,000,000	Common	$0.0010	No	GS Capital Partners - Gabe Sayegh	Purchase Shares	Unrestricted	Rule 144
1/20/22	Issuance	25,000,000	Common	$0.0012	No	Fourth Man LLC - Edward Deese	Incentive Shares issued with debt	Restricted	Rule 144
1/24/22	Issuance	363,125,000	Common	$0.0008	No	Firstfire - Ely Fireman	Debt Conversion	Unrestricted	Rule 144

Shares Outstanding on Date of This Report: Ending Balance Ending Balance: Date 07/14/2023 Common: 22,076,491,633 Preferred A: 10,000,000 Preferred B: 2,000,000	

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:

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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. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
11/04/22	$19.029.55	$27,777.00	$1,361.07	05/04/23	Upon default - lower of .0001 or 60% of average two lowest price for 20 days prior	Quick Capital – Eilon Natan	Loan
07/26/22	$3,013.21	$72,684.93	$4,005.75	02/01/23	Fixed price of $0.0003; no BCF accounting, as there is no net share settlment assured due to other variable instruments	GS Capital Partners - Gabe Sayegh	Loan
07/27/22	$12,821.92	$80,500.00	$5,523.19	07/27/23	Fixed price of $0.0002; no BCF accounting, as there is no net share settlment assured due to other variable instruments	GS Capital Partners - Gabe Sayegh	Loan
11/24/21	$266,668.31	$625,000.00	$63,443.59	11/24/22	70% of average closing price per share for 20 days prior	Venture Explorer – Todd Violette	Loan
05/12/22	$394,138.98	$550,000.00	$10,013.69	05/12/23	Convertible upon Default - $0.0005 per share	Mast Hill Fund - Patrick Hassani	Loan
10/12/22	$230,000.00	$230,000.00	$11,627.78	05/12/23	Convertible upon Default - $0.0005 per share	Mast Hill Fund - Patrick Hassani	Loan
08/06/22	$79,500.00	$79,500.00	$7,950.00	04/01/23	Upon default, 80% of lowest prior 25 trading day	Pinnacle Consulting Services, Inc. - Robert L. Hymers III	Loan
11/22/23	$3,600.00	$3,600.00	$360.00	04/01/23	Upon default, 80% of lowest prior 25 trading day	Pinnacle Consulting Services, Inc. - Robert L. Hymers III	Loan
05/05/22	$110,000.00	$79,444.45	$9,930.56	05/05/23	Upon default, 80% of lowest prior 25 trading day	Dutchess Capital Growth Fund LP - Michael Novielli	Loan
10/06/21	$3,492,378.00	$3,492,378.00	$345,115.70	10/06/23	Convertible at $0.002. If default, lower of $0.002 or 70% of lowest closing trade price 10 days prior	St George Investements LLC – John Fife	Acquisition Note

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

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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")

Marijuana Company of America is a Utah corporation quoted on OTC Markets Pink Tier under the symbol "MCOA". We are based in Los Angeles, California.

We are an owner and operator of licensed cannabis cultivation, processing and dispensary facilities and a developer, producer and distributor of innovative branded cannabis and cannabidiol ("CBD") products in the United States. We are committed to creating a national distributorship and retail brand portfolio of branded cannabis and CBD products, although as of the date of this filing, marijuana (defined as cannabis containing delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis) currently remains illegal under U.S. federal law.

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

Distribution - cDistro, Inc. Through our wholly-owned subsidiary cDistro, Inc., a Nevada corporation, we distribute hemp and CBD products throughout the United States. We acquired the business and stock of cDistro on June 29, 2021. Through cDistro, we distribute high quality hemp-derived cannabinoid products. cDistro offers CBD brands along with smoke and vape shop related products to wholesalers, c-stores, specialty retailers, and consumers in North America. Through cDistro, we work exclusively with select manufacturers to deliver retail service and products at wholesale prices.

cDistro distributes a select list of quality CBD brands along with smoke and vape shop related products to wholesalers, c-stores, specialty retailers, and dispensaries in North America. Founded in Florida in 2020, cDistro distributes a catalog of unique product lines currently being sold to over 250 smoke and vape shop customers. Through our acquisition of cDistro, we believe MCOA is positioned to take advantage of the developing market opportunity generated by consumers' growing demand for quality hemp products.

Consumer Products - hempSMART™

Our consumer products containing hemp and CBD are sold through our wholly owned subsidiary H Smart, Inc. under the brand name hempSMART™. We market and sell our hempSMART™ products directly through our web site, and through our affiliate marketing program, where qualified sales affiliates use a secure multi-level-marketing sales software program that facilitates order placement over the internet via a web site, and accounts for affiliate orders and sales; calculates referral benefits apportionable to specific sales associates and calculates and accounts for loyalty and rewards benefits for returning customers. The Company plans on focusing its sales and marketing through direct sales on its website..

Our current hempSMART™ wellness products offerings include the following:

- **hempSMART Brain™** a proprietary patented and formulated personal care consumer product encapsulated with enriched non-psychoactive industrial hemp derived CBD. This encapsulation is combined with other high quality, proprietary natural ingredients to compliment CBD to support brain wellness.
- **hempSMART Pain™** capsules formulated with 10mg of Full Spectrum, non-psychoactive CBD per serving, derived from industrial hemp, which along with a proprietary blend of other natural ingredients, delivers an all-natural formulation for the temporary relief of minor discomfort associated with physical activity.
- **hempSMART Pain Cream™** each container formulated with 300mg of full spectrum non-psychoactive CBD derived from industrial hemp. The newly developed product contains a synergistic combination of natural botanicals and full spectrum hemp extract featuring CBD, CBG and a broad range of terpenes. The Company's proprietary blend of Ayurvedic herbs along with Menthol, Cayenne Pepper Extract, Rosemary Oil, Aloe Gel, White Willow Bark, Arnica, Wintergreen Extract and Tea Tree Oil, provides an immediate cooling and soothing sensation. This topical wellness consumer product is formulated to help reduce minor discomfort and promote muscle relaxation on areas that it is applied.

- **hempSMART Drops™** full Spectrum Hemp CBD Oil Tincture Drops, available in 250mg and 500mg bottles, enriched with non-psychoactive industrial hemp derived CBD, and available in four different flavors: lemon, mint, orange and strawberry that is free of the THC isolate.
- **hempSMART Pet Drops™** for cats and dogs, formulated with 250mg of full spectrum non-psychoactive CBD derived from industrial hemp. This new specially formulated product contains naturally occurring CBD derived from hemp seed oil, full spectrum hemp extract, fractionated coconut oil, and a rich bacon flavor.
- **hempSMART Face™** a nourishing facial moisturizer combines full spectrum CBD from hemp, with a unique blend of Ayurvedic herbs and botanicals. Designed to refresh, replenish and restore the skin providing long lasting hydration and balance.
- **hempSMART Drink Mix,** a new industrial hemp based powderized premium CBD Drink made with Organic CBD Infused with Honey to be mixed with any beverage of preference.

Growth Strategies and Strategic Priorities

Recent Acquisitions

cDistro, Inc.

On June 29, 2021, we acquired 100% of the capital stock of cDistro, Inc., a Florida-based hemp and CBD product distribution business incorporated in the State of Nevada (“cDistro”) through a statutory merger and share exchange. After the acquisition, our Chief Financial Officer Jesus Quintero serves as cDistro’s Chief Executive Officer.

VBF Brands, Inc.

On October 6, 2021, the Company, through its wholly owned subsidiary Salinas Diversified Ventures, Inc., a California corporation, entered into an Asset Purchase Agreement, Management Services Agreement, Cooperation Agreement and Employment Agreement with VBF Brands, Inc., a California corporation (“VBF”), a wholly owned subsidiary of Sunset Island Group, Inc., a Colorado corporation (“SIGO”). VBF and SIGO agreed to transfer to the Company all of VBF’s outstanding stock to the Company, and appointed our CEO and CFO Jesus Quintero as President of VBF.

VBF owns various fixed assets including machinery and equipment, a lease for a 10,000 square foot facility located at 20420 Spence Road, Salinas, California, 93908, leasehold improvements, good-will, inventory, tradenames including “VBF Brands,” trade secrets, intellectual property, and other tangible and intangible properties, including licenses issued by the City of Salinas, County of Monterey, and the State of California to operate a licensed cannabis nursery, cultivation facility, and operations for the manufacturing and distribution of cannabis and cannabis products.

VBF and SIGO agreed to sell and transfer to the Company all of VBF’s outstanding stock, and, by virtue of the Management Services Agreement, appoint Mr. Jesus Quintero as President of VBF, vesting management and control of VBF’s licensed cannabis operations in the Company. Concurrently, VBF and Livacich entered into a Cooperation Agreement, whereby VBF and Livacich agreed to cooperate to facilitate the transfer of ownership of VBF, which includes licenses issued by the City of Salinas, County of Monterey, and the State of California, to operate a cannabis nursery, cultivation facility and manufacturing and distribution operations to the Company. The Company also agreed to retain Livacich as Chief Executive Officer for a term of two years and agreed to compensate her with a salary including a signing cash bonus of $250,000, and a $250,000 performance cash bonus payable after six months after the Effective Date. The bonus is conditioned upon Livacich meeting an agreed to “Net Revenue” target of one million dollars ($1,000,000) from VBF’s operations during the six-month period after closing of the Asset Purchase Agreement, and her compliance with the terms and conditions of this Asset Purchase Agreement, the Management Services Agreement and the Cooperation Agreement.

As consideration for the transaction, the Company agreed to assume two secured convertible promissory notes issued by SIGO to St. George Investments, LLC, a Utah limited liability company (“St. George”) (the “SIGO Notes”). The first note was issued December 8, 2017, in the original face amount of $170,000.00, and the second was issued February 13, 2018, in the original face amount of $4,245,000.00. SIGO also issued warrants to St. George to purchase shares in SIGO, and fifty (50) shares of Series A Preferred Stock in SIGO. St. George agreed to cancel the warrants and preferred shares upon the Company’s assumption of the SIGO Notes.

Under the Asset Purchase Agreement, the closing is conditioned upon certain conditions precedent, specifically (i) VBF and SIGO’s full corporate authorization, consent and execution of this Agreement; (ii) VBF’s sale to MCOA of 100% of the issued and outstanding shares of VBF; (iii) full corporate authorization, consent compliance with and execution of the Management Services Agreement and Cooperation Agreement; (iv) SIGO’s disclosure of the

Agreement on Form 8-K with the Securities and Exchange Commission; (v) full cooperation in MCOA's financial auditing of VBF in accordance with ASC 805, including providing unrestricted access to all VBF corporate and financial records and providing all necessary cooperation with VBF financial personnel; (vi) full cooperation in aiding and assisting Buyer with its change of ownership applications with the relevant licensing authorities; (vii) the warranty of truthful representations and execution of and compliance with the terms and conditions of the Executive Employment Agreement, Management Services Agreement and the Cooperation Agreement.

As of the date of this filing, the conditions precedent to the closing of the Asset Purchase Agreement remain in the process of implementation, so that the Asset Purchase Agreement closing has not yet occurred pursuant to its terms. Legal counsel for MCOA is currently in the process of working with VBF, Salinas Diversified Ventures, and the relevant state and local governments to effect the change of control and license transfers necessary to close the Asset Purchase Agreement.

-

C. Describe the issuers' principal products or services.

Through our wholly-owned subsidiary cDistro, Inc., a Nevada corporation, our CBD product distribution business, we distribute hemp and CBD products throughout the United States. Through cDistro, we distribute high quality hemp-derived cannabinoid products. cDistro offers CBD brands along with smoke and vape shop related products to wholesalers, c-stores, specialty retailers, and consumers in North America. Through cDistro, we work exclusively with select manufacturers to deliver retail service and products at wholesale prices

Through our wholly owned subsidiary HSmart, Inc., a California corporation, we develop and sell CBD products under the brand name hempSMART™. Our business also includes making selected investments and entering into joint ventures with start-up businesses in the legalized cannabis and hemp industries.

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.

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 that 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.

Names of All Officers, Directors and Control Persons	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
Jesús Quintero	CEO, CFO, Chairman	Pembroke Pines, FL	16,319,956	Common	.074%	_____
Jesús Quintero	CEO, CFO, Chairman	Pembroke Pines, FL	8,666,666	Preferred A	72.2%	_____
Jesús Quintero	CEO, CFO, Chairman	Pembroke Pines, FL	2,000,000	Preferred B	100%	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

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: Alan T. Hawkins
Firm: Independent Law PLLC
Address 1: 2106 NW 4th Pl.
Address 2: Gainesville, FL 32603
Phone: +1 (352) 353-4048
Email: ahawkins@independent.law

Accountant or Auditor

Name: William Hudgens
Firm: Hudgens CPA, PLLC
Address 1: 1220 Blalock Rd, STE 300
Address 2: Houston, TX 77055
Phone: +1 (713) 570-9028
Email: whudgens@hudgenscpas.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 **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.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

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: **Jesús Quintero**
Title: **CFO**
Relationship to Issuer: **Officer**

Describe the qualifications of the person or persons who prepared the financial statements:

Mr Quintero has extensive experience in public company reporting and SEC/SOX compliance, and held senior finance positions with Avnet, Inc. (NYSE: AVT), Latin Node, Inc., Globetel Communications Corp. (AMEX: GTE) and Telefonica of Spain. His prior experience also includes tenure with Price Waterhouse and Deloitte & Touche. Mr. Quintero earned a B.S. in Accounting from St. John's University and is a certified public accountant.

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

[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, Jesús Quintero certify that:

1. I have reviewed this Disclosure Statement for Marijuana Company of America, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

July 14, 2023

/s/ Jesús Quintero, CEO

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Jesús Quintero certify that:

1. I have reviewed this Disclosure Statement for Marijuana Company of America, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

July 14, 2023

/s/ Jesús Quintero, CFO

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	Unaudited Mar 31, 2023	Unaudited Dec 31, 2022
ASSETS		
Current assets:		
Cash	$ 403	$ -
Accounts receivable, net	2,946	2,946
Inventory	37,666	37,666
Prepaid Insurance	-	-
Other current assets	121	-
Total current assets	41,136	40,612
Property and equipment, net	80,075	80,075
Other assets:		
Long-term Investments	-	-
Goodwill	-	-
Intangible assets, net	-	-
Security deposit	-	-
Total assets	121,211	120,687
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	1,150,467	1,120,760
Accrued compensation	485,739	379,854
Accrued liabilities	718,159	616,196
Notes payable, related parties	20,000	20,000
Notes payable, net of debt discount	4,066,760	4,059,409
Convertible notes payable, net of debt discount of $103,875 and $344,339, respectively	1,243,838	1,004,868
Contingent Liability - Acquisition	500,000	500,000
Subscriptions payable	752,961	752,961
Derivative liability	535,656	582,773
Total current liabilities	9,473,580	9,036,821
Total liabilities	9,473,580	9,036,821
Stockholders' deficit:		
Preferred stock, $0.001 par value, 50,000,000 shares authorized		
Class A preferred stock, $0.001 par value, 10,000,000 shares designated, 10,000,000 shares issued and outstanding as of March 31, 2023 and December 31, 2022	10,000	10,000
Class B preferred stock, $0.001 par value, 5,000,000 shares designated, 2,000,000 shares issued and outstanding as of March 31, 2023 and December 31, 2022	2,000	2,000
Common stock, $0.001 par value; 32,000,000,000 shares authorized; 22,076,491,633 and 19,413,091,633 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	102,060,964	101,899,611
Common stock to be issued, 1,000,000 and 1,000,000 shares, respectively	37,000	37,000
Treasury Stock	(60,000)	(60,000)
Accumulated other Comprehensive Income (loss)	(34,225)	(32,363)
Accumulated deficit	(111,368,078)	(110,772,382)
Total stockholders' deficit	(9,352,369)	(8,916,134)
Total liabilities and stockholders' deficit	$ 121,211	$ 120,687

See the accompanying notes to these unaudited condensed consolidated financial statements

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED March 31, 2023 and 2022
UNAUDITED

	For the 3 months ended March 31, 2023	2022
REVENUES:		
Sales	$ -	$ 561,321
Total Revenues	-	561,321
Cost of sales	-	510,262
Gross Profit	-	51,059
OPERATING EXPENSES:		
Depreciation and amortization	-	51,050
Selling and marketing	-	81,373
Payroll and related	96,885	276,913
Stock-based compensation	9,000	9,000
General and administrative	52,879	468,517
Total operating expenses	158,764	886,853
Net loss from operations	(158,764)	(835,794)
OTHER INCOME (EXPENSES):		
Interest expense, net	(484,049)	(1,246,155)
Gain (loss) on change in fair value of derivative liabilities	47,117	(1,026,929)
Unrealized Gain (loss) on trading securities	—	-
Realized Gain (loss) on trading securities	—	6,086
(Loss) Gain on settlement of debt	—)	(187,500)
Total other income (expense)	(436,932)	(2,454,498)
Net loss before income taxes	(595,696)	(3,290,292)
Income taxes (benefit)	—	—
NET INCOME (LOSS)	$ (595,696)	$ (3,290,292)
Foreign currency Translation Adjustment	(1,892)	2,548
Comprehensive Income	$ (597,588)	$ (3,692,840)
Loss per common share, basic and diluted	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding, basic and diluted (after stock-split)	13,934,242,286	8,162,150,740

See the accompanying notes to these unaudited condensed consolidated financial statements

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
UNAUDITED

	Class A Preferred Stock		Class B Preferred Stock		Common Stock		Common Stock to be issued		Treasury	Accumulated	Other Comprehensive	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Stock	Deficit	Loss	Total
Balance, December 31, 2021	**10,000,000**	**$ 10,000**	**2,000,000**	**$ 2,000**	**7,122,806,264**	**$ 96,730,659**	**1,000,000**	**$ 1,000**	**$ —**	**$ (96,501,045)**	**$ (11,725)**	**$ 230,889**
Common stock issued in settlement of convertible notes payable and accrued interest	—	—	—	—	1,166,431,600	1,051,555	—	—	—	—	—	1,051,555
Issuance of common stock for deferred finance costs	—	—	—	—	35,000,000	43,000	—	—	—	—	—	43,000
Sale of common stock	—	—	—	—	652,500,000	528,850	—	—		—	—	528,850
Reclassification of derivative liabilities to additional paid in capital	—	—	—	—	—	233,069	—	—	—	—	—	233,069
Common stock issued for contingent consideration	—	—	—	—	282,326,369	250,000	—	—	—	—	—	250,000
Common stock issued for amendment to acquisition consideration	—	—	—	—	180,486,830	234,632	—	—	—	—	—	234,632
Net Loss	—	—	—	—	—	—	—	—	—	(3,290,292)	(2,548)	(3,292,840)
Balance, March 31, 2022	**10,000,000**	**$ 10,000**	**2,000,000**	**$ 2,000**	**9,439,551,063**	**$ 9,439,550**	**1,000,000**	**$ 1,000**	**$ —**	**$ (99,791,337)**	**$ (14,273)**	**$ (720,845)**

	Class A Preferred Stock		Class B Preferred Stock		Common Stock		Common Stock to be issued		Treasury	Accumulated	Other Comprehensive	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Stock	Deficit	Loss	Total
Balance, December 31, 2022	**10,000,000**	**$10,000**	**2,000,000**	**$ 2,000**	**19,413,091,633**	**$101,899,611**	**1,000,000**	**$ 37,000**	**$ (60,000)**	**$(110,772,382)**	**$ (32,363)**	**$ 8,916,134**
Common stock issued in settlement of convertible notes payable and accrued interest	—	—	—	—	2,663,400,000	133,170	—	—	—	—	—	133,170
Issuance of common stock for deferred finance costs	—	—	—	—	—	28,183	—	—	—	—	—	28,183
Net Loss	—	—	—	—	—	—	—	—	—	(595,696)	(1,892)	(597,588)
Balance, March 31, 2023	**10,000,000**	**$10,000**	**2,000,000**	**$ 2,000**	**22,076,491,633**	**$102,060,964**	**1,000,000**	**$ 37,000**	**$ (60,000)**	**$(111,368,078)**	**$ (34,255)**	**$(9,352,369)**

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED March 31, 2023 and 2022
UNAUDITED

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	$ (595,696)	$ (3,290,292)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	286,217	761,712
Depreciation and amortization	-	51,050
Loss on equity investment	-	735,178
Loss (Gain) on change in fair value of derivative liability	(47,117)	1,026,929
Interest expense recognized for the excess of fair value of derivative liability over net book value of notes payable at issuance	75,000	157,558
Stock-based compensation	234,633	234,633
Unrealized (Gain) Loss on trading securities	—	-
Loss on settlement of liabilities	-	187,500
Changes in operating assets and liabilities:		
Accounts receivable	-	(199,160)
Inventories	-	46,005
Prepaid expenses and other current assets	(121)	71,234)
Accounts payable	(204,926)	(692,418)
Accrued expenses and other current liabilities	226,124	231,963
Net cash provided by (used in) operating activities	**(25,886)**	**(678,108)**
Cash flows from investing activities:		
Purchases of property and equipment	-	(1,699)
Net cash provided by (used in) investing activities	**-**	**(1,699)**
Cash flows from financing activities:		
Proceeds from issuance of notes payable	-	526,760
Repayments of notes payable	-	(233,567)
Proceeds from convertible notes payable	28,181	-
Proceeds from sale of common stock	-	528,850
Net cash provided by (used in) financing activities	**28,181**	**822,043**
Foreign exchange impact on cash	(1,892)	(2,548)
Net increase (decrease) in cash	403	139,688
Cash at beginning of period	-	104,024
Cash at end of period	**$ 403**	**$ 243,712**
Supplemental disclosure of cash flow information:		
Non-cash financing activities:		
Common stock issued in settlement of convertible notes payable	$ 133,170	$ 639,054
Reclassification of derivative liabilities to additional paid-in capital	$ -	$ 233,069
Common stock issued for investment	$ -	$ 234,633
Common stock issued to settle liabilities	$ —	$ -
Common stock issued for acquisition of business	$ -	$ 250,000
Common stock issued for deferred finance costs	$ -	$ 43,000

See the accompanying notes to these unaudited condensed consolidated financial statements

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Marijuana Company of America, Inc. (the "Company") was incorporated under the laws of the State of Utah in October 1985 under the name Mormon Mint, Inc. The corporation was originally organized to manufacture and market commemorative medallions related to the Church of Jesus Christ of Latter-Day Saints. On January 5, 1999, Bekam Investments Ltd. acquired 100% of the common shares of the Company and spun the Company off changing its name Converge Global, Inc. From August 13, 1999, until November 20, 2002, the Company focused on the development and implementation of Internet web content and e-commerce applications. In October 2009, in a 30 for 1 exchange, the Company merged with Sparrowtech, Inc. for the purpose of exploration and development of commercially viable mining properties. From 2009 to 2014, the Company operated primarily in the mining exploration business.

In 2015, the Company changed its business model to a marketing and distribution company for medical marijuana, and changed its name to Marijuana Company of America, Inc. At the time of the transition in 2015, there were no remaining assets, liabilities, or operating activities of the mining business.

On September 21, 2015, the Company formed H Smart, Inc. in the State of Delaware as a wholly owned subsidiary of the Company for the purpose of operating the hempSMART™ brand.

On February 1, 2016, the Company formed MCOA CA, Inc. in the State of California as a wholly owned subsidiary of the Company to facilitate mergers, acquisitions and the offering of investments or loans to the Company.

On May 3, 2017, the Company formed Hempsmart Limited in the United Kingdom as a wholly owned subsidiary of the Company for the purpose of future expansion into the European market.

On June 29, 2021, the Company acquired 100% of the capital stock of cDistro, Inc., a Nevada corporation, which is now a wholly owned subsidiary of the Company for the purpose of engaging in the distribution of hemp and CBD products to retail outlets in the North American market.

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, H Smart, Inc., Hempsmart Limited, MCOA CA, Inc. and cDistro, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

Operating results for the three months ended March 31, 2023, are not necessarily indicative of results that may be expected for the year ending December 31, 2023. These condensed consolidated financial statements should be read in conjunction with the unaudited financial statements for the year ended December 31, 2022.

NOTE 2 – GOING CONCERN AND MANAGEMENT'S LIQUIDITY PLANS

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying financial statements, for the three months ended March 31, 2023, the Company incurred net losses from operations of $158,764 and used cash in operations of $25,886. These factors among others may indicate that the Company will be unable to continue as a going concern for a reasonable period of time.

The Company's primary source of operating funds for the three months ended March 31, 2023 has been from revenue generated from the proceeds related to the issuance of common stock, convertible and other debt. The Company has experienced net losses from operations since inception but expects these conditions to improve in 2023 and beyond as it continues to develop its direct sales and marketing programs; however, no assurance can be provided that the Company will not continue to experience losses in the future. The Company has stockholders' deficiencies at March 31, 2023 and requires additional financing to fund future operations.

The Company's existence is dependent upon the management's ability to develop profitable operations and to obtain additional funding sources. There can be no assurance that the Company's financing efforts will result in profitable operations or the resolution of the Company's liquidity problems. There can be no assurance that the Company will be successful in developing profitable operations or that it will be able to obtain financing on favorable terms, if at all. The accompanying statements do not include any adjustments that might result should the Company be unable to continue as a going concern.

NOTE 3 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements

The unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information. Accordingly, they do not include all the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

Revenue Recognition

For annual reporting periods after December 15, 2017, the Financial Accounting Standards Board (“FASB”) made effective Accounting Standards Updates (“ASU”) 2014-09 “Revenue from Contracts with Customers,” to supersede previous revenue recognition guidance under current GAAP. Revenue is now recognized in accordance with FASB Accounting Standards Codification (“ASC”) Topic 606, Revenue Recognition. The objective of the guidance is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle is to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Two options were made available for implementation of the standard: the full retrospective approach or modified retrospective approach. The guidance became effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period, with early adoption permitted. The Company adopted FASB ASC Topic 606 for its reporting period as of the year ended December 31, 2017, which made its implementation of FASB ASC Topic 606 effective in the first quarter of 2018. The Company decided to implement the modified retrospective transition method to implement FASB ASC Topic 606, with no restatement of the comparative periods presented. Using this transition method, the Company applied the new standards to all new contracts initiated on or after the effective date. The Company also decided to apply this method to any incomplete contracts that it determines are subject to FASB ASC Topic 606 prospectively. For the quarter ended March 31, 2023, there were no incomplete contracts. As more fully discussed below, the Company is of the opinion that none of its contracts for services or products contain significant financing components that require revenue adjustment under FASB ASC Topic 606.

Contracts included in its application of FASB ASC Topic 606, for the quarter ended March 31, 2023, consisted solely of sales of the Company’s hempSMART™ products made by its sales associates and by the Company directly through its website. Regarding its offered financial accounting, bookkeeping and/or real property management consulting services, to date no contracts have been entered into, and thus no reportable revenues have resulted for the fiscal years ended 2022 and, 2021, or for the quarter ended March 31, 2023.

In accordance with FASB ASC Topic 606, Revenue Recognition, the Company is of the opinion that none of its hempSMART™ product sales or offered consulting service, each of which are discussed below, have a significant financing component. The Company’s opinion is based upon the transactional basis for its product sales, with revenue recognized upon customer order, payment and shipment, which occurs concurrently. The Company’s evaluation of the length of time between the customer order, payment and shipping is not a significant financing component, because shipment occurs the same day as the order is placed and payment made by the customer. The Company’s evaluation of its consulting services is based upon recognizing revenue as the services are performed for a determinable price per hour. The Company only recognizes revenues as it incurs and charges billable hours. Because the Company’s hourly fees for services are fixed and determinable and are only earned and recognized as revenue upon actual performance, the Company is of the opinion that such arrangements are not an indicator of a vendor or customer based significant financing, that would materially change the amount of revenue the Company recognizes under the contract or would otherwise contain a significant financing component under FASB ASC Topic 606.

Product Sales

Revenue from product sales, including delivery fees, is recognized when (1) an order is placed by the customer; (2) the price is fixed and determinable when the order is placed; (3) the customer is required to and concurrently pays for the product upon order; and, (4) the product is shipped. The evaluation of the Company’s recognition of revenue after the adoption of FASB ASC 606 did not include any judgments or changes to judgments that affected the Company’s reporting of revenues, since its product sales, both pre and post adoption of FASB ASC 606, were evaluated using the same standards as noted above, reflecting revenue recognition upon order, payment and shipment, which all occurs concurrently when the order is placed and paid for by the customer, and the product is shipped. Further, given the facts that (1) the Company’s customers exercise discretion in determining the timing of when they place their product order; and, (2) the price negotiated in the Company’s product sales is fixed and determinable at the time the customer places the order, and there is no delay in shipment, the Company is of the opinion that its product sales do not indicate or involve any significant customer financing that would materially change the amount of revenue recognized under the sales transaction, or would otherwise contain a significant financing component for the Company or the customer under FASB ASC Topic 606.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. Significant estimates include the fair value of the Company's stock, stock-based compensation, fair values relating to derivative liabilities, debt discounts and the valuation allowance related to deferred tax assets. Actual results may differ from these estimates.

Cash

The Company considers cash to consist of cash on hand and temporary investments having an original maturity of 90 days or less that are readily convertible into cash.

Concentrations of Credit Risk

The Company's financial instruments that are exposed to a concentration of credit risk are cash and accounts receivable. Occasionally, the Company's cash in interest-bearing accounts may exceed FDIC insurance limits. The financial stability of these institutions is periodically reviewed by senior management.

Accounts Receivable

Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis. Thus, trade receivables do not bear interest. Trade accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition.

Allowance for Doubtful Accounts

Any charges to the allowance for doubtful accounts on accounts receivable are charged to operations in amounts sufficient to maintain the allowance for uncollectible accounts at a level management believes is adequate to cover any probable losses. Management determines the adequacy of the allowance based on historical write-off percentages and the status of accounts receivable. Accounts receivables are charged off against the allowance when collectability is determined to be permanently impaired. As of March 31, 2023, and December 31, 2022, allowance for doubtful accounts was $334,236 and $334,236, respectively.

Inventories

Inventories are stated at the lower of cost or market with cost being determined on a first-in, first-out (FIFO) basis. The Company writes down its inventory for estimated obsolescence or unmarketable inventory equal to the difference between the cost of inventory and the estimated market value based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory write-downs may be required. During the periods presented, there were no inventory write-downs.

Cost of Sales

Cost of sales is comprised of cost of product sold, packaging, and shipping costs.

Stock Based Compensation

The Company measures the cost of services received in exchange for an award of equity instruments based on the fair value of the award. For employees and directors, the fair value of the award is measured on the grant date and for non-employees, the fair value of the award is generally re-measured on vesting dates and interim financial reporting dates until the service period is complete. The fair value amount is then recognized over the period during which services are required to be provided in exchange for the award, usually the vesting period. Stock-based compensation expense is recorded by the Company in the same expense classifications in the statements of operations, as if such amounts were paid in cash.

Earnings per Share

Basic earnings per share are calculated by dividing net income (loss) by the weighted average number of shares of the Company's common stock outstanding during the period. Diluted earnings per share reflects the potential dilution that could occur if the Company's share-based awards and convertible securities were exercised or converted into common stock. The dilutive effect of the Company's share-based awards is computed using the treasury stock method, which assumes all share-based awards are exercised and the hypothetical proceeds from exercise are used to purchase common stock at the average market price during the period. The incremental shares (difference between shares assumed to be issued versus purchased), to the extent they would have been dilutive, are included in the denominator of the diluted earnings per share calculation. The dilutive effect of the Company's convertible preferred stock and convertible debentures is computed using the if-converted method, which assumes conversion at the beginning of the year.

Property and Equipment

Property and equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition is reflected in earnings. For financial statement purposes, property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives of 3 to 5 years.

Investments

The Company follows ASC subtopic 321-10, Investments-Equity Securities ("ASC 321-10") which requires the accounting for equity security to be measured at fair value with changes in unrealized gains and losses are included in current period operations. Where an equity security is without a readily determinable fair value, the Company may elect to estimate its fair value at cost minus impairment plus or minus changes resulting from observable price changes (See Note 6).

Derivative Financial Instruments

The Company classifies as equity any contracts that (i) require physical settlement or net-share settlement or (ii) provide the Company with a choice of net-cash settlement or settlement in its own shares (physical settlement or net-share settlement) providing that such contracts are indexed to the Company's own stock. The Company classifies as assets or liabilities any contracts that (i) require net-cash settlement (including a requirement to net cash settle the contract if an event occurs and if that event is outside the Company's control) or (ii) gives the counterparty a choice of net-cash settlement or settlement in shares (physical settlement or net-share settlement). The Company assesses the classification of its common stock purchase warrants and other free-standing derivatives at each reporting date to determine whether a change in classification between equity and liabilities is required.

The Company's free-standing derivatives consisted of conversion options embedded within its issued convertible debt and warrants with anti-dilutive (reset) provisions. The Company evaluated these derivatives to assess their proper classification in the balance sheet using the applicable classification criteria enumerated under GAAP. The Company determined that certain conversion and exercise options do not contain fixed settlement provisions. The convertible notes contain a conversion feature and warranty have a reset provision such that the Company could not ensure it would have adequate authorized shares to meet all possible conversion demands.

As such, the Company was required to record the conversion feature and the reset provision which does not have fixed settlement provisions as liabilities and mark to market all such derivatives to fair value at the end of each reporting period.

The Company has adopted a sequencing policy that reclassifies contracts (from equity to assets or liabilities) with the most recent inception date first. Thus, any available shares are allocated first to contracts with the most recent inception dates.

Fair Value of Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of March 31, 2023, and December 31, 2022. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash and accounts payable. Fair values were assumed to approximate carrying values for cash, accounts payables and short-term notes because they are short term in nature.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations $0 and $42,565 as advertising costs for the three months ended March 31, 2023, and 2022, respectively.

Income Taxes

Deferred income tax assets and liabilities are determined based on the estimated future tax effects of net operating loss and credit carry forwards and temporary differences between the tax basis of assets and liabilities and their respective financial reporting amounts measured at the current enacted tax rates. The Company records an estimated valuation allowance on its deferred income tax assets if it is not more likely than not that these deferred income tax assets will be realized.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the condensed consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. As of March 31, 2023, and 2022, the Company has not recorded any unrecognized tax benefits.

Segment Information

ASC subtopic Segment Reporting 280-10 ("ASC 280-10") establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information for those segments to be presented in interim financial reports issued to stockholders. ASC 280-10 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions how to allocate resources and assess performance. The information disclosed herein materially represents all of the financial information related to the Company's principal operating segments, hempSMART and cDistro.

The following table represents the Company's hempSMART business for the three months ended March 31, 2023, and 2022:

hempSMART
STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED March 31, 2023 and 2022

	For the Three months ended March 31, 2023	For the Three months ended March 31, 2022
Revenues	$ -	$ 11,914
Cost of Sales	-	6,097
Gross profit	**-**	**5,817**
Operating Expenses		
Depreciation expense	-	5,289
Payroll and related	-	60,274
Selling and Marketing expenses	-	77,905
General and administrative expenses	-	114,072
Total Expenses	**-**	**257,540**
Net Loss from Operations	**$ -**	**$ (251,723)**

The following table represents the Company's cDistro business segment for the three months ended March 31, 2023, and 2022 (business acquired on June 29, 2021):

cDistro
STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED March 31, 2023 and 2022

	For the Three Months ended March 31, 2023	For the Three Months ended March 31, 2022
Revenues	$ -	$ 526,908
Cost of Goods Sold	-	503,860
Gross Profit	**-**	**23,048**
Expense		

Depreciation and amortization expense	-	45,762
Selling and Marketing	-	35
Payroll and Related expenses	-	54,000
General and Admin Expenses	-	50,824
Total Expense	**-**	**150,621**
Net Loss from Operations	**$ -**	**$ (127,573)**

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This ASU requires lessees to recognize a lease liability, on a discounted basis, and a right-of-use asset for substantially all leases, as well as additional disclosures regarding leasing arrangements. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842), which provides an optional transition method of applying the new lease standard. Topic 842 can be applied using either a modified retrospective approach at the beginning of the earliest period presented, or as permitted by ASU 2018-11, at the beginning of the period in which it is adopted.

We adopted this standard using a modified retrospective approach on January 1, 2019. The modified retrospective approach includes a number of optional practical expedients relating to the identification and classification of leases that commenced before the adoption date; initial direct costs for leases that commenced before the adoption date; and the ability to use hindsight in evaluating lessee options to extend or terminate a lease or to purchase the underlying asset.

The Company elected the package of practical expedients permitted under ASC 842 allowing it to account for its existing operating lease that commenced before the adoption date as an operating lease under the new guidance without reassessing (i) whether the contract contains a lease; (ii) the classification of the lease; or (iii) the accounting for indirect costs as defined in ASC 842.

In considering its qualitative disclosure obligations under ASC 842-20-50-3, the Company examined its one lease for office space that has a fixed monthly rent with no variable lease payments and no options to extend. The lease is for an office space with no right of use assets. The lease does not provide for terms and conditions granting residual value guarantees by the Company, or any restrictions or covenants imposed by the lease for dividends or incurring additional financial obligations by the Company. The Company also elected a short-term lease exception policy and an accounting policy to not separate non-lease components from lease components for its facility lease.

Consistent with ASC 842-20-50-4, for the Company's quarterly financial statements for the period ended March 31, 2023, the Company calculated its total lease cost based solely on its monthly rent obligation. The Company had no cash flows arising from its lease, no finance lease cost, short term lease cost, or variable lease costs. The Company’s office lease does not produce any sublease income, or any net gain or loss recognized from sale and leaseback transactions. As a result, the Company did not need to segregate amounts between finance and operating leases for cash paid for amounts included in the measurement of lease liabilities, segregated between operating and financing cash flows; supplemental non-cash information on lease liabilities arising from obtaining right-of-use assets; weighted-average calculations for the remaining lease term; or the weighted-average discount rate.

The adoption of this guidance resulted in no significant impact to the Company’s results of operations or cash flows.

COVID-19 – Going Concern

In March 2020, the World Health Organization declared the global emergence of the COVID-19 pandemic. The impact of COVID-19 on the Company’s business is currently unknown. The Company will continue to monitor guidance and orders issued by federal, state, and local authorities with respect to COVID-19. As a result, the Company may take actions that alter its business operations as may be required by such guidance and orders or take other steps that the Company determines are in the best interest of its employees, customers, partners, suppliers and stockholders.

Any such alterations or modifications could cause substantial interruption to the Company’s business and could have a material adverse effect on the Company’s business, operating results, financial condition, and the trading price of the Company’s common stock, and could include temporary closures of one or more of the Company’s facilities; temporary or long-term labor shortages; temporary or long-term adverse impacts on the Company’s supply chain and distribution channels; and the potential of increased network vulnerability and risk of data loss resulting from increased use of remote access and removal of data from the Company’s facilities. In addition, COVID-19 could negatively impact capital expenditures and overall economic activity in the impacted regions or depending on the severity, globally, which could impact the demand for the Company’s products and services.

It is unknown whether and how the Company may be impacted if the COVID-19 pandemic persists for an extended period or if there are increases in its breadth or in its severity, including because of the waiver of regulatory requirements or the implementation of emergency regulations to which the Company is subject. The COVID-19 pandemic poses a risk that the Company or its employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period.

The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results, financial condition, and the trading price of its common stock. The COVID-19 pandemic made our hempSMART products, which are considered a supplement, not as attractive to clients struggling to survive financially with less disposable income. Additionally, our staff were unable to work from our office. This created a less efficient environment for the sales team and our ability to fulfill orders.

NOTE 4 – OPERATING LEASE

Effective June 1, 2021, the Registrant's address for its principal executive offices changed to 633 W 5th Street, Suite 2826 Los Angeles, CA 90071. Concurrent with the change of address, the Registrant entered into an accommodation for access to its offices for one year, beginning on June 1, 2021, and terminating on May 31, 2022. As consideration for the accommodation, the Registrant agreed to pay a monthly fee of $2,349. The Registrant's former office lease for 1340 West Valley Parkway, Ste. 205, Escondido, CA terminated May 31, 2021.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment as of March 31, 2023, and December 31, 2022 is summarized as follows:

	March 31, 2023	December 31, 2022
Computer equipment	$ 0	$ 0
Machinery	104,102	104,102
Furniture and fixtures	0	0
Subtotal	104,102	104,102
Less accumulated depreciation	(24,027)	(24,027)
Property and equipment, net	$ 80,075	$ 80,075

Property and equipment are stated at cost and depreciated using the straight-line method over their estimated useful lives of 3 years. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition is reflected in earnings.

Depreciation expenses were $0 and $6,051 for the three months ended March 31, 2023, and 2022, respectively.

NOTE 6 – INVESTMENTS

Bougainville Ventures, Inc. Joint Venture

On March 16, 2017, we entered into a joint venture agreement with Bougainville Ventures, Inc., a Canadian corporation. The purpose of the joint venture was for the Company and Bougainville to (i) jointly engage in the development and promotion of products in the legalized cannabis industry in Washington State; (ii) utilize Bougainville's high quality cannabis grow operations in the State of Washington, where it claimed to have an ownership interest in real property for use within the legalized cannabis industry; (iii) leverage Bougainville's agreement with a I502 Tier 3 license holder to grow cannabis on the site; provide technical and management services and resources including, but not limited to: sales and marketing, agricultural procedures, operations, security and monitoring, processing and delivery, branding, capital resources and financial management; and, (iv) optimize collaborative business opportunities. The Company and Bougainville agreed to operate through a Washington State Limited Liability Company, and BV-MCOA Management, LLC was organized in the State of Washington on May 16, 2017.

As our contribution to the joint venture, the Company committed to raise not less than $1,000,000 to fund joint venture operations, based upon a funding schedule. The Company also committed to providing branding and systems for the representation of cannabis related products and derivatives comprised of management, marketing and various proprietary methodologies directly tailored to the cannabis industry.
The Company and Bougainville's agreement if funding provided by the Company would contribute towards the joint venture's ultimate purchase of the land consisting of a one-acre parcel located in Okanogan County, Washington, for joint venture operations.

As disclosed on Form 8-K on December 11, 2017, the Company did not comply with the funding schedule for the joint venture. On November 6, 2017, the Company and Bougainville amended the joint venture agreement to reduce the amount of the Company's commitment from $1,000,000 to $800,000 and required the Company to issue Bougainville 15 million shares of the Company's restricted common stock. The Company completed its payments pursuant to the amended agreement on November 7, 2017, and on November 9, 2017, issued to Bougainville 15 million shares of restricted common stock. The amended agreement if Bougainville would deed the real property to the joint venture within thirty days of its receipt of payment.

Thereafter, the Company determined that Bougainville had no ownership interest in the property in Washington State, but rather was a party to a purchase agreement for real property that was in breach of contract for non-payment. Bougainville also did not possess an agreement with a Tier 3 I502 license holder to grow Marijuana on the property. Nonetheless, because of funding arranged for by the Company, Bougainville and an unrelated third party, Green Ventures Capital Corp., purchased the land, but did not deed the real property to the joint venture. Bougainville failed to pay delinquent property taxes to Okanogan County and to date, the property has not been deeded to the joint venture.

To clarify the respective contributions and roles of the parties, the Company offered to enter good faith negotiations to revise and restate the joint venture agreement with Bougainville. The Company diligently attempted to communicate with Bougainville to accomplish a revised and restated joint venture agreement, and efforts towards satisfying the conditions to complete the subdivision of the land by the Okanogan County Assessor. However, Bougainville failed to cooperate or communicate with the Company in good faith, and failed to pay the delinquent taxes on the real property that would allow for sub-division and the deeding of the real property to the joint venture.

On August 10, 2018, the Company advised its independent auditor that Bougainville did not cooperate or communicate with the Company regarding its requests for information concerning the audit of Bougainville's receipt and expenditures of $800,000 contributed by the Company in the joint venture agreement. Bougainville had a material obligation to do so under the joint venture agreement. The Company believes that some of the funds it paid to Bougainville were misappropriated and that there was self-dealing with respect to those funds. Additionally, the Company believes that Bougainville misrepresented material facts in the joint venture agreement, as amended, including, but not limited to, Bougainville's representations that: (i) it had an ownership interest in real property that was to be deeded to the joint venture; (ii) it had an agreement with a Tier 3 # I502 cannabis license holder to grow cannabis on the real property; and, (iii) that clear title to the real property associated with the Tier 3 # I502 license would be deeded to the joint venture thirty days after the Company made its final funding contribution. As a result, on September 20, 2018, the Company filed suit against Bougainville Ventures, Inc., BV-MCOA Management, LLC, Andy Jagpal, Richard Cindric, et al. in Okanogan County Washington Superior Court, case number 18-2- 0045324. The Company's complaint seeks legal and equitable relief for breach of contract, fraud, breach of fiduciary duty, conversion, recession of the joint venture agreement, an accounting, quiet title to real property in the name of the Company, for the appointment of a receiver, the return to treasury of 15 million shares issued to Bougainville, and, for treble damages pursuant to the Consumer Protection Act in Washington State. The registrant has filed a lis pendens on the real property. The case is currently in litigation.

In connection with the agreement, the Company recorded a cash investment of $1,188,500 to the Joint Venture during 2017. This was comprised of 49.5% ownership of BV-MCOA Management LLC and was accounted for using the equity method of accounting. The Company recorded an annual impairment in 2017 of $792,500, reflecting the Company's percentage of ownership of the net book value of the investment. During 2018, the Company recorded equity losses of $37,673 and $11,043 for the first and second quarters respectively and recorded an annual impairment of $285,986 for the year ended December 31, 2018, at which time the Company determined the investment to be fully impaired due to Bougainville's breach of contract and resulting litigation, as discussed above.

Natural Plant Extract of California

Natural Plant Extract of California & Subsidiaries Joint Venture; On April 15, 2019, the Company entered into a joint venture agreement with Natural Plant Extracts of California, Inc. and subsidiaries. The purpose of the joint venture was to utilize Natural Plant Extracts' California and City cannabis licenses to jointly operate a business named "Viva Buds" to operate a licensed cannabis distribution service in California. In exchange for acquiring 20% of Natural Plant Extracts' common stock, the Company has agreed to pay two million dollars and issue Natural Plant Extract one million dollars' worth of the Company's restricted common stock. As of February 3, 2020, the Company was in arrears in its payment obligations under the joint venture agreement, and the parties entered a settlement and release of all claims terminating the joint venture. The parties agreed to reduce the Company's equity ownership in Natural Plant Extracts from 20% to 5%. The Company also agreed to pay Natural Plant Extracts $85,000 and the balance of $56,085.15 paid in a convertible promissory note issued with terms allowing Natural Plant Extracts to convert the note into common stock at a 50% discount to the closing price of MCOA's common stock as of the maturity date. As of the date of this filing, the Company satisfied its payment obligations under the settlement agreement.

Cannabis Global Share Exchange

Share Exchange with Cannabis Global, Inc. On September 30, 2020, the Company entered into a securities exchange agreement with Cannabis Global, Inc., a Nevada corporation. By virtue of the agreement, the Company issued 650,000,000 shares of its unregistered common stock to Cannabis Global in exchange for 7,222,222 shares of Cannabis Global unregistered common stock. The Company and

Cannabis Global also entered a lock up leak out agreement which prevents either party from sales of the exchanged shares for a period of 12 months. Thereafter the parties may sell not more than the quantity of shares equaling an aggregate maximum sale value of $20,000 per week, or $80,000 per month until all Shares and Exchange Shares are sold.

Eco Innovation Group Share Exchange

On February 26, 2021, we entered into a Share Exchange Agreement with Eco Innovation Group, Inc., a Nevada corporation quoted on OTC Markets Pink ("ECOX") to acquire the number of shares of ECOX's common stock, equal in value to $650,000 based on the per-share price of $0.06, in exchange for the number of shares of MCOA common stock equal in value to $650,000 based on the closing price for the trading day immediately preceding the effective date (the "Share Exchange Agreement"). For both parties, the Share Exchange Agreement contains a "true-up" provision requiring the issuance of additional common stock if a decline in the market value of either party's common stock should cause the aggregate value of the stock acquired pursuant to the Share Exchange Agreement to fall below $650,000.

Complementary to the Share Exchange Agreement, the Company and ECOX entered into a Lock-Up Agreement dated February 26, 2021 (the "Lock-Up Agreement"), providing that the shares of common stock acquired pursuant to the Share Exchange Agreement shall be subject to a lock-up period preventing its sale for a period of 12 months following issuance and limiting the subsequent sale to aggregate maximum sale value of $20,000 per week, or $80,000 per month. On October 1, 2021, we entered into a First Amendment to Lock-Up Agreement between the Company and Eco Innovation Group, Inc., dated and effective October 1, 2021 (the "Amended Lock-Up Agreement"), which amends that certain Lock-Up Agreement entered into between the Company and Eco Innovation Group, Inc. on February 26, 2021 (the "Original Lock-Up Agreement"). The Amended Lock-Up Agreement amends the Original Lock-Up Agreement in one respect, by amending the initial lock-up period from 12 months following its effective date to 6 months following its effective date. All other terms and conditions of the Original Lock-Up Agreement remain unaffected.

Joint Ventures in Brazil and Uruguay – Development Stage

On October 1, 2020, we entered into two Joint Venture Agreements with Marco Guerrero, a director of the Company, dated September 30, 2020, to form joint venture operations in Brazil and in Uruguay to produce, manufacture, market and sell the Company's hempSMART™ products in Latin America, and will also work to develop and sell hempSMART™ products globally. The Joint Venture Agreements contain equal terms for the formation of joint venture entities in Uruguay and Brazil. The Brazilian joint venture will be headquartered in São Paulo, Brazil, and will be named HempSmart Produtos Naturais Ltda. ("HempSmart Brazil"). The Uruguayan joint venture will be headquartered in Montevideo, Uruguay and will be named Hempsmart Uruguay S.A.S. ("HempSmart Uruguay"). Both are in the development stage. Under the Joint Venture Agreements, the Company will acquire a 70% equity interest in both HempSmart Brazil and HempSmart Uruguay. A minority 30% equity interest in both HempSmart Brazil and HempSmart Uruguay will be held by newly formed entities controlled by Mr. Guerrero, our director and a successful Brazilian entrepreneur. The Company will provide capital in the amount of $50,000 to both HempSmart Brazil and HempSmart Uruguay under the Joint Venture Agreements, for a total capital obligation of $100,000. As of December 31, 2020, this amount has not been disbursed. It is expected that the proceeds of the initial capital contribution will be used for contracting with third-party manufacturing facilities in Brazil and Uruguay, and related infrastructure and employment of key personnel. The boards of directors of HempSmart Brazil and HempSmart Uruguay will consist of three directors, elected by the joint venture partners. As part of the Joint Venture Agreements, the Company will license, on a royalty-free basis, certain of its intellectual property regarding the Company's existing products to HempSmart Brazil and HempSmart Uruguay to enable the joint ventures to manufacture and sell the Company's products in Brazil, Uruguay, and for export to other Latin American countries, the United States, and globally in accordance with the terms of the Joint Venture Agreements. The Joint Venture Agreements provide the partners with a right of first offer. Under this right, each partner may trigger an "interest sale" right of first offer process at any time pursuant to which the other partners may either acquire the triggering partner's interest in the joint ventures or permit the triggering partner to sell its interest to a third party. In addition, the Company, as majority partner, may trigger a compulsory buy-sell procedure in the event a joint venture is frustrated in its intent or purpose, pursuant to which the Company could pursue a sale of all or substantially all of the joint venture. Subject to certain exceptions, the joint venture partners may not transfer their interests in HempSmart Brazil and HempSmart Uruguay. The Joint Venture Agreements contain customary terms, conditions, representations, warranties, and covenants of the parties for like transactions.

Acquisition of cDistro, Inc.

On June 29, 2021, we acquired 100% of the capital stock of cDistro, Inc., a Florida-based hemp and CBD product distribution business incorporated in the State of Nevada ("cDistro") by a statutory merger and share exchange. After the acquisition, cDistro's founding partner and Chief Executive Officer, Ronald Russo, remains its Chief Executive Officer, and our Chief Financial Officer Jesus Quintero serves as cDistro's Chief Financial Officer.

Asset Purchase Agreement with VBF Brands, Inc.

On October 6, 2021, the Company, through its wholly owned subsidiary Salinas Diversified Ventures, Inc., a California corporation, entered into an Asset Purchase Agreement, Management Services Agreement, Cooperation Agreement and Employment Agreement with VBF Brands, Inc., a California corporation ("VBF"), a wholly owned subsidiary of Sunset Island Group, Inc., a Colorado corporation ("SIGO"). VBF and SIGO agreed to transfer to the Company all VBF's outstanding stock to the Company and appointed our CEO and CFO Jesus Quintero as President of VBF.

VBF owns various fixed assets including machinery and equipment, a lease for a 10,000 square foot facility located at 20420 Spence Road, Salinas, California, 93908, leasehold improvements, good-will, inventory, tradenames including "VBF Brands," trade secrets, intellectual property, and other tangible and intangible properties, including licenses issued by the City of Salinas, County of Monterey, and the State of California to operate a licensed cannabis nursery, cultivation facility, and operations for the manufacturing and distribution of cannabis and cannabis products.

VBF and SIGO agreed to sell and transfer to the Company all VBF's outstanding stock, and, by virtue of the Management Services Agreement, appoint Mr. Jesus Quintero as President of VBF, vesting management and control of VBF's licensed cannabis operations in the Company. Concurrently, VBF and Livacich entered into a Cooperation Agreement, whereby VBF and Livacich agreed to cooperate to facilitate the transfer of ownership of VBF, which includes licenses issued by the City of Salinas, County of Monterey, and the State of California, to operate a cannabis nursery, cultivation facility and manufacturing and distribution operations to the Company. The Company also agreed to retain Livacich as Chief Executive Officer for a term of two years and agreed to compensate her with a salary including a signing cash bonus of $250,000, and a $250,000 performance cash bonus payable after six months after the Effective Date. The bonus is conditioned upon Livacich meeting an agreed to "Net Revenue" target of one million dollars ($1,000,000) from VBF's operations during the six-month period after closing of the Asset Purchase Agreement, and her compliance with the terms and conditions of this Asset Purchase Agreement, the Management Services Agreement, and the Cooperation Agreement.

As consideration for the transaction, the Company agreed to assume two secured convertible promissory notes issued by SIGO to St. George Investments, LLC, a Utah limited liability company ("St. George") (the "SIGO Notes"). The first note was issued December 8, 2017, in the original face amount of $170,000.00, and the second was issued February 13, 2018, in the original face amount of $4,245,000.00. SIGO also issued warrants to St. George to purchase common shares in SIGO, and fifty (50) shares of SIGO's preferred stock. St. George agreed to cancel the warrants and preferred shares upon the Company's assumption of the SIGO Notes.

Under the Asset Purchase Agreement, the closing is conditioned upon certain conditions precedent, specifically (i) VBF and SIGO's full corporate authorization, consent and execution of this Agreement; (ii) VBF's sale to MCOA of 100% of the issued and outstanding shares of VBF; (iii) full corporate authorization, consent compliance with and execution of the Management Services Agreement and Cooperation Agreement; (iv) SIGO's disclosure of the Agreement on Form 8-K with the Securities and Exchange Commission; (v) full cooperation in MCOA's financial auditing of VBF in accordance with ASC 805, including providing unrestricted access to all VBF corporate and financial records and providing all necessary cooperation with VBF financial personnel; (vi) full cooperation in aiding and assisting Buyer with its change of ownership applications with the relevant licensing authorities; (vii) the warranty of truthful representations and execution of and compliance with the terms and conditions of the Executive Employment Agreement, Management Services Agreement and the Cooperation Agreement.

As of the date of this filing, the conditions precedent to the closing of the Asset Purchase Agreement remains in the process of implementation, so that the Asset Purchase Agreement closing has not yet occurred pursuant to its terms. Legal counsel for MCOA is currently in the process of working with VBF, Salinas Diversified Ventures, and the relevant state and local governments to effect the change of control and license transfers necessary to close the Asset Purchase Agreement.

NOTE 7 – NOTES PAYABLE, RELATED PARTY

As of March 31, 2023, and December 31, 2022, the Company's officers and directors have provided advances and incurred expenses on behalf of the Company. The notes issued to certain of the Company's officers and directors are unsecured, due on demand and accrue interest at a rate of 5% per annum. The balance due to notes payable, related parties as of March 31, 2023, and December 31, 2022, was $20,000 and $20,000, respectively. These notes are payable to the estate of Charles Larsen, the Company's former co-founder, Chief Operating Officer, and Director. Mr. Larsen passed away on May 15, 2020.

NOTE 8 – CONVERTIBLE NOTES AND NOTES PAYABLE

During the quarter ended March 31, 2023, the Company issued an aggregate of 2,663,400,000 shares of its common stock with respect to the settlement of convertible notes interest accrued thereon.

For the quarter ended March 31, 2023, and 2022, the Company recorded amortization of debt discounts of $286,217 and $761,712, respectively, as a charge to interest expense.

Convertible notes and notes payable are comprised of the following:

Lender		March 31, 2023 (Unaudited)		December 31, 2022 (Unaudited)
Convertible note payable – Quick Capital	$	27,777	$	27,777
Convertible note payable – Mast Hill Fund	$	662,539	$	739,033
Convertible note payable – Dublin Irrevocable Trust (formerly held by Bucktown Capital LLC)	$	—	$	502,500
Convertible note payable – Venture Explorer LLC (formerly held by Beach Labs)	$	341,668	$	266,668
Convertible note payable - GS Capital Partners LLC	$	153,185	$	153,185
Convertible note payable – Pinnacle Consulting Services, Inc.	$	83,100	$	83,100
Convertible note payable – Dutchess Capital	$	79,444	$	79,444
Notes payable – Kingdom Capital	$	5,609	$	5,609
Notes payable – Blue Sky	$	29,639	$	29,639
Noters payable – Eleven Capital	$	20,000	$	20,000
Notes payable – Everest Business funding	$	7,464	$	7,464
Notes payable – Fundadmental Capital	$	5,055	$	5,055
Notes payable – Specialty Capital	$	4,275	$	4,275
Convertible note payable – Dublin Holdings, LLC (formerly held by St. George)	$	3,994,878	$	3,492,378
Total	$	5,414,633	$	5,416,128
Less debt discounts	$	(104,035)		(344,339)
Net	$	5,310,598	$	5,064,277
Less current portion	$	(5,310,598)		(5,064,277)
Long term portion	$	—	$	—

Convertible Note Payable – Quick Capital

In November 2022, the Company issued a convertible promissory note in the aggregate principal amount of $27,777 to Quick Capital, LLC (“Quick Capital”). The promissory note accrues interest at 12% per annum, is due one year from the issuance date and includes an original issuance discount in the aggregate amount of $2,777. The Company also paid $5,000 in deferred financing fees and received $20,000 of net proceeds. In the event of default, as defined in the agreement, the note is convertible at a conversion price equal to the lessor of $0.0001 per share or 60% of the average of the lowest two trading prices for the proceeding 20 trading days prior to conversion. The Company also issued a five-year warrants to purchase up to 277,770,000 shares of its common stock to Quick Capital, at an exercise price of $0.0001 per share. The aggregate debt discount of $27,777 is being amortized to interest expense over the respective terms of the note.

The Company is prohibited from effecting a conversion of the note to the extent that, as a result of such conversion, the investor, together with its affiliates, would beneficially own more than 4.99% of the number of shares of the Company’s common stock outstanding immediately after giving effect to the issuance of shares of common stock upon conversion of the note. The Company is prohibited from effecting an exercise of the warrant to the extent that, as a result of such exercise, the investor, together with its affiliates, would beneficially own more than 4.99% of the number of shares of the Company’s common stock outstanding immediately after giving effect to the issuance of shares of common stock upon exercise of the note.

As of March 31, 2023 the Company owed an aggregate of $27,777 of principal. As of March 31, 2023, the Company owed $1,361 in accrued interest.

Convertible Note Payable-Mast Hill Fund

In May 2022, the Company issued a convertible promissory note in the aggregate principal amount of $550,000 to Mast Hill Fund, L.P (“Mast Hill”). The promissory note accrues interest at 12% per annum, is due one year from the issuance date and includes an original issuance discount in the aggregate amount of $55,000. The Company also paid $39,700 in deferred financing fees and received $455,300 of net proceeds. In the event of default, as defined in the agreement, the note is convertible at a conversion price of $0.0004 per share. The Company also issued a five-year warrants to purchase up to 200,000,000 shares of its common stock to Mast Hill, at an exercise price of $0.0004 per share. The aggregate debt discount of $391,835 is being amortized to interest expense over the respective terms of the note.

In October 2022, the Company issued a convertible promissory note in the aggregate principal amount of $230,000 to Mast Hill. The promissory note accrues interest at 10% per annum, is due one year from the issuance date and includes an original issuance discount in the aggregate amount of $23,000. The Company also paid $17,420 in deferred financing fees and received $189,580 of net proceeds. In the event of default, as defined in the agreement, the note is convertible at a conversion price of $0.0004 per share. The Company also issued a five-year warrants to purchase up to 500,000,000 shares of its common stock to Mast Hill, at an exercise price of $0.0002 per share. The aggregate debt discount of $136,375 is being amortized to interest expense over the respective terms of the note.

In February 2023, the Company issued a convertible promissory note in the aggregate principal amount of $38,400 to Mast Hill. The promissory note accrues interest at 12% per annum, is due one year from the issuance date and includes an original issuance discount in the aggregate amount of $5,760. The Company also paid $4,458 in deferred financing fees and received $28,181 of net proceeds. In the event of default, as defined in the agreement, the note is convertible at a conversion price of $0.0004 per share. The Company also issued a five-year warrants to purchase up to 3,072,000,000 shares of its common stock to Mast Hill, at an exercise price of $0.0001 per share. The aggregate debt discount of $38,400 is being amortized to interest expense over the respective terms of the note.

The Company is prohibited from effecting a conversion of the note to the extent that, as a result of such conversion, the investor, together with its affiliates, would beneficially own more than 4.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the issuance of shares of common stock upon conversion of the note. The Company is prohibited from effecting an exercise of the warrant to the extent that, as a result of such exercise, the investor, together with its affiliates, would beneficially own more than 4.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the issuance of shares of common stock upon exercise of the note.

As of March 31, 2023 the Company owed an aggregate of $662,539 of principal. As of March 31, 2023, the Company owed $22,205 in accrued interest.

Convertible notes payable - GS Capital Partners LLC

In August 2021, the Company issued convertible promissory notes in the aggregate principal amount of $82,000 to GS Capital. The promissory notes bear interest at 10% per annum and is due one year from the respective issuance date and include an original issuance discount in aggregate of $7,000. In connection with the Note, the Company issued 5,000,000 warrants to purchase common stock with a fair value of $18,086, which was recorded as a debt discount.

The Holder of this Note is entitled, at its option, at any time after cash payment, to convert all or any amount of the principal face amount of this Note then outstanding into shares of the Company's common stock (the "Common Stock") at a price ("Conversion Price") for each share of Common Stock equal to 62% of the lowest trading price of the Common Stock as reported on the National Quotations Bureau OTC Marketplace exchange which the Company's shares are traded or any exchange upon which the Common Stock may be traded in the future ("Exchange"), for the twenty prior trading days including the day upon which a Notice of Conversion is received by the Company or its transfer. To the extent the Conversion Price of the Company's Common Stock closes below the par value per share, the Company will take all steps necessary to solicit the consent of the stockholders to reduce the par value to the lowest value possible under law. The Company agrees to honor all conversions submitted pending this increase. In the event the Company experiences a DTC "Chill" on its shares, the Conversion Price shall be decreased to 52% instead of 62% while that "Chill" is in effect. In no event shall the Holder be allowed to affect a conversion if such conversion, along with all other shares of Company Common Stock beneficially owned by the Holder and its affiliates would exceed 4.99% of the outstanding shares of the Common Stock of the Company (which may be increased up to 9.9% upon 60 days' prior written notice by the Investor).

As of the funding date of each note, the Company determined the fair value of the embedded derivative associated with the convertibility of each note. The fair value of the embedded derivative has been added to the debt discount (total debt discount is limited to the face value of the debt) with any excess of the derivative liability recognized as interest expense. The aggregate debt discount of $25,086 is being amortized to interest expense over the respective terms of the notes.

In January 2022, the Company issued convertible promissory notes in the aggregate principal amount of $105,000 to GS Capital. The promissory notes bear interest at 10% per annum and is due one year from the respective issuance date and includes an original issuance discount in aggregate of $10,000.

The Holder of this Note is entitled, at its option, at any time after cash payment, to convert all or any amount of the principal face amount of this Note then outstanding into shares of the Company's common stock (the "Common Stock") at a price ("Conversion Price") for each share of Common Stock equal to \$0.001. To the extent the Company's Common Stock closes below \$0.001 for three consecutive days, the conversion price will be reset to \$0.005.

In February 2022, the Company issued a convertible promissory note in the aggregate principal amount of \$70,000 to GS Capital. The promissory notes bear interest at 8% per annum and is due one year from the respective issuance date and includes an original issuance discount in aggregate of \$20,000.

The Holder of this Note is entitled, at its option, at any time after cash payment, to convert all or any amount of the principal face amount of this Note then outstanding into shares of the Company's common stock (the "Common Stock") at a price ("Conversion Price") for each share of Common Stock equal to \$0.0008.

As of March 31, 2023, and December 31, 2022, the Company owed an aggregate of \$153,185 and \$153,185 of principal, respectively. As of March 31, 2023, the Company owed accrued interest of \$19,460 on these convertible promissory notes.

<u>Notes payable – Dublin Irrevocable Trust (formerly with St George Investments)</u>

In January and March 2021, the Company entered into three convertible promissory notes in the aggregate amount of \$567,500 of principal with Bucktown Capital LLC, entity controlled by the owners of St. George. The Company received net proceeds of \$535,000. The notes mature in January and March 2022 and bear interest at 8% or 22% in the event of default. The notes are convertible at the lender's option at any time at a fixed price of \$0.002 per common share, subject to normal adjustment for common stock splits. As a result of default, the company recorded an additional \$135,000 of principal on the note as interest expense during the three months ended March 31, 2023.

Effective October 6, 2021, the Company issued a secured convertible promissory note in the amount of \$3,492,378 with Chicago Ventures. The Company received cash proceeds of \$1,100,000 and included an original issue discount of \$574,916 and paid legal fees of \$10,000. This note agreement was assumed by the Company as part of the VBF Acquisition discussed in Note 13 and includes \$1,770,982 which reflects the initial consideration towards the future closing of the VBF Acquisition. The note bears interest at 8% and is due upon maturity on October 6, 2023. The note is convertible at a fixed price of \$0.002 per share. In the event of default as defined in the agreement, the lender has the right to convertible principal and accrued interest at 70% of the lowest closing trading price over the 10 days preceding the conversion notice.

In March 2022, the Company issued a convertible promissory note in the amount of \$266,500 of principal with Bucktown, Capital LLC. The Company received net proceeds of \$240,000 after an original issue discount of \$24,000 and fees of \$2,500. The note matures in March 2023 and bear interest at 8% or 22% in the event of default. The note is convertible at the lender's option at any time at a fixed price of \$0.001 per common share, subject to normal adjustment for common stock splits.

On October 14, 2022 the Company entered into a Global Amendment pursuant to which the convertible features were removed from the note. Concurrently with the Global Amendment, St George Investments assigned the Notes to Dublin Holdings, LLC, as trustee to the Dublin Irrevocable Trust dated August 19, 2018. As part of the Global Amendment, the Bucktown notes were assigned to Dublin Holdings. In additional, the convertible features on the note were removed from the notes.

As of March 31, 2023, and December 31, 2022, the Company owed \$3,994,878 and \$3,492378 of principal, respectively. As of March 31, 2023, the Company owed accrued interest of \$411,629 on these convertible promissory notes.

<u>Convertible notes payable - Robert L. Hymers III</u>

On December 27, 2021, the Company issued convertible promissory notes in the aggregate principal amount of \$30,000 to Pinnacle Consulting Services, Inc. ("Pinnacle"). The promissory note bears interest at 12.5% per annum and is due one year from the respective issuance date of the note along with accrued and unpaid interest and includes an original issue discount ("OID") of \$5,000. Principal and interest to be payable as provided below on that date which is one year from the date of issuance (the "Maturity Date").

For so long as there remains any amount due hereunder, the Holder shall have the option to convert all or any portion of the unpaid principal amount of this Note, plus accrued interest (together with the unpaid principal amount, the "Converted Amount"), into shares of the Company's common stock. The conversion price (the "Conversion Price") shall be equal to a \$0.006. The Conversion price, and any other economic terms will be adjusted on a ratchet basis if the Company offers a more favorable conversion or stock issuance price, prepayment rate, interest rate, additional securities, look back period or more favorable terms to another party for any financings while this note is in effect.

The aggregate debt discount of \$5,000 is being amortized to interest expense over the respective term of the note.

As of March 31, 2023, and December 31, 2022, the Company owed an aggregate of $83,100 and $83,100 respectively. As of March 31, 2023, the Company owed accrued interest of $8,310 on this convertible promissory note.

Convertible Note Payable- Venture Explorer LLC (formerly with Beach Labs)

On November 24, 2021, the Company issued a convertible promissory note in the aggregate principal amount of $625,000 to Beach Labs in connection with the modification of the cDistro acquisition agreement discussion in Note 13. The promissory note accrues interest at 10% per annum and is due four years from the issuance date.

The holder of this Note is entitled, at its option, at any time after cash payment, to convert all or any amount of the principal face amount of this Note then outstanding into shares of the Company's common stock (the "Common Stock") at a price ("Conversion Price") for each share of Common Stock equal to 70% of the lowest trading price of the Common Stock as reported on the National Quotations Bureau OTC Marketplace exchange which the Company's shares are traded or any exchange upon which the Common Stock may be traded in the future ("Exchange"), for the twenty prior trading days including the day upon which a Notice of Conversion is received by the Company or its transfer.

The Company determined the fair value of the embedded derivative associated with the convertibility of each note. The fair value of the embedded derivative has been added to the debt discount (total debt discount is limited to the face value of the debt) with any excess of the derivative liability recognized as interest expense. The aggregate debt discount of $625,000 is being amortized to interest expense over the respective terms of the notes.

On November 2, 2022, Beach Labs assigned $100,000 of the proceeds of the Note to Debt Fund L.P. In January 2023, Venture Explorer LLC purchase the remaining portion of the note from Beach Labs

As of March 31, 2023, and December 31, 2021, the Company owed principal of $341,668 and $266,668, respectively. As of March 31, 2023, the Company owed $63,444 in accrued interest.

Convertible Note Payable- Dutchess Capital Growth Fund LP

On May 25, 2021, the Company issued a convertible promissory note in the aggregate principal amount of $135,000 to Dutchess Capital Growth Fund LP ("Dutchess"). The promissory note accrues interest at 8% per annum, is due one year from the issuance date. The Company paid $13,750 in deferred financing fees and received $121,250 of net proceeds.

Beginning six months after date of issue, the holder of this Note is entitled, at its option, at any time after cash payment, to convert all or any amount of the principal face amount of this Note then outstanding into shares of the Company's common stock (the "Common Stock") at a price ("Conversion Price") for each share of Common Stock equal to 55% of the lowest trading price of the Common Stock as reported on the National Quotations Bureau OTC Marketplace exchange which the Company's shares are traded or any exchange upon which the Common Stock may be traded in the future ("Exchange"), for the fifteen prior trading days including the day upon which a Notice of Conversion is received by the Company or its transfer.

The Company determined the fair value of the embedded derivative associated with the convertibility of each note. The fair value of the embedded derivative has been added to the debt discount (total debt discount is limited to the face value of the debt) with any excess of the derivative liability recognized as interest expense. The aggregate debt discount of $135,000 is being amortized to interest expense over the respective terms of the notes.

As of March 31, 2023, and December 31, 2022, the Company owed an aggregate of $79,444 and $79,444 of principal. As of March 31, 2023, the Company owed $9,931 in accrued interest.

Revenue share agreement – Vista Point Services LLC

On August 5, 2022, the Company entered into a revenue share in the aggregate principal amount of $37,475 to Vista Point Services LLC. The agreement requires daily payments in the amount of $341 and includes an original issuance discount in the aggregate amount of $14,975 and received $22,500 of net proceeds. The aggregate debt discount of $14,975 is being amortized to interest expense over the respective terms of the note. As of March 31, 2023, the note balance was as $29,639.

Revenue share agreement – Everest Business Funding LLC

On August 9 2022, the Company entered into a revenue share in the aggregate principal amount of $35,000 to EBF Holdings LLC. The agreement requires daily payments in the amount of $280 and includes an original issuance discount in the aggregate amount of $10,725 and received $24,275 of net proceeds. The aggregate debt discount of $10,725 is being amortized to interest expense over the respective terms of the note. As of March 31, 2023, the note balance was as $7,464.

Revenue share agreement – Fundamental Capital, LLC

On September 13, 2022, the Company entered into a revenue share in the aggregate principal amount of $91,994 to Fundamental Capital LLC. The agreement requires weekly payment in the amount of $920 and includes an original issuance discount in the aggregate amount of $26,284 and received $65,710 of net proceeds. The aggregate debt discount of $26,284 is being amortized to interest expense over the respective terms of the note. As of March 31, 2023, the note balance was as $5,055.

Revenue share agreement – Kingdom Kapital LLC

On July 7, 2022, the Company entered into a revenue share in the aggregate principal amount of $44,970 to Kingdom Kapital LLC. The agreement requires daily payments in the amount of $600 and includes an original issuance discount in the aggregate amount of $14,970 and received $30,000 of net proceeds. The aggregate debt discount of $14,970 is being amortized to interest expense over the respective terms of the note. As of March 31, 2023, the note balance was as $5,608.

Revenue share agreement – Eleven Capital

On August 29, 2022, the Company entered into a revenue share in the aggregate principal amount of $20,000 to Eleven Capital. The agreement requires daily payments in the amount of $499 and received $20,000 of net proceeds. The aggregate debt discount of $20,965 is being amortized to interest expense over the respective terms of the note. As of March 31, 2023, the note balance was as $20,000.

Revenue share agreement – Specialty Capital Fund

On October 4, 2022, the Company entered into a revenue share in the aggregate principal amount of $14,000 to Specialty Capital Fund. The agreement requires daily payments in the amount of $1,009 and includes an original issuance discount in the aggregate amount of $20,965 and received $14,000 of net proceeds. The aggregate debt discount of $20,965 is being amortized to interest expense over the respective terms of the note. As of December 31, 2022, the note balance was as $1,893.

On October 28, 2022, the Company entered into a revenue share in the aggregate principal amount of $12,000 to Specialty Capital Fund. The agreement requires daily payments in the amount of $1,069 and includes an original issuance discount in the aggregate amount of $20,965 and received $12,000 of net proceeds. The aggregate debt discount of $20,965 is being amortized to interest expense over the respective terms of the note. As of December 31, 2022, the note balance was as $2,382.

Summary:

The Company has identified the embedded derivatives related to the above-described notes and warrants. These embedded derivatives included certain conversion and reset features. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the note and to their fair value as of each subsequent reporting date.

On March 31, 2023, the Company determined the aggregate fair value of embedded derivatives to be $536,656. The fair values were determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 379.68% to 659.59%, (3) weighted average risk-free interest rate of 4.06% to 4.94%, (4) expected life of 0.5 to 2 years, (5) conversion prices of $0.00003 to $0.00012 and (6) the Company's common stock price of $0.0001 per share As of March 31, 2023.

For the three-month period ended March 31, 2023, the Company recorded a gain on the change in fair value of derivative liabilities of $46,778. For the three-month period ended March 31, 2022, the Company recorded a loss on the change in fair value of derivative liabilities of $1,026,929, which included a gain of $1,077,624 related to convertible notes payable, a gain of $50,695 related to the settlement of the fair value of derivatives as a result of repayments on the convertible notes, and also recognized a loss of $22,558 related to the excess of the fair value of derivatives at issuance above convertible note principle as a charge to interest expense.

NOTE 9 – STOCKHOLDERS' DEFICIT

Preferred stock

The Company is authorized to issue 50,000,000 shares of $0.001 par value preferred stock as of March 31, 2023, and December 31, 2022. As of March 31, 2023, and December 31, 2022, the Company has designated and issued 10,000,000 shares of Class A Preferred Stock, and 2,000,000 of Class B Preferred Stock.

Each share of Class A Preferred Stock is entitled to 100 votes on all matters submitted to a vote to the stockholders of the Company, does not have conversion, dividend or distribution upon liquidation rights.

Each share of Class B Preferred Stock is entitled to 1,000 votes on all matters submitted to a vote to the stockholders of the Company, does not have conversion, dividend, or distribution upon liquidation rights.

Common stock

The Company is authorized to issue 32,000,000,000 shares of no-par value common stock as of March 31, 2023 and as of December 31, 2022. As of February 4, 2022, we reduced the par value of our common stock from $0.001 per share to zero par value ($0.00) per share. As of March 31, 2023, and December 31, 2022, the Company had 22,076,491,633 and 19,413,091,633 shares of common stock issued and outstanding, respectively.

During the three months ended March 31, 2023, the Company issued an aggregate of 2,663,400,000 shares of its common stock with respect to the settlement of convertible notes and interest accrued thereon of $133,170.

During the three months ended March 31, 2023, the Company had debt discounts from warrants issued with convertible notes payable with an estimated value of $28,183.

Options

As of March 31, 2023, there are no stock options outstanding.

Warrants

The following table summarizes the stock warrant activity for the three months ended March 31, 2023:

	Shares	Weighted-Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2022	1,535,555,718	$ 0.00005	4.69	$ —
Granted	3,072,000,000	0.0001	4.88	—
Exercised	—	—	—	—
Outstanding at March 31, 2023	4,607,555,718	$ 0.0002	4.74	$ —
Exercisable at March 31, 2023	4,607,555,718	$ 0.0002	4.74	$ —

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on warrants with an exercise price less than the Company's stock price of $0.0010 As of March 31, 2023, which would have been received by the option holders had those option holders exercised their options as of that date.

NOTE 10 — FAIR VALUE MEASUREMENT -

The Company adopted the provisions of ASC subtopic 825-10, Financial Instruments ("ASC 825-10") on January 1, 2008. ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

All items required to be recorded or measured on a recurring basis are based upon level 3 inputs.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

Upon adoption of ASC 825-10, there was no cumulative effect adjustment to beginning retained earnings and no impact on the financial statements.

The carrying value of the Company's cash, accounts receivable, accounts payable, short-term borrowings (including convertible notes payable), and other current assets and liabilities are approximately fair value because of their short-term maturity.

As of March 31, 2023, and December 31, 2022, the Company did not have any items that would be classified as level 1 or 2 disclosures.

The Company recognizes its derivative liabilities as level 3 and values its derivatives using the methods discussed in Note 8. While the Company believes that its valuation methods are appropriate and consistent with other market participants, it recognizes that the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The primary assumptions that would significantly affect the fair values using the methods discussed in Note 8 are that of volatility and market price of the underlying common stock of the Company.

As of March 31, 2023, and December 31, 2022, the Company did not have any derivative instruments that were designated as hedges.

The derivative liability as of March 31, 2023, and December 31, 2022, in the amount of $535,656 and $582,773, respectively, have a level 3 classification.

The following table provides a summary of changes in fair value of the Company's level 3 financial liabilities for the three months ended March 31, 2023:

		Debt Derivative
Balance, January 1, 2023	$	582,773
Increase resulting from initial issuance of additional convertible notes payable recorded as debt discount		-
Increase resulting from initial issuances of additional convertible notes payable recorded as day one loss		-
Loss due to change in fair value included in earnings		(47,117)
Balance, March 31, 2023	$	535,656

Fluctuations in the Company's stock price are a primary driver for the changes in the derivative valuations during each reporting period. During the period ended March 31, 2023, the Company's stock price decreased significantly from initial valuations. Additionally, issuances at prices below the original issuance amounts for certain convertible notes resulted in resets of the exercise price on certain conversion options that are accounted for as derivative liabilities, resulting in an increase in the derivative liability and additional loss on change in the fair value. As the stock price decreases for each of the related derivative instruments, the value to the holder of the instrument generally decreases. Stock price is one of the significant unobservable inputs used in the fair value measurement of each of the Company's derivative instruments.

NOTE 11 — RELATED PARTY TRANSACTIONS

As of March 31, 2023, and December 31, 2022, there were no related party advances outstanding. The Company's current officer, who is also a stockholder of the Company, advanced funds to the Company for travel related and working capital purposes.

As of March 31, 2023, and December 31, 2022, accrued compensation due officers and executives included as accrued compensation was $485,739 and $397,854, respectively.

At March 31, 2023 and December 31, 2022, there were no outstanding notes payable due to officers.

NOTE 12 – SUBSEQUENT EVENTS