

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **FORWARDLY, INC.**

A NEVADA Corporation

3535 Executive Terminal Drive, Henderson, Nevada 89052

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702-840-4433

Website: NONE

EMAIL: NONE

SIC CODE:7363

### **Quarterly Report**

**For the Period Ending: MARCH 31, 2024**

(the "Reporting Period")

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

569,654,257 as of May 14, 2024

569,654,257 as of March 31, 2024

### **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<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

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

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

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

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

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

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

Exact Company Name: FORWARDLY, INC. (hereinafter referred to as "we", "us", or "our" or "the Issuer").

Formerly known as: Guard Dog, Inc. until 1-2020  
FSBO Media Holdings, Inc. until 9-2008  
Discover Capital Holdings Corp. until 11-2005  
Sunlite Technologies Corp. until 11-2001  
Hospitality Concepts, Inc. to 1-1990

Current State and Date of Incorporation or Registration: State of Nevada – September 27, 2005

Standing in this jurisdiction: (e.g. active, default, inactive): Active and in good standing

Prior Incorporation Information for the issuer and any predecessors during the past five years:

N/A

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

NONE

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

NONE

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

3535 Executive Terminal Drive  
Henderson NV 89052

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

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

3535 Executive Terminal Drive  
Henderson NV 89052

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

Yes: ☐ No: ☒

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

N/A

**2) Security Information**

Transfer Agent

Name: Madison Stock Transfer, Inc.  
Phone: 718-627-4453  
Email: info@madisonstocktransfer.com  
Address: 2500 Coney Island Avenue, Brooklyn NY 11223

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

Publicly Quoted or Traded Securities:

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

Trading symbol:	FORW	
Exact title and class of securities outstanding:	Common	
CUSIP:	34986W106	
Par or stated value:	\$0.001	
Total shares authorized:	1,360,000,000	as of date: March 31, 2024
Total shares outstanding:	569,654,257	as of date: March 31, 2024
Number of shares in the Public Float:	267,705,417	as of date: March 31, 2024
Total number of shareholders of record:	392	as of date: March 31, 2024

Additional class of securities (if any): **NONE**

Other classes of authorized or outstanding equity securities:

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

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Class A Preferred	
CUSIP:	N/A	
Par or stated value:	\$0.001	
Total shares authorized:	24,000,000	as of date: March 31, 2024
Total shares outstanding:	521,413	as of date: March 31, 2024

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Class B Preferred	
CUSIP:	N/A	
Par or stated value:	\$0.001	
Total shares authorized:	1,500,000	as of date: March 31, 2024
Total shares outstanding:	123,478	as of date: March 31, 2024

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Class C Preferred	
CUSIP:	N/A	
Par or stated value:	\$0.001	
Total shares authorized:	5,000,000	as of date: March 31, 2024
Total shares outstanding:	0	as of date: March 31, 2024

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Class D Preferred	
CUSIP:	N/A	
Par or stated value:	\$0.001	
Total shares authorized:	5,000,000	as of date: March 31, 2024
Total shares outstanding:	300,000	as of date: March 31, 2024

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:*

- NONE

- | Class of Preferred | Issued and Outstanding | Voting Rights | Conversion Rights |
|--------------------|------------------------|---------------|-------------------|
| Series A           | 521,413                | 521,413       | 521,413           |
| Series B           | 123,478                | 123,478       | 123,478           |
| Series C           | 0                      | 0             | 0                 |
| Series D           | 300,000                | 375,000,000   | 375,000,000       |

NONE

- NONE

Number of Shares outstanding as of <u>January 1, 2022</u>	<u>Opening Balance:</u> Common: <u>464,017,262</u> Preferred: <u>944,891</u>		*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 Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per	Were the shares issued at a	Individual/ Entity Shares were issued to (entities must	Reason for share issuance (e.g. for cash or	Restricted or Unrestricted	Exemption or

	shares returned to treasury)			share) at Issuance	discount to market price at the time of issuance? (Yes/No)	have individual with voting / investment control disclosed).	debt conversion) OR Nature of Services Provided (if applicable)	as of this filing?	Registratio Type?
<u>3/8/2022</u>	<u>Issuance</u>	<u>2,456,621</u>	<u>Common</u>	<u>29,479</u>	<u>No</u>	<u>Peter Luce</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>3/8/2022</u>	<u>Issuance</u>	<u>2,456,621</u>	<u>Common</u>	<u>29,479</u>	<u>No</u>	<u>Konop Enterprises, Inc. (Thad Konop – control person)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>3/22/2022</u>	<u>Issuance</u>	<u>9,893,333</u>	<u>Common</u>	<u>296,800</u>	<u>No</u>	<u>Konop Enterprises, Inc. (Thad Konop – control person)</u>	<u>Exercise of warrants</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>5,948,494</u>	<u>Common</u>	<u>118,970</u>	<u>No</u>	<u>George Sharp</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>5,948,494</u>	<u>Common</u>	<u>118,970</u>	<u>No</u>	<u>Status Marketing Company (Shahul Ameed)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>2,974,247</u>	<u>Common</u>	<u>59,485</u>	<u>No</u>	<u>Abubakkar Noohujohn</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>2,974,247</u>	<u>Common</u>	<u>59,485</u>	<u>No</u>	<u>Bitmore Properties, Inc. (George Pietrobon)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>2,974,247</u>	<u>Common</u>	<u>59,485</u>	<u>No</u>	<u>Peter Luce</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>5,948,494</u>	<u>Common</u>	<u>118,970</u>	<u>No</u>	<u>The Louis Sapi trust (Louis Sapi)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>2,974,247</u>	<u>Common</u>	<u>59,485</u>	<u>No</u>	<u>Michael Dominiguez</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>

<u>8/29/2022</u>	<u>Issuance</u>	<u>2,974,247</u>	<u>Common</u>	<u>59,485</u>	<u>No</u>	<u>Leonard Harris</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>8,922,740</u>	<u>Common</u>	<u>178,455</u>	<u>No</u>	<u>MacNicol Emergence Fund (Joseph Pochodyniak )</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>1,487,124</u>	<u>Common</u>	<u>29,742</u>	<u>No</u>	<u>Kristine Plowman</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>4,461,370</u>	<u>Common</u>	<u>89,227</u>	<u>No</u>	<u>James Blackwell</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>5,948,494</u>	<u>Common</u>	<u>118,970</u>	<u>No</u>	<u>Konop Enterprises Inc (Thad Konop)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>2,000,000</u>	<u>Common</u>	<u>40.000</u>	<u>No</u>	<u>Konop Enterprises Inc. (Thad Konop)</u>	<u>Exercise of warrants</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>8,922,740</u>	<u>Common</u>	<u>178,455</u>	<u>No</u>	<u>Antnoio Dutra</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>11,896,987</u>	<u>Common</u>	<u>237,940</u>	<u>No</u>	<u>Paul Cloutier</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>1,487,124</u>	<u>Common</u>	<u>29,742</u>	<u>No</u>	<u>Nrich, Inc. (Abubakkar Noohujohn)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>8/29/2022</u>	<u>Issuance</u>	<u>1,487,124</u>	<u>Common</u>	<u>29,742</u>	<u>No</u>	<u>Airbond Travel Services, Inc. (Abubakkar Noohujohn)</u>	<u>Conversion of note payable</u>	<u>R</u>	<u>N/A</u>
<u>3/31/2023</u>	<u>Issuance</u>	<u>6,000,000</u>	<u>Common</u>	<u>119,940</u>	<u>No</u>	<u>George Sharp</u>	<u>Services</u>	<u>R</u>	<u>N/A</u>
<u>3/31/2023</u>	<u>Issuance</u>	<u>2,000.000</u>	<u>Common</u>	<u>39,800</u>	<u>No</u>	<u>Len Harris</u>	<u>Services</u>	<u>R</u>	<u>N/A</u>
<u>3/31/2023</u>	<u>Issuance</u>	<u>1,500,000</u>	<u>Common</u>	<u>29,850</u>	<u>No</u>	<u>Michael Sofer</u>	<u>Services</u>	<u>R</u>	<u>N/A</u>

<u>3/31/2023</u>	<u>Issuance</u>	<u>1,000,000</u>	<u>Common</u>	<u>19,900</u>	<u>No</u>	<u>Ernest Stern</u>	<u>Services</u>	<u>R</u>	<u>N/A</u>
<u>3/31/2023</u>	<u>Issuance</u>	<u>1,000,000</u>	<u>Common</u>	<u>19,900</u>	<u>No</u>	<u>Michael Pollack</u>	<u>Services</u>	<u>R</u>	<u>N/A</u>
Shares Outstanding on  <u>March 31, 2024 and May 14, 2024</u>	Ending Balance: Common: <u>569,654,257</u> Preferred: <u>944,891</u>								

Use the space below to provide any additional details, including footnotes to the table above:  
NONE

**B. Debt Securities, Including Promissory and Convertible Notes**

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder.  *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:  
None

**4) Issuer’s Business, Products and Services**

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

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

The Company is a holding company organized with a goal of investing, acquiring and managing a diversified portfolio of profitable, growth-oriented companies.

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

On June 1, 2020, the Company formed Breathe Medical Devices, Inc., through which the Company intends to perform the Exclusive Distributor Agreement they entered into with Ligand Innovation Global for the sale

of portable ventilator medical equipment, under the brand name LifeAir G1 throughout the United States in perpetuity, subject to a right of Ligand Innovation Global to terminate the Exclusive Distributor Agreement if the Company has not sold at least 1,000 portable ventilators within two years following United States Food and Drug Administration approval of the ventilator equipment.

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

The Company focuses its efforts on the investment, acquisition and development of various businesses. The Company is actively pursuing investment, acquisition and development of target businesses and expects to secure an investment or acquisition in the near future. Because of management expertise and business alliances the Company expects to succeed in future ventures in growth industries with vast potential within the domestic U.S. market.

**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.

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.

At this time the Company does not have any significant tangible assets and is in the process of identifying suitable targets for acquisition. The Company does not own or lease any real estate other than a month-to month for virtual office space.

**6) Officers, Directors, and Control Persons**

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

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

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned (as converted)	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>George Sharp</u>	<u>CEO</u>	<u>San Diego, CA</u>	<u>375,000,000</u>	<u>Preferred D</u>	<u>100%</u>	<u>      </u>
<u>George Sharp</u>	<u>CEO</u>	<u>San Diego, CA</u>	<u>24,500,000</u>	<u>Common</u>	<u>4.30%</u>	
<u>Len Harris</u>	<u>Director</u>	<u>Vancouver, British Columbia</u>	<u>6,000,000</u>	<u>Common</u>	<u>1.05%</u>	<u>      </u>
<u>John Morse</u>	<u>Over 5%</u>	<u>Fort Myers, FL</u>	<u>207,500</u>	<u>Preferred A</u>	<u>39.80%</u>	
<u>Melin Living Trust DTD</u>	<u>Over 5%</u>	<u>Longview, WA</u>	<u>75,000</u>	<u>Preferred A</u>	<u>14.39%</u>	



<u>11/12/99</u> ( <u>Thomas N Melin &amp; Virginia W Melin TTEE</u> )						
<u>Carl Brandtlow</u>	<u>Over 5%</u>	<u>Fort Myers, FL</u>	<u>37,500</u>	<u>Preferred A</u>	<u>7.19%</u>	
<u>Greystone Funding LLC</u> ( <u>Chris Charman, Manager</u> )	<u>Over 5%</u>	<u>Deltona, FL</u>	<u>59,739</u>	<u>Preferred B</u>	<u>48.38%</u>	
<u>Pinpoint Investments LLC (Fiorvanti Clayton, Manager)</u>	<u>Over 5%</u>	<u>Orlando, FL</u>	<u>59,739</u>	<u>Preferred B</u>	<u>48.38%</u>	

## 7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

NONE

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

NONE

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

NONE

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

NONE

5. Been the subject 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

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

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**

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

### Securities Counsel

Name: Ernest Stern, Esq.  
Firm: Culhane Meadows PLLC  
Address 1: 1701 Pennsylvania Avenue, NW, Suite 200  
Address 2: Washington, DC 20006  
Phone: 301-910-2030  
Email: estern@culhanemeadows.com

### Accountant

Name: Michael Pollack  
Firm: KBL, LLP  
Address 1: 1350 Broadway, Suite 1510  
Address 2: New York, NY 10018  
Phone: 212-785-9700  
Email: mpollack@kbl.com

### Auditor

Name: Fruci & Associates II, PLLC  
Firm: Fruci & Associates II, PLLC  
Address 1: 802 N Washington  
Address 2: Spokane, WA 99210  
Phone: 509-624-9223  
Email: \_\_\_\_\_

## **9) Financial Statements**

- A. This Disclosure Statement was prepared by (name of individual):

Name: George Sharp  
Title: President  
Relationship to Issuer: President

- B. The following financial statements were prepared in accordance with:

☒ U.S. GAAP  
☐ IFRS

- C. The following financial statements for this reporting period were prepared by (name of individual):

Name: Michael Pollack

Title: Consultant  
Relationship to Issuer: N/A

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

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

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

**Included in this document**

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

## 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).

The certifications shall follow the format below:

I, George Sharp certify that:

1. I have reviewed this Quarterly Report of Forwardly, Inc. for the period ended March 31, 2024;
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.

5/14/2024 [Date]

/s/ George Sharp [CEO's Signature]

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

*Principal Financial Officer:*

I, George Sharp certify that:

1. I have reviewed this Quarterly Report of Forwardly, Inc. for the period ended March 31, 2024;
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.

5/14/2024 [Date]

/s/ George Sharp [CFO's Signature]

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

**FORWARDLY, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	<b>March 31, 2024</b>	<b>December 31,</b>
	<b>(unaudited)</b>	<b>2023</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 218,005	\$ 295,162
Investment – HUMBL common stock	8,000	9,000
Investment – Stratos Renewables Corporation	308,000	760,000
Total current assets	<u>534,005</u>	<u>1,064,162</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 534,005</u></u>	 <u><u>\$ 1,064,162</u></u>
 <b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 15,537	\$ 44,897
Accrued expenses – related party	1,157,100	1,096,200
Due to related party	7,329	7,329
Total current liabilities	<u>1,179,966</u>	<u>1,148,426</u>
 <b>TOTAL LIABILITIES</b>	 <u>1,179,966</u>	 <u>1,148,426</u>
 Commitments and contingencies	 -	 -
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, \$0.001 par value, 40,000,000 shares authorized		
Series A Preferred stock, par value \$0.001; 24,000,000 shares authorized;		
521,413 shares issued and outstanding as of March 31, 2024 and December		
31, 2023, respectively	521	521
Series B Preferred stock, par value \$0.001; 1,500,000 shares authorized;		
123,478 shares issued and outstanding as of March 31, 2024 and December		
31, 2023, respectively	123	123
Series C Preferred stock, par value \$0.001; 5,000,000 shares authorized; 0		
shares issued and outstanding as of March 31, 2024 and December 31, 2023,		
respectively	-	-
Series D preferred stock; par value \$0.001; 5,000,000 shares authorized;		
300,000 shares issued and outstanding as of March 31, 2024 and December		
31, 2023, respectively	300	300
Common stock, par value \$0.001; 1,360,000,000 shares authorized, 569,654,257		
and 569,654,257 shares issued and outstanding as of March 31, 2024 and		
December 31, 2023, respectively	569,654	569,654
Additional paid in capital	6,791,669	6,791,669
Accumulated deficit	(8,008,228)	(7,446,531)
Total stockholders' equity (deficit)	<u>(645,961)</u>	<u>(84,264)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<u><u>\$ 534,005</u></u>	<u><u>\$ 1,064,162</u></u>

See notes to consolidated financial statements.

**FORWARDLY, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
**THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
REVENUES	\$ -	\$ -
COST OF REVENUES	<u>-</u>	<u>-</u>
GROSS PROFIT	-	-
OPERATING EXPENSES:		
Professional fees	102,460	301,800
Impairment – digital assets	-	5,126
Bad debt	7,479	7,397
General and administrative	6,237	721
Total operating expenses	<u>116,176</u>	<u>315,044</u>
LOSS FROM OPERATIONS BEFORE OTHER EXPENSES	(116,176)	(315,044)
OTHER INCOME (EXPENSE):		
Unrealized gain (loss) on investment	(453,000)	(17,000)
Interest expense, net of interest income	7,479	7,397
Total other income (expense)	<u>(445,521)</u>	<u>(9,603)</u>
LOSS FROM CONTINUING OPERATIONS BEFORE BENEFIT (PROVISION) FOR INCOME TAXES	<u>(561,697)</u>	<u>(324,647)</u>
BENEFIT (PROVISION) FOR INCOME TAXES	-	-
NET LOSS	<u>\$ (561,697)</u>	<u>\$ (324,647)</u>
NET LOSS PER SHARE		
Basic and diluted	\$ (0.00)	\$ (0.00)
SHARES USED IN CALCULATION OF NET LOSS PER SHARE		
Basic and diluted	569,654,257	558,154,257

See notes to consolidated financial statements.

**FORWARDLY, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net loss	\$ (561,697)	\$ (324,647)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Impairment of digital assets	-	5,126
Bad debt	7,479	7,397
Common shares issued for services	-	228,850
Unrealized loss on investment	453,000	17,000
Changes in assets and liabilities		
Prepaid expenses and other current assets	(7,479)	(7,397)
Change in related party payable	-	421
Accounts payable and accrued expenses	31,540	40,139
Net cash used in operating activities	<u>(77,157)</u>	<u>(33,111)</u>
NET DECREASE IN CASH	(77,157)	(33,111)
Cash - beginning of period	295,162	408,460
Cash - end of period	<u>\$ 218,005</u>	<u>\$ 375,349</u>
SUPPLEMENTAL DISCLOSURES:		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

See notes to consolidated financial statements.

**FORWARDLY, INC.**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED)**  
**THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	<b>Preferred</b>		<b>Common</b>		<b>Additional</b>	<b>Accumulated</b>	<b>Total</b>
	<b>Shares</b>	<b>Amount</b>	<b>Shares</b>	<b>Amount</b>	<b>Paid-In Capital</b>	<b>Deficit</b>	
Balances at December 31, 2022	944,891	\$944	558,154,257	\$558,154	\$ 6,574,319	\$(7,082,194 )	\$ 51,223
Shares issued for services rendered	-	-	11,500,000	11,500	217,350	-	228,850
Net loss for the period	-	-	-	-	-	(324,647)	(324,647)
Balances at March 31, 2023	944,891	\$ 944	569,654,257	\$569,654	\$6,791,669	\$(7,406,841)	\$ (44,574)
Balances at December 31, 2023	944,891	\$944	569,654,257	\$569,654	\$ 6,791,669	\$(7,446,531 )	\$ (84,264)
Net loss for the period	-	-	-	-	-	(561,697)	(561,697)
Balances at March 31, 2024	944,891	\$ 944	569,654,257	\$569,654	\$6,791,669	\$(8,008,228)	\$ (645,961)

See notes to consolidated financial statements.



**FORWARDLY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2024**

**NOTE 1- NATURE OF OPERATIONS**

**Nature of Operations**

Forwardly, Inc. (the “Company”) was incorporated in the State of Nevada on September 27, 2005. The Company is a holding company organized with a goal of investing, acquiring and managing a diversified portfolio of profitable, growth-oriented companies.

On June 1, 2020, the Company formed Breathe Medical Devices, Inc., through which the Company intends to perform the Exclusive Distributor Agreement they entered into with Ligand Innovation Global for the sale of portable ventilator medical equipment, under the brand name LifeAir G1 throughout the United States in perpetuity, subject to a right of Ligand Innovation Global to terminate the Exclusive Distributor Agreement if the Company has not sold at least 1,000 portable ventilators within two years following United States Food and Drug Administration approval of the ventilator equipment. No approvals have occurred as of March 31, 2024.

***Going Concern***

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. Significant factors in the management of liquidity are funds generated by operations, levels of accounts receivable and accounts payable and capital expenditures.

We have incurred an increased accumulated deficit as of March 31, 2024 as we continued to identify acquisition candidates as Ligand Innovation Global continues going through the development process. We have no revenues to date and have streamlined our operations significantly until such time as our operations can sustain themselves. We have converted and/or repaid our convertible notes and the related party debt which was incurred in 2021.

As of March 31, 2024, we had \$218,005 in cash. The losses incurred in the year ended December 31, 2023 and three months ended March 31, 2024 related to professional fees incurred in operating the business offset by unrealized gains on the stock we own.

As a result of the operating losses and accumulated deficit, management has determined that there is substantial doubt about the Company’s ability to continue as a going concern.

The consolidated financial statements of the Company have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period. The consolidated financial statements of the Company do not include any adjustments that may result from the outcome of the uncertainties.

***Impact of COVID-19***

The COVID-19 pandemic previously had a profound effect on the U.S. and global economy and may continue to affect the economy and the industries in which we operate, depending on the vaccine rollouts and the emergence of virus mutations.

COVID-19 did not have a material effect on the Consolidated Statements of Operations or the Consolidated Balance Sheets.

Our ability to access the capital markets and maintain existing operations is unknown during the COVID-19 pandemic. Any such limitation on available financing and how we conduct business with our customers and vendors would adversely affect our business.

Because the federal government and some state and local authorities are reacting to the many variants of COVID-19, it is creating uncertainty on whether these actions could disrupt the operation of the Company's business and have an adverse effect on the Company. The extent to which the COVID-19 outbreak may impact the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

## **NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

These consolidated financial statements are presented in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America. The Company believes that these consolidated financial statements present fairly, in all material respects, the financial position of the Company and the results of its operations and cash flows for the periods presented.

The consolidated financial statements include the accounts of the Company as well as their wholly-owned subsidiary, Breathe Medical Devices, Inc. Breathe Medical Devices, Inc. is dormant and has no activity. All inter-company transactions have been eliminated in consolidation.

The Company has a calendar year-end accounting period.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates include, but are not limited to, management's estimate of provisions required for permanent and temporary differences related to income taxes, liabilities to accrue, and determination of the fair value of stock awards. Actual results could differ from those estimates.

### **Cash**

Cash consists of cash and demand deposits with an original maturity of three months or less. The Company holds no cash equivalents as of March 31, 2024 and December 31, 2023, respectively. The Company maintains cash balances in excess of the FDIC insured limit at a single bank.

### **Receivables and Concentration of Credit Risk**

When the Company records an allowance for doubtful accounts it is based on management's estimate of the overall collectability of accounts receivable, considering historical losses, credit insurance and economic conditions. Based on these same factors, individual accounts are charged off against the allowance when management determines those individual accounts are uncollectible. Credit extended to customers is generally uncollateralized. Past-due status is based on contractual terms. The Company recorded an allowance for their note receivable for the full amount as collection of this note is uncertain.

## **Measurement of Credit Losses on Financial Instruments**

The Financial Accounting Standards Board ("FASB") issued ASC 326 "Financial Instruments – Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments" ("ASC 326"), which replaces the existing incurred loss model with a current expected credit loss (CECL) model that requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The Company adopted ASC 326 on January 1, 2023, which did not have a material impact on its financial statements or accounting policies.

## **Revenue Recognition**

The Company will account for a contract with a customer that is within the scope of this Topic only when the five steps of revenue recognition under ASC 606 are met.

The five core principles will be evaluated for each service provided by the Company and is further supported by applicable guidance in ASC 606 to support the Company's recognition of revenue.

The Company has not recognized any revenue to date.

## **Income Taxes**

Income taxes are accounted under the asset and liability method. The current charge for income tax expense is calculated in accordance with the relevant tax regulations applicable to the entities. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Differences between statutory tax rates and effective tax rates relate to permanent tax differences.

## **Uncertain Tax Positions**

The Company follows ASC 740-10 Accounting for Uncertainty in Income Taxes. This requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. Management evaluates their tax positions on an annual basis.

The Company files income tax returns in the U.S. federal tax jurisdiction and various state tax jurisdictions. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

## **Earnings (Loss) Per Share of Common Stock**

Basic net income (loss) per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share ("EPS") include additional dilution from common stock equivalents, such as convertible notes, preferred stock, stock issuable pursuant to the exercise of stock options and warrants.

Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented, so only the basic weighted average number of common shares are used in the computations.

## **Digital Assets**

Digital assets are included in the consolidated balance sheets. We have ownership of and control over our digital assets and may use third party custodial services to secure them. Digital assets are initially recorded at cost and are subsequently remeasured at cost, net of any impairment losses on our consolidated balance sheets. We assign costs to digital asset transactions on a first-in, first-out basis. Gains or losses are not recorded until realized upon sale(s).

We determine the fair value of our digital assets on a nonrecurring basis, based on quoted prices on the active exchange(s) that we have determined is the principal market for such assets (Level 1 inputs). We perform a quarterly, or more frequent review to identify whether events or changes in circumstances, principally decreases in the quoted prices on active exchanges on any day during the quarter, indicate that it is more likely than not that our digital assets are impaired.

The cost basis of digital assets will not be adjusted upward for subsequent increases in fair value. Such impairment in the value of digital assets is recorded as a component of other operating expenses in our consolidated statements of operations. We recorded an impairment loss of approximately \$5,126 related to digital assets during the three months ended March 31, 2023. On September 30, 2023, the Company wrote off the remaining digital assets as Management deemed this worthless.

## **Fair Value Measurements**

ASC 820 Fair Value Measurements defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. ASC 820 classifies these inputs into the following hierarchy:

Level 1 inputs: Quoted prices for identical instruments in active markets.

Level 2 inputs: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 inputs: Instruments with primarily unobservable value drivers.

Financial instruments consist principally of cash, accounts receivable and other receivables, accounts payable and accrued liabilities, notes payable, and amounts due to related parties. We measure our investments at cost less any impairment, and our notes receivable are at cost less any reserve for uncollectible amounts. Gains and losses of the securities we own are reflected in the statements of operations. The fair value of cash is determined based on Level 1 inputs. There were no transfers into or out of "Level 3" during the periods ended March 31, 2024 and 2023. The recorded values of all other financial instruments approximate their current fair values because of their nature and respective relatively short maturity dates or durations.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

	Level 1	Level 2	Level 3
March 31, 2024			
Investment – HUMBL stock	\$ 8,000	\$ -	\$
Investment – Stratos Renewables Corporation	308,000	-	
December 31, 2023			
Investment – HUMBL stock	\$ 9,000	\$ -	\$
Investment – Stratos Renewables Corporation	760,000	-	

### NOTE 3-STOCKHOLDERS' EQUITY (DEFICIT)

For the periods ended March 31, 2024 and December 31, 2023:

Class of Preferred	Issued and Outstanding	Voting Rights	Conversion Rights
Series A	521,413	521,413	521,413
Series B	123,478	123,478	123,478
Series C	0	0	0
Series D	300,000	375,000,000	375,000,000

There are no dividend, liquidation or redemption or sinking fund provisions.

In March 2023, the Company issued 11,500,000 shares of common stock for services valued at \$228,850.

As of March 31, 2024 and December 31, 2023, the Company has 569,654,257 shares of common stock issued and outstanding.

## Common Stock Warrants

The following schedule summarizes the changes in the Company's common stock warrants:

	Warrants Outstanding		Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value	Weighted Average Exercise Price Per Share
	Number Of Shares	Exercise Price Per Share			
Balance at December 31, 2022	40,893,333	\$ 0.0064-0.25	0.96 years	\$ -	\$ 0.21
Warrants granted	-	\$ -	-		\$ -
Warrants exercised/exchanged	-	\$ -	-		\$ -
Warrants expired/cancelled	(11,893,333)	\$ -	-		\$ -
Balance at December 31, 2023	29,000,000	\$ 0.0064-0.25	0.08 years	\$ -	\$ 0.25
Warrants granted	-	\$ -	-		\$ -
Warrants exercised/exchanged	-	\$ -	-		\$ -
Warrants expired/cancelled	(29,000,000)	\$ -	-		\$ -
Balance at March 31, 2024	-	\$ -	-	\$ -	\$ -
Exercisable at March 31, 2024	-	\$ -	-	\$ -	\$ -

There were 11,893,333 warrants expired in the year ended December 31, 2023 and 29,000,000 warrants expired during the three months ended March 31, 2024.

## NOTE 4 – COMMITMENTS

### Ligand Innovation Global

On May 26, 2020, the Company and Ligand Innovation Global, a Canadian Corporation ("Ligand") entered into an Exclusive Distributor Agreement ("Distributor Agreement").

Pursuant to the Distributor Agreement, the Company is appointed the exclusive distributor for all portable ventilator product lines, including, but not limited to, all models, variations, generations and upgrades to the product currently identified as LifeAir G1, and any similar product lines under different names ("Product") in the United States of America ("Territory"). The Distributor Agreement shall continue in perpetuity unless terminated earlier and may be terminated for breach if any party defaults in the performance of any material obligation in the Distributor Agreement, for insolvency, by Ligand for lack of performance should the Company in two years after approval by the United States Food and Drug Administration no sell at least 1,000 units, and under which the Company agreed to issue 2,000 shares of Series D Preferred Stock upon Ligand's ventilators receiving FDA approval for commercial use and an option to purchase 10 million shares of the Company's common stock for a 12 month exercise period upon such FDA approval as well as availability of the ventilators for sale by the Company.

The Company was notified that the FDA has rejected the application for Emergency Use Authorization and will continue to focus on the full application to the FDA and on exploring alternate jurisdictions for approval of the LifeAirG1.

On April 8, 2021, Ligand and the Company entered into a Share Purchase Agreement (the "SPA") whereby the Company has agreed to purchase 33.33% of Ligand for \$1,000,000 which is equal to 1,304,152 shares of Ligand stock. The Company will be the largest individual shareholder in Ligand but does not exercise any operational or financial control of Ligand. The Company will account for this investment under the guidance of ASC 321. The Company has elected to apply the measurement alternative discussed in ASC 321-10-35-2, and as a result will measure the investment at cost and adjust to fair value if impaired or upon observable prices. The Company determined to impair the investment at June 30, 2022.

### **HUMBL, Inc.**

On November 23, 2020 (closed on December 4, 2020), the Company and HUMBL Inc. (formerly Tesoro Enterprises, Inc) ("HUMBL") entered into a Warrant Purchase Agreement ("Warrant Agreement").

Pursuant to the Warrant Agreement, the Company paid \$200,000 (cost of \$0.0016 post-split of HUMBL) to HUMBL to purchase post-split (effective February 26, 2021) 125,000,000 warrants ("Warrant Shares") of HUMBL at an exercise price of \$0.20 per share, upon completion of the merger HUMBL and HUMBL LLC, a Delaware limited liability company. The Company expensed \$16,000 related to these warrants when 10,000,000 warrants were exercised.

On November 18, 2021, the Company entered into a Share Registration Agreement with HUMBL under which HUMBL agreed to register the Warrant Shares through the filing with the SEC of a Form S-1 and to extend the exercise period from December 3, 2022 to December 31, 2023. The Company exercised 10,000,000 warrants on January 21, 2022. As of December 31, 2023 and December 31, 2022, the Company owns 10,000,000 shares of HUMBL, Inc. (See Note 8).

The Company's CEO loaned the Company \$2,000,000 to allow the Company to purchase the Warrant Shares under the terms of the Share Registration Agreement.

The Company had elected to account for the purchase of this warrant as an investment under the guidance of ASC 321. The warrants are not traded on a national exchange, so do not have a readily determinable fair value as defined in ASC 321. The Company has elected to apply the measurement alternative discussed in ASC 321-10-35-2, and as a result will measure the investment at cost and adjust to fair value if impaired or upon observable prices.

On November 15, 2022, the Company and HUMBL entered into a Settlement Agreement and Mutual Release of Claims (the "Settlement Agreement"). Under the terms of the Settlement Agreement, HUMBL agreed to pay \$2,200,000 in the form of a Promissory Note and execute a confession of judgment to settle certain disputes between the parties. In return, the Company agreed to return their 115,000,000 unexercised warrants to HUMBL. The 10,000,000 shares issued to the Company from the original 125,000,000 warrants which represented the 10,000,000 warrant exercise in January 2022, will be retained by the Company in lieu of interest on the note.

The Promissory Note is to be repaid in five equal monthly payments of \$440,000 commencing November 15, 2022 with final payment due on March 15, 2023. The Company received four of the five installments, including the January and February 2023 payments on December 30, 2022 and agreed to extend the March 15, 2023 payment to June 15, 2023. The Company was paid the remaining \$440,000 in June 2023.

## **NOTE 5 – NOTE RECEIVABLE**

On April 12, 2021, the Company invested \$200,000 in the form of a one-year fixed rate convertible loan in Maverick Energy Group, Inc. (“Maverick”). The convertible loan bears interest at the rate of 15% per annum and is convertible into shares of Maverick’s common stock at \$0.20 per share. The convertible loan is currently in default as this has not been repaid to the Company nor converted. The loan agreement also provides the Company with a two-year warrant enabling the Company to purchase up to 2,000,000 shares of common stock at \$0.35 per share. Maverick was in default of this note, and Management had initiated a lawsuit against Maverick for repayment of the note and the accrued interest. As of June 30, 2022, Management had determined to reserve both the note receivable of \$200,000 plus the accrued interest receivable.

On March 13, 2023, Maverick confessed and authorized the entry of judgment in favor of the Company in the sum of \$264,027.23 (which included legal fees incurred by the Company of \$6,494.23) through March 13, 2023, with interest continuing to accrue at 15% per annum. The Company continues to reserve this judgment due to the uncertainty that Maverick will be able to pay the fees noted herein. The interest income earned has been reflected as bad debt expense for the three months ended March 31, 2024 and 2023, respectively.

## **NOTE 6 – INVESTMENTS**

### HUMBL

The Company recognized an investment of \$2,000,000 on January 21, 2022 when they exercised 10,000,000 warrants for 10,000,000 shares of common stock of HUMBL, Inc. The Company does not exhibit any control over HUMBL and their investment represents less than 1% of the total issued and outstanding shares of HUMBL, Inc. There was an unrealized loss of \$1,000 and \$17,000 for the three months ended March 31, 2024 and 2023, respectively. The value of the investment is \$8,000 as of March 31, 2024.

### Stratos Renewables Corporation

On August 11, 2023, the Board of Directors of the Company approved the purchase of 2,000,000 units with each unit consisting of 1 share of common stock, 1 warrant at an exercise price of \$0.30 per share expiring December 31, 2024 and 1 warrant at an exercise price of \$0.50 per share expiring December 31, 2026 of Stratos Renewables Corporation for a purchase price of \$400,000. The Company recorded \$452,000 in unrealized losses for the three months ended March 31, 2024. The value of the investment is \$308,000 as of March 31, 2024. Stratos Renewables Corporation is a related party as the CEO and Director of the Company is also the CEO and Director of Stratos Renewables Corporation.

## **NOTE 7 – DIGITAL ASSETS**

The Company purchased 10,000,000 BLOCKS, with a value of \$250,000 on January 19, 2022. As of March 31, 2024, the Company still owns the 10,000,000 BLOCKS, however, this amount has been written off as of September 30, 2023 as Management had determined there to be no market to sell these digital assets as the value has dropped significantly. Impairment expense on the digital assets for the three months ended March 31, 2023 was \$5,126.

## **NOTE 8 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events up through May 14, 2024, the date in which the consolidated financial statements were issued.