

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.

(formerly named China Infrastructure Construction Corp.)

(a Colorado corporation)

6201 Bonhomme Road, Suite 466S

Houston, TX 77036

Telephone: (817) 528-2475

Fax: (281) 547-7378

Website: www.cbih.net

Email: hleveinski@pharmacologyuniversity.com

SIC Code: 8999, 8099

Quarterly Report for the Fiscal Quarter Ended August 31, 2023

(the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

10,331,749,347 as of October 1, 2023 (the reporting date)

10,059,677,919 as of May 31, 2023 (the end of the last fiscal year)

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 of the company has occurred over this reporting period:

Yes: No:

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

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

The Issuer was formed on February 28, 2003, as a limited liability company under the name Fidelity Aircraft Partners LLC. On December 16, 2009, it converted to a corporation under the name Fidelity Aviation Corporation, and on August 24, 2009, it changed its name to China Infrastructure Construction Corp. On February 28, 2018, it changed its name to Hippocrates Direct Healthcare, Inc. On July 4, 2018, it resumed its former name. On December 6, 2022, the Issuer changed its corporate name to Cannabis Bioscience International Holdings, Inc.

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:

The Issuer has been incorporated in the State of Colorado since August 24, 2009, and is good standing in that state.

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

Management knows of no trading suspension orders issued by the SEC 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:

None

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

6201 Bonhomme Road, Suite 466S, Houston, TX 77036

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

6201 Bonhomme Road, Suite 466S, Houston, TX 77036

Check if principal executive office and principal place of business are the same address.

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

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

2) Security Information

Transfer Agent

Pacific Stock Transfer Company
6725 Via Austi Parkway, Suite 300
Las Vegas, NV 89119

Phone: (800) 785-7782

info@pacificstocktransfer.com

Publicly Quoted or Traded Securities:

Trading Symbol: CBIH

Exact title and class of securities outstanding: Common Stock

CUSIP: 16948K106

Par or stated value: Without par value

Total shares authorized: 20,000,000,000 as of October 1, 2023

Total shares outstanding: 10,331,749,347 as of October 1, 2023

Total number of shareholders of record: 419 as of October 1, 2023

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

None

Other classes of authorized or outstanding equity securities:

Trading Symbol: None

Exact title and class of securities outstanding: Series A Convertible Preferred Stock

CUSIP: None

Par or stated value: without par value

Total shares authorized: 10,000,000 as of October 1, 2023

Total shares outstanding: 2,500,000 as of October 1, 2023

Total number of shareholders of record: 2 as of October 1, 2023

Trading Symbol: None

Exact title and class of securities outstanding: Series B Convertible Preferred Stock

CUSIP: None

Par or stated value: without par value

Total shares authorized: 1,000 as of October 1, 2023

Total shares outstanding: 1,000 as of October 1, 2023

Total number of shareholders of record: 1 as of October 1, 2023

Security Description:

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

Holders of Common Stock are entitled to cast one vote for each share of Common Stock on all matters submitted to a vote of the stockholders; to receive, on a pro-rata basis, dividends and distributions, if any, that the Board may declare out of legally available funds, subject to preferences that are applicable to the Series A Preferred and Series B Preferred, and, if any, to series of preferred stock that may be designated in the future; and upon liquidation, dissolution or winding up, to share equally and ratably in any assets remaining after the payment of all debts and other liabilities, subject to the prior rights of the holders of the Series A Preferred. The holders of Common Stock do not have any preemptive, cumulative voting, subscription, conversion, redemption or sinking fund rights. The Common Stock is not subject to calls or assessments. The rights and privileges of holders of the Common Stock are subject to those of the Series A Preferred, which are described below, and to any other series of preferred stock that we may issue in the future.

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

The Series A Preferred Stock is senior to the Common Stock and subordinate to all other series of preferred stock. Each share of Series A Preferred is entitled to receive out of the funds of the Issuer legally available therefor, on the date on which such dividend or other distribution is paid or made to the holders of Common Stock, a dividend or distribution equal to the dividend or distribution that would be paid on the number of shares of Common Stock into which such share of Series A Preferred Stock is convertible immediately prior to the record date for such dividend. In the event of any liquidation, dissolution or winding up of the Issuer, the holders of the outstanding shares of Series A Preferred shall be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders, whether from capital, surplus funds or earnings, and before any payment is made in respect of the shares of Common Stock, an amount equal to the greater of (i) the Market Price (as defined in the restated articles of incorporation) of the Series A Preferred Stock on the date of the liquidation, or (ii) ten cents (\$0.10) per share of Series A Preferred, plus accrued but unpaid dividends. The Series A Preferred may be redeemed, as a whole or in part, at any time or from time to time, as determined by the Board in its discretion. Upon redemption, each share of Series A Preferred shall receive as the full redemption payment the number of shares of Common Stock into which it is then convertible. The Board shall select the shares of Series A Preferred to be redeemed in its sole and unfettered discretion and need not do so on a pro-rata basis. The Series A Preferred is not redeemable at the option of the holders. Each share of Series A Preferred is entitled to one vote for each share of Common Stock into which it is convertible, and except as otherwise required by law, vote as a group with the holders of Common Stock. Each share of Series A Preferred may be converted, at the option of the holder, into the number of shares of Common Stock equal to the quotient obtained by dividing the current Series A Preference Price by the Series A Conversion Price, which is the greater of (i) \$0.10 or (ii) 75% of the Market Price of the Common Stock on the Conversion Date. The Series B Preferred is senior to the Common Stock and the Series A Preferred. In the event of liquidation, the shares of Series B Preferred shall not be entitled to receive any distribution of cash or other property whatsoever. The Series B Preferred is not redeemable at the option of the holder or the Issuer. The holders of the Series B Preferred vote as a group with the holders of all other classes and series of the Corporation's capital stock and have 60% of the voting power of the Issuer on all matters, except that the holders of the Series B Preferred vote as a separate voting group on all matters affecting their rights as such or as otherwise specified by law. No series of preferred stock having voting rights equal or superior to the voting rights of the Series B Preferred may be designated without the unanimous vote of all of the holders thereof. The holders of Series B Preferred have no conversion rights.

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

5. Issuance History

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:

See Exhibit A for the Issuance Table.

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:

| Date of Note Issuance | Outstanding Balance (\$) | Principal Amount at Issuance (\$) | Interest Accrued (\$) | Maturity Date | Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares) | Name of Noteholder (entities must have individual with voting/investment control disclosed). | Reason for Issuance (e.g., Loan, Services, etc.) |
|-----------------------|--------------------------|-----------------------------------|-----------------------|------------------|---|--|--|
| 06/29/22 | 15,072 | 12,500 | 4,488 | N/A ¹ | None | First Electronic Bank ² | Cash |
| 08/03/22 | 15,727 | 15,000 | 7,308 | N/A ¹ | None | Headway Capital, LLC ³ | Cash |
| 10/05/22 | 54,330 | 70,000 | 15,376 | 04/30/24 | None | Kapitus LLC ⁴ | Cash |
| 12/20/22 | 30,673 | 76,000 | 47,656 | 04/19/24 | None | Park Ave. Funding ⁵ | Cash |
| 01/30/23 | 1,673 | 20,000 | 9,417 | 09/19/23 | None | Advance Servicing | Cash |
| 04/20/23 | 26,398 | 25,000 | 3,617 | 10/20/23 | None | Cloud Funding LLC | Cash |

¹ Line of credit with no specified due date.

² The individual with voting/investment control of this noteholder is Prashant Fuloria.

³ The individual with voting/investment control of this noteholder is David Fisher.

⁴ The individual with voting/investment control of this noteholder is Kyra Grundeman.

⁵ The individual with voting/investment control of this noteholder is Aryeh Friedman.

4) Issuer's Business, Products and Services

A. Summarize the Issuer's business operations

The Issuer's business is (i) educational systems focused on medicinal cannabis in cities throughout the United States of America and six countries in Latin America and (ii) providing services in therapeutic areas of clinical trials in the United States. Until April 30, 2023, the Issuer provided services related to sleep disorders and fertility through its Sleep Center, which it closed on that date.

The chief executive officer of the Issuer is Dante Picazo, whose contact information is that of the Issuer.

The COVID-19 pandemic had a material adverse effect on the Issuer's educational business because governmental measures that we imposed to control it resulted in the closing of classrooms and other educational venues and also hindered the Issuer's franchising and consulting activities. As the pandemic has abated, some of these restrictions have been removed and the Issuer is beginning to resume normal operations. If the pandemic does not continue to abate, because of infections resulting from emerging virus variants or for other reasons, restrictions could be reimposed or increased. The ultimate impact of the pandemic will depend on future developments, which are highly uncertain and cannot be predicted.

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

Alpha Fertility and Sleep Center, LLC, a Texas limited liability company, which is wholly owned and nonoperating.

C. Describe the Issuers' principal products or services.

The Issuer's services are described in Section 4(A). The Issuer has no products.

5) Issuer's Facilities

The Issuer leases premises approximately 4,500 square feet located at 6201 Bonhomme Road, Suites 460S and 466S, Houston, Texas. The lease currently provides for base rent of \$3,382 per month, increasing to (i) \$3,529 per month on July 1, 2020, (ii) \$3,676 per month on July 1, 2021, and (iii) \$3,823 per month on July 1, 2022, subject to CPI increase. The lease was to expire on June 30, 2023; however, on March 23, 2023, it was amended to extend its term to June 30, 2024, at a base rent of \$4,779 per month. The leased space is shared with the Issuer's subsidiaries. On September 5, 2023, the lease was amended to extend its term to June 30, 2025, at rentals of \$0 per month for the two months ended August 31, 2023, \$4,779 per month for the 10 months ending June 30, 2024, and \$4,926 per month for the 12 months ending June 30, 2025.

On February 29, 2020, two of the Issuer’s officers leased 1,400 square feet in Houston, Texas, under a lease, the term of which expired on September 14, 2022, at the rent of \$3,008 per month. These officers made a portion of these premises available to the Issuer for use as office space, for which the Issuer paid them \$2,817 per month. On March 15, 2022, these officers entered into a new lease for the same premises, which expired on September 14, 2022, at the rent of \$3,008 per month, and the officers who are the lessees thereunder continued to make a portion of these premises available to the Issuer for use as office space, for which the Issuer is paying them \$2,817 per month. On September 15, 2022, these officers re-leased these premises under a lease that expired on March 14, 2023, at a rent of \$3,038 per month, and they continued to make a portion of these premises available to the Issuer for use as office space, for which the Issuer is paying them \$2,817 per month. On March 2, 2023, these officers entered into a new lease for the same premises, which expires on September 14, 2023, at a rent of \$3,168 per month, and they are continuing to make a portion of these premises available to the Issuer for use as office space, for which the Issuer is paying them \$2,817 per month. These officers have entered into a new lease for these premises, which commenced on September 15, 2023, and will expire on September 14, 2024, at a rent of \$3,164 per month and they are making a portion of these premises available to the Company for use as office space, for which the Company is paying them \$2,817 per month.

6) Officers, Directors, and Control Persons

| Name of Officer/Director and Control Person | Affiliation with Company (e.g., Officer/Director/Owner of more than 5%) | Residential Address (City/State Only) | Number of shares owned | Share type/class | Ownership Percentage of Class Outstanding | Names of control person(s) if a corporate entity |
|--|--|--|-------------------------------|--------------------------------|--|---|
| Dante Picazo | Officer, Director, owner of more than 5% | Houston, TX | 4,000,000,000 | Common Stock | 38.7 | N/A |
| Dante Picazo | Officer, Director, owner of more than 5% | Houston, TX | 2,000,000 | Series A Convertible Preferred | 80.0 | N/A |
| Dante Picazo | Officer, Director, owner of more than 5% | Houston, TX | 1,000 | Series B Preferred | 100.0 | N/A |
| Elizabeth Hernandez | Owner of more than 5% | Houston, TX | 500,000 | Series A Preferred | 20.0 | N/A |
| Henry Levin-ski | Officer, Director | Euleess, TX | 100,000,000 | Common Stock | <1% | N/A |
| Jose Torres Torres | Officer | San Juan, PR | 40,000,000 | Common Stock | <1% | N/A |

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);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person’s involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person’s involvement in any type of business or securities activities.

No

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).

Barry J. Miller
7146 Pebble Park Drive
West Bloomfield, MI 48322

Phone: (248) 232-8039
Email: bjmillier@bjmpllc.com

Accountant:

Jorge Verar, CPA
825 Town and Country Blvd., Suite 1200
Houston, TX, 77024

Phone: (713) 931-3080
Email: jverar@cpa.com

Auditor

Victor Mokuolu, CPA PLLC
8990 Kirby Drive, Suite 220
Houston, TX 77054

Phone: (713) 588-6622
Email: ask@VMCPAFirm.com

Investor Relations

None

All other means of Investor Communication:

Twitter: Yes
Discord: No
LinkedIn: No
Facebook: Yes
Other: None

Other Service Providers

None

9) Financial Statements

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

- IFRS
- U.S. GAAP

B. The following financial statements were prepared by:

Jorge Verar, CPA
825 Town and Country Blvd., Suite 1200
Houston, TX, 77024

Phone: (713) 931-3080
Email: jverar@cpa.com

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

Certified public accountant, licensed in Texas

Provide the following financial statements for the most recent fiscal year or quarter:

- a. Consolidated balance sheets at August 31, 2023 (unaudited);
- b. Consolidated statements of operations for the fiscal quarter ended August 31, 2023 (unaudited);
- c. Consolidated statements of cash flows for the fiscal quarter ended August 31, 2023 (unaudited);
- d. Consolidated statements of stockholders' deficit for the fiscal quarter ended August 31, 2023 (unaudited); and
- e. Notes to consolidated financial statements(unaudited).

See Exhibit B for the above financial statements.

10) Issuer Certification

I, Dante Picazo, certify that:

1. I have reviewed this quarterly disclosure statement for Cannabis Bioscience International Holdings, 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.

October 1, 2023

/s/ Dante Picazo

Dante Picazo

Principal Executive Officer and Principal Financial Officer

EXHIBIT A

| Opening Balances: | | | | | | | | | |
|---|---|--|---------------------|---|--|--|--|---|---------------------------------|
| Number of Shares outstanding as of June 1, 2021 | Common: 8,374,803,440 | | | | | | | | |
| | Series A Preferred: 2,500,000 | | | | | | | | |
| | Series B Preferred: 0 | | | | | | | | |
| Date of Transaction | Transaction type (e.g. new issuance, cancellation, shares returned to treasury) | Number of Shares Issued (or cancelled) | Class of Securities | Value of shares issued (\$/per share) at Issuance | Were the shares issued at a discount to market price at the time of issuance? (Yes/No) | Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed). | Reason for share issuance (e.g., for cash or debt conversion) OR Nature of Services Provided (if applicable) | Restricted or Unrestricted as of this filing? | Exemption or Registration Type? |
| 06/03/21 | New Issue | 8,928,857 | Common Stock | 0.0011 | Yes | Dolores Diaz | Cash | Restricted | 1 |
| 06/11/21 | New Issue | 14,705,882 | Common Stock | 0.00136 | No | Ludvina Martinez | Cash | Restricted | 1 |
| 06/25/21 | New Issue | 6,250,000 | Common Stock | 0.0016 | Yes | Rosalinda Galindo | Cash | Restricted | 1 |
| 06/26/21 | New Issue | 6,250,000 | Common Stock | 0.0016 | Yes | Juan de Dios Martinez | Cash | Restricted | 1 |
| 09/21/2021 | New Issue | 10,000,000 | Common Stock | 0.004 | No | Alfonso Campos | Cash | Restricted | 1 |
| 11/30/21 | New Issue | 40,000,000 | Common Stock | 0.00125 | No | John Jones | Cash | Restricted | 1 |
| 11/30/21 | New Issue | 1,893,939 | Common Stock | 0.00106 | No | Liseth & Andres Vega Callejas | Cash | Restricted | 1 |
| 01/04/22 | New Issue | 55,555,555 | Common Stock | 0.0009 | Yes | John Jones | Cash | Restricted | 1 |
| 01/04/22 | New Issue | 27,777,778 | Common Stock | 0.0009 | Yes | John Jones | Cash | Restricted | 1 |
| 01/04/22 | New Issue | 10,000,000 | Common Stock | 0.001 | Yes | Mike Regotti | Cash | Restricted | 1 |
| 01/04/22 | New Issue | 200,000,000 | Common Stock | 0.001 | Yes | John W. Neville | Cash | Restricted | 1 |
| 01/07/22 | New Issue | 30,000,000 | Common Stock | 0.001 | Yes | Mark Herbert | Cash | Restricted | 1 |
| 01/21/22 | New Issue | 20,000,000 | Common Stock | 0.001 | Yes | Mark Herbert | Cash | Restricted | 1 |
| 01/24/22 | New Issue | 10,000,000 | Common Stock | 0.001 | Yes | Shane Leupold | Cash | Restricted | 1 |
| 01/31/22 | New Issue | 10,000,000 | Common Stock | 0.001 | Yes | Will Morey | Cash | Restricted | 1 |
| 03/02/22 | New Issue | 20,000,000 | Common Stock | 0.0006 | Yes | Jorge Verar | Accounting services | Restricted | 1 |
| 03/03/22 | New Issue | 94,117,647 | Common Stock | 0.0009 | Yes | Harry Feinberg | Cash | Restricted | 1 |
| 03/09/22 | New Issue | 11,111,111 | Common Stock | 0.0009 | Yes | Mark Herbert | Cash | Restricted | 1 |
| 03/11/22 | New Issue | 55,000,000 | Common Stock | 0.0007 | Yes | Jeffery Lien | Cash | Restricted | 1 |
| 03/28/22 | New Issue | 70,588,234 | Common Stock | 0.001 | Yes | Harry Feinberg | Cash | Restricted | 1 |
| 03/28/22 | New Issue | 41,025,641 | Common Stock | 0.001 | Yes | Clifford Miller | Cash | Restricted | 1 |
| 04/01/22 | New Issue | 55,555,555 | Common Stock | 0.0009 | Yes | John Jones | Cash | Restricted | 1 |
| 04/01/22 | New Issue | 83,333,333 | Common Stock | 0.0006 | Yes | John Jones | Cash | Restricted | 1 |

| | | | | | | | | | |
|----------|-----------|---------------|--------------------|---------|-----|----------------------------------|---------------------|------------|---|
| 06/30/22 | New Issue | 41,666,667 | Common Stock | 0.0006 | Yes | John Jones | Cash | Restricted | 1 |
| 08/10/22 | Surrender | (595,467,205) | Common Stock | N/A | N/A | Dante Picazo | ² | Restricted | 1 |
| 08/10/22 | New Issue | 1,000 | Series B Preferred | N/A | N/A | Dante Picazo | ² | Restricted | 1 |
| 09/07/22 | New Issue | 62,500,000 | Common Stock | 0.0008 | Yes | Richard Meikle and Laurie Meikle | Cash | Restricted | 1 |
| 09/07/22 | New Issue | 16,888,889 | Common Stock | 0.00075 | Yes | Mark J. Herbert | Cash | Restricted | 1 |
| 09/30/22 | New Issue | 11,250,000 | Common Stock | N/A | N/A | Shane Leupold | Consulting services | Restricted | 1 |
| 10/17/22 | New Issue | 625,000,000 | Common Stock | 0.0004 | Yes | Ibeth Coralles | Cash | Restricted | 1 |
| 12/06/22 | New Issue | 4,000,000 | Common Stock | 0.0005 | Yes | Theresa Lafond | Cash | Restricted | 1 |
| 12/14/22 | New Issue | 22,222,222 | Common Stock | 0.00045 | Yes | Nicola Abate | Cash | Restricted | 1 |
| 12/14/22 | New Issue | 20,000,000 | Common Stock | 0.0005 | Yes | Brandon Milatovic | Cash | Restricted | 1 |
| 01/09/23 | New Issue | 100,000,000 | Common Stock | 0.00025 | Yes | John Neville | Cash | Restricted | 1 |
| 01/10/23 | New Issue | 38,000,000 | Common Stock | 0.0005 | Yes | Juana M. Vidales Estrada | Cash | Restricted | 1 |
| 01/10/23 | New Issue | 16,000,000 | Common Stock | 0.0003 | Yes | Jonathan Eisner | Cash | Restricted | 1 |
| 01/18/23 | New Issue | 300,000,000 | Common Stock | 0.0003 | Yes | John Jones | Cash | Restricted | 1 |
| 01/23/23 | New Issue | 125,000,000 | Common Stock | 0.0004 | Yes | Mark J. Herbert | Cash | Restricted | 1 |
| 02/28/23 | New Issue | 14,285,714 | Common Stock | 0.0003 | Yes | Katerin Osuna Robles | Cash | Restricted | 1 |
| 03/07/23 | New Issue | 12,500,000 | Common Stock | 0.0004 | Yes | Yoselet Isamark Ortiz | Cash | Restricted | 1 |
| 03/09/23 | New Issue | 150,000,000 | Common Stock | 0.0003 | Yes | John Jones | Cash | Restricted | 1 |
| 03/24/23 | New Issue | 62,500,000 | Common Stock | 0.0004 | Yes | Asad and Razia Shalami | Cash | Restricted | 1 |
| 03/30/23 | New Issue | 150,000,000 | Common Stock | 0.0003 | Yes | John Jones | Cash | Restricted | 1 |
| 04/15/23 | New Issue | 200,000,000 | Common Stock | 0.0003 | Yes | John Jones | Cash | Restricted | 1 |
| 04/25/23 | New Issue | 25,000,000 | Common Stock | 0.0004 | Yes | Dwight Gaddis | Cash | Restricted | 1 |
| 06/05/23 | New Issue | 25,000,000 | Common Stock | 0.0002 | Yes | Richard Royall | Cash | Restricted | 1 |
| 06/23/23 | New Issue | 25,000,000 | Common Stock | 0.0004 | Yes | Fabian Ortega | Cash | Restricted | 1 |
| 06/26/23 | New Issue | 25,000,000 | Common Stock | 0.0004 | Yes | Alfonso Santillan Campos | Cash | Restricted | 1 |
| 06/30/23 | New Issue | 10,000,000 | Common Stock | 0.0004 | Yes | Miriam Maciel Rivera | Cash | Restricted | 1 |
| 06/30/23 | New Issue | 12,500,000 | Common Stock | 0.0005 | Yes | Miriam Maciel Rivera | Cash | Restricted | 1 |
| 07/11/23 | New Issue | 25,000,000 | Common Stock | 0.0004 | Yes | Jeremy Szeto | Cash | Restricted | 1 |
| 07/17/23 | New Issue | 12,500,000 | Common Stock | 0.0004 | Yes | Lucy Caldera | Cash | Restricted | 1 |
| 07/17/23 | New Issue | 28,571,428 | Common Stock | 0.0004 | Yes | Maria Pinedo | Cash | Restricted | 1 |
| 07/17/23 | New Issue | 20,000,000 | Common Stock | 0.0005 | Yes | Guadalupe Ramirez | Cash | Restricted | 1 |
| 08/01/23 | New Issue | 12,500,000 | Common Stock | 0.0004 | Yes | Manny Escobedo | Cash | Restricted | 1 |

| | | | |
|---|--|---|--|
| Shares out- standing on the date hereof: | | <u>Ending Balances:</u> Common: 10,331,749,347 Series A Preferred: 2,500,000 Series B Preferred: 1,000 | |
|---|--|---|--|

¹ Exemption from registration afforded by Section 4(a)(2) of and/or Rule 506 under the Securities Act of 1933.

² Exchange of 595,467,205 shares of Common Stock for 1,000 shares of Series B Preferred. As a result of the exchange, Mr. Picazo now owns 4,000,000,000 shares of Common Stock.

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.
(formerly named China Infrastructure Construction Corp.)

CONSOLIDATED BALANCE SHEETS

| | <u>August 31, 2023</u> <u>(Unaudited)</u> | <u>May 31, 2023</u> <u>(Audited)</u> |
|---|--|---|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 4,750 | \$ 8,913 |
| Accounts receivable | 27,989 | 10,549 |
| Related party receivable | — | — |
| TOTAL CURRENT ASSETS | <u>32,739</u> | <u>19,462</u> |
| Right-of-use asset | 19,485 | 23,920 |
| TOTAL ASSETS | <u>\$ 52,224</u> | <u>\$ 43,382</u> |
| LIABILITIES AND STOCKHOLDERS' DEFICIENCY | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 149,564 | \$ 111,299 |
| Deferred revenue | — | 28,641 |
| Related party payables | 158,047 | 105,173 |
| Short-term loans (net of amortization of loan fees) | 146,876 | 121,407 |
| SBA loan – current | 14,592 | 14,592 |
| PPP loan | — | — |
| Lease liabilities – current | — | 4,435 |
| TOTAL CURRENT LIABILITIES | <u>466,083</u> | <u>385,547</u> |
| LONG-TERM LIABILITIES | | |
| SBA loan | 247,068 | 249,500 |
| Lease liabilities | — | — |
| TOTAL LONG-TERM LIABILITIES | <u>247,068</u> | <u>249,500</u> |
| TOTAL LIABILITIES | <u>713,151</u> | <u>635,047</u> |
| STOCKHOLDERS' DEFICIENCY | | |
| Authorized 10,000,000 shares of preferred stock, of which 2,500,000 shares have been designated Series A Convertible Preferred Stock and 1,000 shares have been designated Series B Preferred Stock | — | — |
| Common Stock, without par value: 20,000,000,000 shares authorized; 10,331,749,347 and 10,059,677,919 shares issued and outstanding at August 31, 2023, and May 31, 2023, respectively. | — | — |
| Additional paid-in capital | 4,147,071 | 4,091,071 |
| Accumulated deficit | (4,807,998) | (4,682,736) |
| TOTAL STOCKHOLDERS' DEFICIENCY | <u>(660,927)</u> | <u>(591,665)</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY | <u>\$ 52,224</u> | <u>\$ 43,382</u> |

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

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.
(formerly named China Infrastructure Construction Corp.)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

| | Three Months Ended August 31, | |
|--------------------------------------|--------------------------------------|---------------------|
| | 2023 | 2022 |
| Revenues | \$ 93,129 | \$ 143,752 |
| Cost of revenues | 8,819 | 33,170 |
| Gross profit | 84,310 | 110,582 |
| Cost and expenses | | |
| General and administrative | 19,001 | 29,304 |
| Contract labor | 89,055 | 173,849 |
| Professional fees | 62,394 | 67,322 |
| Officer compensation | 12,000 | 12,000 |
| Rent and lease | 20,953 | 18,246 |
| Travel | 1,364 | 1,667 |
| Total operating expenses | 204,767 | 302,388 |
| Income/(Loss) from Operations | (120,457) | (191,806) |
| Other income (expense) | | |
| Forgiveness of debt | - | 41,666 |
| Interest expense-short and SBA loans | (4,805) | (12,235) |
| Total Other Income/(Expense) | (4,805) | 29,431 |
| Net loss | \$ (125,262) | \$ (162,375) |
| Average common stock outstanding | 10,331,749,347 | 8,559,051,075 |
| Average earnings (loss) per share | \$ (0.00001) | \$ (0.00002) |

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

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.
(formerly named China Infrastructure Construction Corp.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

| | Three Months Ended August 31, | |
|--|--------------------------------------|------------------|
| | 2023 | 2022 |
| CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Income (Loss) | \$ (125,263) | \$ (162,375) |
| Adjustments to reconcile net loss: | | |
| Amortization of right-of-use-asset and liability | 4,435 | (1,810) |
| Forgiveness of PPP loan | - | (41,666) |
| Changes in assets and liabilities: | | |
| Accounts receivable | (17,440) | (43,364) |
| Accounts payable and accrued expenses | 67,246 | 53,256 |
| Deferred revenue | (28,641) | - |
| Other current assets | - | (10) |
| NET CASH USED IN OPERATIONS | (99,662) | (195,969) |
| CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from sales of common stock | 75,000 | 75,000 |
| Proceeds of short-term loans | - | 47,209 |
| Proceeds from related party loan | 51,572 | 43,650 |
| Repayment of short-term loans | (31,073) | - |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 95,499 | 165,859 |
| NET DECREASE IN CASH | (4,163) | (30,110) |
| CASH AT BEGINNING OF PERIOD | 8,913 | 31,982 |
| CASH AT END OF PERIOD | \$ 4,750 | \$ 1,872 |
| Supplemental disclosure of cash flow information | | |
| Cash paid for interest | \$ 4,805 | \$ 5,524 |
| Cash paid for taxes | \$ - | \$ - |

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

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.
(formerly named China Infrastructure Construction Corp.)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(Unaudited)

| | Series A Convertible Preferred Stock | | Series B Convertible Preferred Stock | | Common Stock | Additional Paid-In Capital | Accumulated Deficit | Total |
|---|--------------------------------------|-----------------|--------------------------------------|-------------|-----------------------|----------------------------|-----------------------|--------------------|
| | Shares | Amount | Shares | Amount | Shares | | | |
| Balance - May 31, 2023 | 2,500,000 | \$ - | 1,000 | \$ - | 10,059,677,919 | \$ 4,091,071 | \$ (4,682,736) | \$(591,665) |
| Sales of common stock for cash | - | - | - | - | 272,071,428 | 75,000 | - | 75,000 |
| Withdrawal | - | - | - | - | - | (19,000) | - | (19,000) |
| Net Income/(loss) for the quarter | - | - | - | - | - | - | (125,262) | (125,262) |
| Balance - August 31, 2023 | 2,500,000 | \$ - | 1,000 | \$ - | 10,331,749,347 | \$ 4,147,071 | \$ (4,807,998) | \$(660,927) |
| Balance - May 31, 2022 | 2,500,000 | \$ 2,500 | - | \$ - | 8,612,998,299 | \$ 3,286,605 | \$ (3,650,156) | \$(361,051) |
| Sales of common stock for cash | - | - | - | - | 125,000,000 | 75,000 | - | 75,000 |
| Change in par value of common stock | - | (2,500) | - | - | - | 2,500 | - | - |
| Exchange of Series B Preferred Stock for common stock | - | - | 1,000 | - | (595,467,205) | - | - | - |
| Net Income/(loss) for the quarter | - | - | - | - | - | - | (162,375) | (162,375) |
| Balance - August 31, 2022 | 2,500,000 | \$ - | 1,000 | \$ - | 8,142,531,094 | \$ 3,364,105 | \$ (3,812,531) | \$(448,426) |

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

CANNABIS BIOSCIENCE INTERNATIONAL HOLDINGS, INC.
(formerly named China Infrastructure Construction Corp.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2023

(Unaudited)

Note 1 – Organization and Business

Organization and Operations

Cannabis Bioscience International Holdings, Inc., a Colorado corporation (the “Company”), was formed on February 28, 2003, as a limited liability company under the name Fidelity Aircraft Partners LLC. On December 16, 2009, it converted to a corporation under the name Fidelity Aviation Corporation, and on August 24, 2009, it changed its name to China Infrastructure Construction Corp. On February 28, 2018, the Company changed its name to Hippocrates Direct Healthcare, Inc.; on July 4, 2018, it resumed the name China Infrastructure Construction Corp. On December 6, 2022, it changed its name to its present name. The Company provides educational systems focused on medical cannabis in cities throughout the United States and six countries in Latin America. The Company provides services to third parties in therapeutic areas of clinical trials and conducts clinical trials relating to cannabinoids for its own account. The Company has one non-operating subsidiary, Alpha Fertility and Sleep Center, LLC, a Texas limited liability company, through which it conducted its sleep center business until April 30, 2023.

Note 2 – Summary of Significant Accounting Policies

Accounting Principles

The accompanying unaudited consolidated financial statements have been prepared by management using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial statements and with the instructions to Article 10 of Regulation S-X of the U.S. Securities and Exchange Commission (the “SEC”). Accordingly, they do not contain all of the information and footnotes required by U.S. GAAP for annual financial statements. In the opinion of the Company’s management, the accompanying unaudited consolidated financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company at August 31, 2023, and the results of operations and cash flows for the periods presented. The results of operations for the three months ended August 31, 2023, are not necessarily indicative of the operating results for the full fiscal year or any future period. These unaudited consolidated financial statements should be read in conjunction with the audited financial statements and related notes thereto for the year ended May 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Making estimates requires management to exercise significant judgment. Certain of these estimates could be affected by external conditions, including those unique to the Company’s businesses, and general economic conditions. These external conditions could have an effect on the Company’s estimates that could cause actual results to differ materially from its estimates. Actual results could differ from those estimates. The Company re-evaluates all of its accounting estimates at least quarterly based on these conditions and records adjustments when necessary. Significant estimates relied upon in preparing these statements include revenue recognition, accounts receivable reserves, accrued expenses, share-based compensation and the recoverability of the Company’s net deferred tax assets and any related valuation allowance.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Reclassification

Certain amounts in the prior consolidated financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no impact on the results of operations, changes in equity, or cash flows.

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to cash with original maturities of three months or less at the date acquired. The Company had zero investment securities that were deemed cash equivalents at August 31, 2023, and May 31, 2023, respectively.

Accounts Receivable

Included in accounts receivable on the balance sheets are amounts primarily related to customers. The Company estimates losses on receivables based on known troubled accounts and historical experience of losses incurred. Receivables are considered impaired and written off when it is probable that all contractual payments due will not be collected in accordance with the terms of the related

agreement. Based on experience and the judgment of management, there was no allowance for doubtful accounts at August 31, 2023, and May 31, 2023.

Revenue Recognition

The Company follows the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. This standard requires a company to recognize revenues when it transfers goods or services to customers in an amount that reflects the consideration that it expects to receive for them.

Under ASU No. 2014-09, the Company recognizes revenue when a customer obtains control of promised goods or services, or when they are shipped to a customer, in an amount that reflects the consideration that it expects to receive in exchange for them. The Company recognizes revenues following the five-step model prescribed under ASU No. 2014-09: (a) it identifies a contract with a customer; (b) it identifies the performance obligations in the contract; (c) it determines the transaction price; (d) it allocates the transaction price to the performance obligations in the contract; and (e) it recognizes revenues when (or as) it satisfies its performance obligation.

The Company generates revenue from multiple streams, namely, clinical trials, consulting fees, seminars and merchandise sales. Revenues from product sales are recognized when a customer obtains control of the Company's product, which occurs at a point in time or over time, typically upon shipment to the customer or when services are fulfilled and the customer receives benefit from such services. Revenue is deferred and a liability is established to the extent that the Company receives payments from customers in advance of goods being shipped or services being rendered.

The Company expenses incremental costs of obtaining a contract as and when incurred if the expected amortization period of the asset in which it would have been recognized is one year or less or the amount is immaterial.

A performance obligation is a contractual promise to transfer a distinct product or service to a customer and is the unit of account in the new revenue standard. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Each contract has a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. Revenue from contracts that satisfy the criteria for overtime recognition is recognized as the work progresses. The majority of the Company's revenue is derived from services provided to customers and is executed typically over a period that is typically between 1 to 12 months, based on evaluation of when these services are rendered. Contracts will continue to be recognized over time because of the continuous transfer of control to the customer as services are rendered to customers. Payments made by customers in advance of services being rendered are recorded as deferred revenue.

Our significant payment terms for customer contracts vary based on the revenue stream. Franchising business clients are required to advance a percentage of the franchise fee upon acceptance of the contract. These advances, when received, are accounted for as contract liabilities on the consolidated balance sheet and are subsequently recognized in revenue when they are earned. Contracts for clinical trials typically provide for progress payments based on the number of patients seen, with final payments generally due within 30 days upon completion of work or the termination of the contract. Revenue is recognized when all performance obligations under the terms of a contract are satisfied. The Company requires advance payments from its consulting customers and these payments are recorded as contract liabilities on the consolidated balance sheet until service is performed and revenue is recognized. These advance payments are not treated as financing component based on the guidance in ASC 606-10-32-196-16 and -17, whereby the timing of when services are provided are at the discretion of the customers or a substantial amount of the consideration promised by the customer is variable and not in the control of the customer or the Company. There is no significant financing component to any of the Company's contracts.

Contracts for educational services require nonrefundable payment in advance and are recorded as revenue when received.

There is no significant financing component to any contracts.

Contract Modifications

Contracts for the Company's clinical trial business are subject to modification. These modifications may create new, or change existing, enforceable rights and obligations of the parties thereto. Modifications are generally effected pursuant to an amendment or addendum to the original contract. A contract modification is accounted for as a new contract if it reflects an increase in scope that is regarded as distinct from the original contract and is priced in line with the standalone price for the related services. If a contract modification is not considered a new contract, the modification is combined with the original contract and the impact on revenue recognition will depend on whether the remaining services are distinct from the original contract. If they are distinct from those in the original contract, all remaining performance obligations will be accounted for on a prospective basis, with unrecognized consideration allocated to the remaining performance obligations. If the remaining goods or services are not distinct, the modification will be treated as if it were a part of the existing contract and the effect that the contract modification has on the transaction price and the measure of progress toward satisfaction of the performance obligations are recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) at the date of the contract modification on a cumulative catch-up basis.

Remaining Performance Obligations

The Company follows ASC 606, which requires the allocation of the transaction price to the remaining performance obligations of a contract and applies a practical expedient allowing it not to disclose the amount of the transaction price allocated to the remaining performance obligations for contracts with an original expected duration of one year or less. At August 31, 2023, and May 31, 2023, the Company had no remaining performance obligations.

Share-Based Payments

ASC 718, “*Compensation – Stock Compensation*,” prescribes accounting and reporting standards for all share-based payment transactions. In June 2018, FASB issued ASU No. 2018-07, *Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, which aligns accounting for share-based payments issued to non-employees to that of employees under the existing guidance of Topic 718, with certain exceptions. This update supersedes previous guidance for share-based payments to non-employees under Subtopic 505-50, *Equity – Equity-Based Payments to Non-Employees*. This guidance became effective for the Company on January 1, 2019. Based on its completed analysis, the Company has determined that adopting this guidance will not have a material impact on its financial statements. The Company follows FASB guidance related to equity-based payments, which requires that equity-based compensation be accounted for using a fair value method and recognized as expense in the accompanying statements of operations. Equity-based compensation expense will be recognized as compensation expense.

Leases

The Company has adopted ASU 2016-02, *Leases (Topic 842)*, along with related clarifications and improvements, under which lessees are required to recognize a lease liability, which represents the discounted obligation to make future minimum lease payments and a corresponding right-of-use asset on the balance sheet for most leases. The guidance retains the historical accounting for lessors and does not make significant changes to the recognition, measurement, and presentation of expenses and cash flows by a lessee. Enhanced disclosures are also required to give financial statement users the ability to assess the amount, timing and uncertainty of cash flows arising from leases.

Cash Flows

The Company follows ASU 2016-18, “*Statement of Cash Flows (Topic 230)*,” requiring that the statement of cash flows explain the change in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The provisions of this guidance are to be applied using a retrospective approach, which requires application of the guidance for all periods presented.

Fair Value Measurements

The Company has adopted ASC Topic 820, *Fair Value Measurements*, which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair-value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, is carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments. The carrying amounts of the Company’s short- and long-term credit obligations approximate fair value because the effective yields on these obligations, which include contractual interest rates taken together with other features, such as concurrent issuances of warrants and/or embedded conversion options, are comparable to rates of returns for instruments of similar credit risk.

ASC Topic 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair-value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC Topic 820 describes 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: Quoted prices for similar assets and liabilities in active markets or inputs that are observable.

Level 3: Inputs that are unobservable (for example, cash flow modeling inputs based on assumptions).

Income Taxes

The Company accounts for income taxes in accordance with Accounting Standards Codification No. 740, “*Income Taxes*” (“ASC 740”). This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carryforward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Deferred tax liabilities and assets are classified as current or noncurrent based on the classification of the related asset or liability for financial reporting or according to the expected reversal dates of the specific temporary differences, if not related to an asset or liability for financial reporting.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, which provides guidance as to the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in its financial statements, under which a company may recognize the 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 the taxing authorities, based on the technical merits of the position.

The tax benefits recognized in 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. Accordingly, the Company would report a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company elects to recognize any interest and penalties, if any, related to unrecognized tax benefits in tax expense.

Loss per Share

The Company computes basic earnings per share amounts in accordance with Accounting Standards Codification Topic 260, “*Earnings per Share*.” Basic earnings per share is calculated by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is computed by dividing net loss by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. At August 31, 2023, and August 31, 2022, the Company had no dilutive securities.

Recently Issued Accounting Standards

The Company does not believe there are any other recently issued, but not yet effective, accounting standards that would have a significant impact on the Company’s financial position or results of operations.

Note 3 – Going Concern

The accompanying consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplate the Company’s continuation as a going concern in accordance with ASC 240-40-50. The Company’s history of recurring losses, negative working capital and negative cash flows from operating activities raises substantial doubt about its ability to continue as a going concern. The Company has not generated any profits since inception and its current cash balances will not meet its working capital needs. During the quarter ended August 31, 2023, , the Company had a net loss from operations of \$125,263, net cash used in operations of \$99,662, a working capital deficit of \$433,344 and an accumulated deficit of \$4,807,999.

The ability of the Company to continue as a going concern depends on the successful execution of its operating plan, which includes expanding its operations and raising either debt or equity financing. There is no assurance that the Company will be able to expand its operations or obtain such financing on satisfactory terms or at all. If the Company is unsuccessful in these endeavors, it may be required to curtail or cease its operations.

The accompanying financial statements do not include any adjustments related to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Note 4 – Debt

PPP Loans

During 2021 and 2020, the Company received one loan of \$31,750, two loans of \$20,833 each and three loans of \$5,000 each under the Payroll Protection Program (the “PPP”). The PPP was established in 2020 as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) to provide loans to qualifying businesses for amounts up to 2.5 times their average monthly payroll expenses. At May 31, 2023, the Company’s outstanding PPP loans of \$41,666 were recorded as current liabilities. On April 21, 2021, pursuant to the CARES Act, the Company applied for and received forgiveness of these loans. This forgiveness was recorded as Other Income during that year.

EIDL Loans

In May 2020, the Company received \$143,100 from the Small Business Administration as an Economic Injury Disaster Loan (“EIDL”) to help fund its operations during the COVID-19 pandemic. The loan bears interest at the rate of 3.75% per annum and is payable in monthly installments of \$698 over a 30-year period, with deferral of payments for the first 12 months. An additional \$10,000 borrowed under EIDL, which was provided for payroll, was forgiven and recorded as Other Income during 2022.

In June 2020, the Company received proceeds of \$106,200 from the Small Business Administration through a second EIDL loan to help fund its operations during the COVID-19 pandemic. The loan bears interest at the rate of 3.75% per annum and is payable in monthly installments of \$518 over a 30-year period. An additional \$4,000 borrowed under EIDL, which was provided for payroll, was forgiven and recorded as Other Income during 2022.

The Company's EIDL loans were recorded in the balance sheet as follows:

| | August 31, 2023 (Unaudited) | May 31, 2023 (Audited) |
|-------------------------------|--|---|
| SBA (EIDL) current portion | \$ - | \$ 14,592 |
| SBA (EIDL) noncurrent portion | 231,778 | 249,500 |
| | <u>\$ 231,778</u> | <u>\$ 264,092</u> |

Short-Term Loans

The Company has entered into agreements under which it sold receivables to third parties. In accordance with ASC 470, these transactions are treated as loans encumbering the receivables of the Company in the event of default and are accounted for as a debt, such that payments are allocated to principal and interest expense as they are made. These transactions are as follows:

- In May 2022, the Company entered into a financing agreement with an unrelated party for a loan of \$50,000 at an annual interest rate of 20.9%, to be repaid at the rate of \$1,218 per week for one year. At May 31, 2023, the outstanding balance, including interest, was \$55,494.
- On August 8, 2022, the Company entered into a financing agreement with an unrelated party for a loan of \$45,000 at an annual interest rate of 26.4%, to be repaid at the rate of \$3,057 per week for 20 weeks. On October 17, 2022, this loan was refinanced to include an additional \$10,000, such that it bears interest at an annual interest rate of 26.4% and was to be repaid at the rate of \$3,057 per week for four weeks.
- On December 20, 2022, the Company increased the loan to \$76,000 and modified the financing agreement such that the loan bears interest at an annual interest rate of 26.4% and is to be repaid at the rate of \$6,114 per week for 17 weeks. The outstanding balance at May 31, 2023, including interest, was \$33,873.

On June 29, 2022, the Company borrowed \$12,500 from an unrelated party at an annual interest rate of 14%. This loan is payable at the weekly rate of \$589 for 24 weeks. On October 13, 2022, an additional loan of \$6,304 was obtained with a weekly payment of \$297 for 24 weeks. At May 31, 2023, the outstanding balance of this loan, including interest, was \$15,152.

On August 3, 2022, the Company borrowed \$15,000 from an unrelated party at an annual interest rate of 42.5%, repayable at the rate of \$1,188 per month for 18 months. At May 31, 2023, the outstanding balance of this loan, including interest, was \$15,141.

Note 5 – Right-of-Use Assets and Lease Liabilities

The Company leases real property from unrelated parties under leases that are classified as operating leases. The right-of-use assets for operating leases are included in right-of-use assets on the balance sheets, with the corresponding lease liability in liabilities. Lease expense is recognized on a straight-line basis over the lease term. Renewals and terminations are included in the calculation of right-of-use assets and lease liabilities when they are considered reasonably certain to be exercised. When the implicit rate is unknown, the incremental borrowing rate, based on the commencement date, is used in determining the present value of lease payments.

The following amounts related to leases were recorded in the balance sheets:

| | August 31, 2023 (Unaudited) | May 31, 2023 (Audited) |
|--------------------------------|--|---|
| Right-of-use asset | \$ 155,387 | \$ 155,387 |
| Less: Accumulated amortization | (131,467) | (131,467) |
| Right-of-use asset, net | <u>\$ 23,920</u> | <u>\$ 23,920</u> |
| Lease liabilities – current | \$ 3,807 | \$ 4,435 |
| Lease liabilities – noncurrent | – | – |
| | <u>\$ 3,807</u> | <u>\$ 4,435</u> |

The Company reimburses related parties for an office space operating lease under a month-to-month arrangement, payable at the discretion of management. See Note 10.

The Company's total operating lease expense was \$20,953 and \$18,246 during the three months ended August 31, 2023, and August 31, 2022, respectively. See Note 10 for additional lease information.

Note 6 -- Revenue

Most of the Company's revenue is generated by the performance of services to customers and recognized at a point in time based on the evaluation of when the customer obtains control of the products. Revenue is recognized when all performance obligations under the terms of a contract are satisfied, net of certain taxes and gain/loss resulting from changes in foreign currency. Revenue is recorded when

customer acceptance is received and all performance obligations have been satisfied. Sales of goods typically do not include multiple products and/or service elements.

The table below summarizes the Company’s disaggregated revenue information:

| | Quarter Ended August 31, | |
|-----------------|---------------------------------|-------------------|
| | 2023 | 2022 |
| Clinical trials | \$ 83,266 | \$ 124,916 |
| Consulting fees | 8,333 | – |
| Video courses | - | – |
| Seminar fees | - | 9,915 |
| Royalties | - | – |
| Merchandise | 1,530 | 8,921 |
| Total revenue | <u>\$ 93,129</u> | <u>\$ 143,752</u> |

Cost of revenue consists of third-party costs associated with patient stipends, sleep study fees and audio/video fees. At August 31, 2023, and August 31, 2022, cost of revenue totaled \$8,820 and \$33,170, respectively.

Note 7 – Stockholders’ Deficit

The Company is authorized to issue 20,010,000,000 of capital stock, of which 20,000,000,000 shares are common stock, without par value, and 10,000,000 are preferred stock, issuable in series.

Preferred Stock

The Company has designated 2,500,000 shares of preferred stock as Series A Convertible Preferred Stock (the “Series A Stock”). Until July 20, 2022, each share had a par value of \$0.001; on that date, the Company amended its articles of incorporation to provide that each such share has no par value. Under this amendment, (i) Series A Stock is entitled to receive dividends on the shares of Common Stock into which such shares are convertible, (ii) has the voting power of the number of shares of Common Stock into which such shares are convertible, (iii) is redeemable at the option of the Company for a redemption price equal to the number of shares of Common Stock into which the redeemed shares are convertible and (iv) are senior to the Common Stock and junior to the Series B Convertible Preferred Stock described below. At August 31, 2023, and May 31, 2023, there were 2,500,000 shares of Series A Stock issued and outstanding.

On July 20, 2022, the Company designated a series of preferred stock, named Series B Preferred Convertible Preferred Stock, comprising 1,000 shares (“Series B Preferred”). The shares of this series have no par value, are not entitled to dividends, have no liquidation rights, are not redeemable, are not convertible, have 60% of the Company’s voting power and rank senior to the Common Stock and Series A Convertible Preferred Stock. The 1,000 preferred shares were issued in exchange for Common Stock to an existing common shareholder. The Company has deemed the value of the preferred and common shares to be the same, resulting in no change to additional paid capital.

Common Stock

During the three months ended August 31, 2023, the Company sold 272,071,428 shares of Common Stock for \$70,000.

During the year ended May 31, 2023, the Company did not issue shares of Common Stock for services rendered.

At August 31, 2023, and May 31, 2023, there were respectively 10,331,749,347 and 10,059,677,919 shares of Common Stock issued and outstanding.

Note 8 – Share-Based Compensation

On July 20, 2022, the Company adopted its 2022 Equity Incentive Plan, which provides for the grant of incentive and non-statutory stock options, stock appreciation rights, restricted stock, unrestricted stock, restricted stock units and performance awards to directors, officers, employees and consultants, as determined by the Board, as plan administrator. The Company will recognize as share-based compensation expense all share-based payments to employees over the requisite service period (generally the vesting period) in its consolidated statements of operations based on the fair values of the awards that are issued.

Note 9 – Income Taxes

The Company provides for income taxes under ASC 740. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax basis of assets and liabilities and the tax rates in effect when these differences are expected to reverse. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

On December 22, 2017, the 2017 Tax Cuts and Jobs Act (the “Tax Act”) was enacted into law, making significant changes to the Code. These changes included a federal corporate tax rate decrease from 35% to 21% for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a territorial system and a one-time transition tax on the mandatory deemed repatriation of foreign earnings. The Company is required to recognize the effect of the tax law changes in the period of enactment, such as re-measuring its U.S. deferred tax assets and liabilities as well as reassessing the net realizability of its deferred tax

assets and liabilities. The Tax Act did not give rise to any material impact on the balance sheets and statements of operations due to the Company's historical worldwide loss position and the full valuation allowance on its net U.S. deferred tax assets.

Due to changes in ownership provisions of the income tax laws of the United States of America, net operating loss carryforwards of approximately \$4,665,040 and \$2,909,738 at August 31, 2023, and August 31, 2022, respectively, for federal income tax reporting purposes are subject to annual limitations. When a change in ownership occurs, the use of net operating loss carryforwards may be limited in future years. They generally expire 20 years from when incurred.

Income taxes for 2017 to 2022 remain subject to examination.

Note 10 – Commitments and Contingencies

The Company leases premises of approximately 4,500 square feet located at 6201 Bonhomme Road, Suites 460S and 466S, Houston, Texas. The lease currently provides for the base rent of \$3,382 per month, increasing to (i) \$3,529 per month on July 1, 2020, (ii) \$3,676.04 per month on July 1, 2021, and (iii) \$3,823 per month on July 1, 2022, subject to CPI increase. On March 23, 2023, the Company amended the lease to extend its term to June 30, 2024, at a base rent of \$4,779 per month. On September 5, 2023, the lease was amended to extend its term to June 30, 2025, at rentals of \$0 per month for the two months ended August 31, 2023, \$4,779 per month for the 10 months ending June 30, 2024, and \$4,926 per month for the 12 months ending June 30, 2025. For information regarding the recording of the right-of-use asset and the lease liability in the balance sheets in respect of this lease, see Note 5.

Two of the Company's officers leased 1,400 square feet in Houston, Texas (the "Officers' Leased Property"), under a lease, the term of which commenced on February 29, 2020, and expired on March 14, 2022, at a rent of \$3,449 per month. These officers made a portion of these premises available to the Company for office space on a month-to-month basis, for which the Company paid them \$2,817 per month. On March 15, 2022, these officers entered into a new lease for the same premises, which expired on September 14, 2022, at a rent of \$3,008 per month, and these officers continued to make a portion of these premises available to the Company for use as office space, for which the Company is paying them \$2,817 per month on a month-to-month basis. On September 15, 2022, the officers that leased the Officers' Leased Property entered into a new lease for these premises, which expired on March 14, 2023, at a rent of \$3,038 per month, and these officers continued to make a portion of these premises available to the Company for use as office space, for which the Company paid them \$2,817 per month. On March 2, 2023, these officers entered into a new lease for the same premises, which expires on September 14, 2023, at a rent of \$3,168 per month; they are continuing to make a portion of these premises available to the Company for use as office space, for which the Company is paying them \$2,817 per month.

Note 11 – Related Party Transactions

See Note 10 for information respecting the lease of real property to the Company by two of its officers.

During the year ended May 31, 2023, the Company received cash advances from related parties of \$101,335 for use as working capital.

The balance of related party liabilities outstanding to certain shareholders totaling \$158,047 and \$105,173 at August 31, 2023, and May 31, 2023, respectively.

During the year ended May 31, 2023, the Company wrote off \$12,000 owed by a former related party.

Note 12 – Off-Balance-Sheet Arrangements

The Company has no off-balance sheet arrangements.

Note 13 – Concentration of Risk

The Company had revenue, net of taxes and foreign currency gain/loss of \$93,129 and \$143,752 for the three months ending August 31, 2023, and August 31, 2022, respectively.

The Company had four customers that provided 89% of gross revenue for the quarter ended August 31, 2023, and two customers that provided 82% of gross revenue for the quarter ended August 31, 2022.

Note 14 – Subsequent Events

During the quarters ended August 31, 2023, and August 31, 2022, the COVID-19 pandemic had a material adverse effect on the Company's educational business because governmental measures that we imposed to control it resulted in the closing of classrooms and other educational venues, and also hindered the Company's franchising and consulting activities. As the pandemic has abated, many of these restrictions have been removed and the Company is beginning to resume normal operations. If the pandemic does not continue to abate, because of infections resulting from emerging virus variants or for other reasons, restrictions could be reimposed or increased. The ultimate impact of the pandemic will depend on future developments, which are highly uncertain and cannot be predicted.

On September 6, 2023, the officers who leased the Officers' Leased Property entered into a new lease therefor, which commenced on September 15, 2023, and will expire on September 14, 2024, at a rent of \$3,164 per month and they are making a portion of these premises available to the Company for use as office space, for which the Company is paying them \$2,817 per month.

Management has evaluated all other subsequent events when these consolidated financial statements were issued and has determined that none of them requires disclosure herein.