

Parliament House Enterprises, Inc.

Amendment to [Annual Report](#) - FYE 12-31-2023 Disclosure & Financials
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Explanatory Note:
AUDITED FS 12-31-23

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PRIDE HOLDINGS GROUP
(PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)

Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

PRIDE HOLDINGS GROUP (PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)

TABLE OF CONTENTS

	Page
Report of Independent Registered Public Accounting Firm	3
FINANCIAL STATEMENTS	
Balance Sheets as of December 31, 2024 and 2023	4
Statements of Operations for the Years Ended December 31, 2024 and 2023	5
Statements of Changes in Stockholders' Deficit for the Years Ended December 31, 2024 and 2023	6
Statements of Cash Flows for the Years Ended December 31, 2024 and 2023	7
Notes to the Financial Statements	8



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Pride Holdings Group
(Previously known as Parliament House Enterprise, Inc.)

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Pride Holdings Group (the "Company") as of December 31, 2024 and 2023, and the related statements of operations, changes in stockholders' deficit and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Uncertainty

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has suffered recurring losses and has negative cash flows from operations, as well as an accumulated deficit as of December 31, 2024 that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included

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examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

RBSM LLP

We have served as the Company's auditor since 2025.

New York, NY
December 19, 2025

PRIDE HOLDINGS GROUP (PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)
BALANCE SHEETS

	December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash	\$ 367,094	\$ 5,359
Total assets	\$ 367,094	\$ 5,359
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 3,096	\$ -
Accrued expenses	101,775	8,919
Notes payable, net	735,000	86,066
Note payable - related party	383,211	-
Stock to be issued	250,000	250,000
Total current liabilities	1,473,082	344,985
Notes payable, net of current portion	167,541	-
Total liabilities	1,640,623	344,985
Commitments and contingencies		
Stockholders' deficit:		
Preferred A stock - \$0.001 par value, authorized - 100 shares, 100 shares issued and outstanding as of December 31, 2024 and 2023	-	-
Common stock - \$0.001 par value, 2,000,000,000 and 2,500,000,000 shares authorized, 851,638,537 and 839,888,537 shares issued and outstanding as of December 31 2024 and 2023, respectively	851,638	839,888
Additional paid-in capital	12,325,705	12,302,205
Accumulated deficit	(14,450,872)	(13,481,719)
Total stockholders' deficit	(1,273,529)	(339,626)
Total liabilities and stockholders' deficit	\$ 367,094	\$ 5,359

See accompanying notes to the financial statements.

**PRIDE HOLDINGS GROUP(PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)
STATEMENTS OF OPERATIONS**

	For the Years Ended December 31,	
	2024	2023
Operating expenses:		
General and administrative	\$ 243,788	\$ 770,605
Professional fees	56,931	72,650
Officer compensation	-	325,000
Impairment of assets	232,352	2,193,183
Total operating expenses	<u>533,071</u>	<u>3,361,438</u>
Loss from operations	(533,071)	(3,361,438)
Other income (expense):		
Interest expense	(411,082)	(126,593)
Forgiveness of accounts payable and debt	-	330,933
Loss on debt issuance	-	(271,978)
Loss on extinguishment of debt	(25,000)	(65,000)
Total other expense	<u>(436,082)</u>	<u>(132,638)</u>
Net loss	<u>\$ (969,153)</u>	<u>\$ (3,494,076)</u>
Weighted average common shares outstanding - basic and diluted	<u>848,980,256</u>	<u>302,524,455</u>
Net loss per common share - basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>

See accompanying notes to the financial statements.

PRIDE HOLDINGS GROUP(PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

	Preferred A Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-In Capital	Deficit	Stockholders' Deficit
Balances at December 31, 2022	-	\$ -	93,896,314	\$ 93,896	\$ 13,416,219	\$ (9,987,643)	\$ 3,522,472
Common stock retired/returned to treasury	-	-	(51,807,777)	(51,808)	(1,672,192)	-	(1,724,000)
Common stock issued for officer compensation	-	-	100,000,000	100,000	200,000	-	300,000
Common stock issued for services	-	-	41,900,000	41,900	377,100	-	419,000
Common stock issued for note	-	-	41,900,000	41,900	377,100	-	419,000
Preferred stock issued for officer compensation	100	-	-	-	-	-	-
Common stock issued pursuant to recapitalization	-	-	614,000,000	614,000	(614,000)	-	-
Common stock to be issued (Costello) - reverse stock to be issued	-	-	-	-	50,000	-	50,000
Common stock issued for the new shareholder received from old shareholder	-	-	100,000,000	100,000	200,000	-	300,000
Common stock issued for officer compensation- cancelled and transferred to the new shareholder	-	-	(100,000,000)	(100,000)	(200,000)	-	(300,000)
Equity classified warrants issued to AJB (in connection with promissory note)	-	-	-	-	167,978	-	167,978
Net loss	-	-	-	-	-	(3,494,076)	(3,494,076)
Balances at December 31, 2023	100	-	839,888,537	839,888	12,302,205	(13,481,719)	(339,626)
Common stock issued for services	-	-	1,250,000	1,250	2,500	-	3,750
Common stock issued for officer compensation	-	-	7,500,000	7,500	15,000	-	22,500
Common stock issued for non-cash interest	-	-	3,000,000	3,000	6,000	-	9,000
Net loss	-	-	-	-	-	(969,153)	(969,153)
Balances at December 31, 2024	100	\$ -	851,638,537	\$ 851,638	\$ 12,325,705	\$ (14,450,872)	\$ (1,273,529)

See accompanying notes to the financial statements.

PRIDE HOLDINGS GROUP(PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)
STATEMENTS OF CASH FLOWS

	For the Years Ended	
	December 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (969,153)	\$ (3,494,076)
Adjustments to reconcile net loss to net cash used in operating activities:		
Impairment of assets	232,352	2,193,183
Amortization of debt discount	313,976	86,066
Forgiveness of accounts payable and debt	-	(330,933)
Loss on issuance of debt	-	271,978
Loss on extinguishment of debt	25,000	65,000
Common stock issued for officer compensation	-	300,000
Common stock issued for non-cash interest	9,000	-
Common stock issued for services	3,750	419,000
Changes in operating asset and liability account balances:		
Other assets	(232,353)	-
Accounts payable	3,096	(12,434)
Stock to be issued	-	185,000
Accrued expenses	67,856	7,575
Net cash used in operating activities	<u>(546,476)</u>	<u>(309,641)</u>
Cash flows from financing activities:		
Proceeds from notes payable	525,000	315,000
Proceeds from notes payable - related parties	630,000	-
Repayment of notes payable - related parties	(246,789)	-
Net cash provided by financing activities	<u>908,211</u>	<u>315,000</u>
Net increase in cash	361,735	5,359
Cash at beginning of year	5,359	-
Cash at end of year	<u>\$ 367,094</u>	<u>\$ 5,359</u>
Supplemental Schedule of Cash Flow Information:		
Cash paid for interest	<u>\$ 25,000</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>
Supplemental Schedules of Non-cash Investing and Financing Activities:		
Warrants issued with note payable	<u>\$ -</u>	<u>\$ 167,978</u>
Shares retired/returned in exchange for the return of fair value of assets	<u>\$ -</u>	<u>\$ 1,724,000</u>
Incentive stock issued for note payable	<u>\$ 22,500</u>	<u>\$ 419,000</u>

See accompanying notes to the financial statements.

**PRIDE HOLDINGS GROUP (PREVIOUSLY KNOWN AS PARLIAMENT HOUSE ENTERPRISES, INC.)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS

Pride Holdings Group (the “Company”), is a Nevada corporation formed on February 23, 2007. The Company operates in the LGBTQ+ hospitality and entertainment business. The Company, through its subsidiaries acquired in 2025 (see Note 10), focuses on the bar, pub, tavern, restaurant, hotels, nightclubs, and live adult entertainment industry serving the LGBTQ population. On July 18, 2025, the Company legally changed its name from “Parliament House Enterprises, Inc.” to “Pride Holdings Group.”

On August 6, 2020, the Company entered into an Asset Purchase Agreement with Hempstract, LLC, a Washington limited liability company, pursuant to which the Company acquired all of Hempstract’s assets, including licenses, equipment, materials, inventory, assignment of all leases, services, and vendor contracts for the purchase price of 36,800,000 common shares of the Company.

At the time of its acquisition of the Hempstract business, the Company discontinued and spun off its oil and gas interests and put into place a new business plan to develop and sell hemp-based products.

The Company was in the process of renovating a historic ICBM Titan Missile facility site in eastern Washington state to produce high quality THC-Free products that are derived from non-GMO industrial hemp grown with natural farming practices. The planned products included CBD Isolate & distillate oil, nutritional whole plant extract for topicals, lotions, bath bombs, pills and pet products. Focused on hemp, the laboratory continues isolating novel cannabinoids and developing new processes for the isolation of CBD. In addition, the lab developed many new formulations and applications for CBD and related cannabinoids.

Since the acquisition there has been a lawsuit between the parties involved in the asset purchase related to trademark infringement. In January of 2023 the parties agreed to a mutual dismissal of the complaints. On January 11, 2023 Hempstract, Inc., plaintiff, and defendants Gregory Haynes and Kim Melbye agreed to a mutual dismissal of a lawsuit and complaints related to trademark infringement. The action was dismissed in its entirety, without prejudice, with each party bearing its own attorney fees and costs.

The name of the Company was “Parliament House Enterprises, Inc” until July 17, 2025. The predecessor entities were Hempstract Inc. until February 29, 2024.

On September 19, 2023, the majority shareholder and control person of Hempstract, Inc. (“HPST”) and MarGran LLC, a Wyoming Limited Liability Company (“MarGran”), executed a Stock Purchase Agreement. In the transaction MarGran, LLC purchased 100,000,000 common shares of HPST and purchased 100 Series A Preferred shares of HPST. The transaction closed on October 2, 2023. Further pursuant to the transaction, the Company’s Board of Directors approved an amendment to the Company’s Articles of Incorporation to increase the total number of common shares of the Company to 2,000,000,000. On September 28, 2023, by majority written consent of the shareholders eligible to vote, the shareholders approved an amendment to the Company’s Articles of Incorporation increasing the Company’s authorized shares to 2,000,000,000 shares. As a result of this agreement, MarGran, LLC now holds 714,000,000 Common shares of the Company representing 85% of the issued and outstanding common shares, and 100 Series “A” Preferred shares of the Company representing 100% of the issued and outstanding Series “A” Preferred class of shares.

The transaction was accounted for as a "reverse recapitalization" in accordance with Accounting Standards Codification (“ASC”) 805, *Business Combination*. MarGran was determined not to meet the definition of a "business" under ASC 805. Accordingly, the transaction was treated as a capital transaction involving the issuance of stock by the Company for the net assets of MarGran. MarGran was created to buy shares of HPST and do not have assets. Consequently, the assets and liabilities and the historical operations that are reflected in the financial statements are those of Pride Holdings Group and are recorded at their historical cost basis. No goodwill or intangible assets were recognized as a result of the transaction.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

Basis of Presentation

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company has adopted a December 31 year-end.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. but are not limited to, provision for income taxes. The Company bases its estimates on historical experience, known trends and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates when there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. As of December 31, 2024 and 2023, the Company held cash in bank of \$367,094 and \$5,359, respectively. The Company did not have cash equivalents as of December 31, 2024 and 2023.

Concentration of Credit Risk

The Company maintains its cash with a bank located in the United States of America and believes it to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the Fund may maintain balances in excess of the federally insured limits. At December 31, 2024 and 2023, the Company has not experienced losses on this account and management believes the Company is not exposed to significant risks on such account.

Fair Value of Financial Instruments

The Company adopted the ASC-820 “Fair Value Measurement” related to fair value measurement at inception. The standard defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The standard applies under other accounting pronouncements that require or permit fair value measurements and, accordingly, does not require any new fair value measurements. The standard clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard established a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets;
- Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly;
and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

At December 31, 2024, and 2023, the carrying amounts of accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments.

Warrants

The Company evaluates all warrants in accordance with ASC 480, *Distinguishing Liabilities from Equity*, and ASC 815-40, *Derivatives and Hedging – Contracts in Entity’s Own Equity*, to determine whether the instruments should be classified as equity or liability. Warrants that meet the equity classification criteria under ASC 815-40 are recorded in additional paid-in capital and are not subsequently remeasured. Warrants that do not meet these criteria are classified as liabilities and initially measured at fair value, with subsequent remeasurement at each reporting date and changes in fair value recognized in earnings.

The fair value of warrants is determined using the Black-Scholes option pricing model in accordance with ASC 820, *Fair Value Measurement*, which incorporates assumptions such as expected volatility, expected term, risk-free interest rate, and dividend yield.

Impairment of Long-lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows. If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. The Company recognized impairment of certain assets of \$232,352 and \$2,193,183 for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, there were no assets aside from cash.

Debt Discount and Issuance Costs

Debt discount and debt issuance costs are presented as a direct deduction from the carrying amount of the related debt liability on the balance sheets, pursuant to Financial Accounting Standards Board (“FASB”) ASC 835-30 and ASC 470. These costs and discounts are amortized to interest expense over the term of the debt using the effective interest method.

Gain (Loss) on Extinguishment of Debt

The Company accounts for the extinguishment of debt in accordance with ASC 470-50, *Debt—Modifications and Extinguishments*. A liability is considered extinguished if the debtor pays the creditor and is legally relieved of the obligation. Upon extinguishment, a gain or loss is recognized currently in income and is not deferred or amortized (ASC 470-50-40-2). This gain or loss is measured as the difference between the reacquisition price (the amount paid to retire the debt) and the net carrying amount of the extinguished debt. The net carrying amount represents the face value of the debt adjusted for any unamortized premium, discount, or debt issuance costs (ASC 835-30-45-1A). Gains and losses on the extinguishment of debt are classified as a separate line item within the Non-Operating Income (Expense) section of the Statements of Operations (ASC 470-50-40-2).

Earnings Per Share

The company adopted the provisions of SFAS No. 128, “Earnings per Share.” SFAS No. 128 requires the presentation of basic and diluted earnings per share (“EPS”). Basic EPS is computed by dividing income or losses available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS includes the potential dilution that could occur if options or other contracts to issue common stock were exercised or converted.

The Company has issued warrants in connection with debt financings (see Note 4).

General and Administrative Expenses

General and administrative expenses are recognized in the period in which they are incurred and consist primarily of costs related to the Company’s corporate, executive, and administrative functions. These expenses include consulting services, information technology, administrative payroll and other corporate overhead.

Segment Reporting

ASC Topic 280, “Segment Reporting,” establishes standards for companies to report in their financial statement information about operating segments, products, services, geographic areas, and major customers. Operating segments are defined as components of an enterprise for which separate financial information is available that is regularly evaluated by the Company’s chief operating decision maker, or group, in deciding how to allocate resources and assess performance.

Related Parties

Related parties are any entities or individuals that, through employment, ownership or other means, possess the ability to direct or cause the direction of the management and policies of the Company. The Company discloses related party transactions that are outside of normal compensatory agreements, such as loans. The Company follows ASC 850, *Related Party Disclosures*, for the identification of related parties and disclosure of related party transactions.

Income Taxes

The provision for income taxes is the total of the current taxes payable and the net of the change in the deferred income taxes. Provision is made for the deferred income taxes where differences exist between the period in which transactions affect current taxable income and the period in which they enter into the determination of net income in the financial statements.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income taxes* (Topic 740): Improvements to Income Tax Disclosure (“ASU 2023-09”), which enhances the transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for fiscal years beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the impact of the pending adoption of ASU 2023-09 on its financial statements.

In November 2023, the FASB issued ASU No. 2023-07, *Improvements to Reportable Segment Disclosures* (Topic 280). This ASU updates reportable segment disclosure requirements by requiring disclosures of significant reportable segment expenses that are regularly provided to the Chief Operating Decision Maker (“CODM”) and included within each reported measure of a segment's profit or loss. This ASU also requires disclosure of the title and position of the individual identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. The ASU is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company adopted this ASU on January 1, 2024.

In August 2020, the FASB issued Accounting Standards Update (“ASU”) No. 2020-06, *Debt — Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging — Contracts in Entity's Own Equity* (Subtopic 815-40): *Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* (“ASU 2020-06”), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. The ASU also removes certain settlement conditions that are required for equity-linked contracts to qualify for the derivative scope exception, and it simplifies the diluted earnings per share calculation in certain areas. The Company adopted ASU 2020-06 from the Company's inception. Adoption of the ASU did not impact the Company's financial position, results of operations or cash flows.

Management does not believe that any recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

NOTE 3. GOING CONCERN AND MANAGEMENT'S LIQUIDITY PLANS

The Company has evaluated whether there are certain conditions and events, considered in the aggregate, that raise substantial doubt and the Company's ability to continue as a going concern within one year after the date that the financial statements are issued.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated revenue and profits since inception, has sustained net losses of \$969,153 and \$3,494,076 for the years ended December 31, 2024 and 2023, respectively, and has incurred negative cash flows of \$546,476 from operations for the year ended December 31, 2024. As of December 31, 2024, the Company had an accumulated deficit of \$14,450,872. The Company's cash balance and no revenues generated to-date are not currently sufficient and cannot be projected to cover its operating expenses and obligations for the next 12 months from the date of these financial

statements. These factors among others raise substantial doubt about the Company's ability to continue as a going concern for a period of 12 months from the issuance date of this report.

The Company's primary source of operating funds in 2024 and 2023 has been from funds generated from the sale of common shares and debt. The Company has experienced net losses from operations since inception but expects these conditions to improve in future years as it pursues its business model.

The Company has no revenue, a sustained losses, negative cash flows and a stockholders' deficit at December 31, 2024 and requires additional financing to fund future operations which do date is not guaranteed and will depend on the Company's ability to raise additional capital.

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

NOTE 4. NOTES PAYABLE

As of December 31, 2024 and 2023, the Company had outstanding the following notes payable:

	Maturity	December 31, 2024			December 31, 2023		
		Principal	Unamortized debt discount	Outstanding	Principal	Unamortized debt discount	Outstanding
AJB 2023 note	9/24/2024	\$350,000	\$ -	\$ 350,000	\$350,000	\$ (263,934)	\$ 86,066
AJB 2024 note	5/16/2024	135,000	-	135,000	-	-	-
G3 properties note	6/18/2026	175,000	(7,459)	167,541	-	-	-
CR Group note	10/1/2026	250,000	-	250,000	-	-	-
Total		\$910,000	\$ (7,459)	\$ 902,541	\$350,000	\$ (263,934)	\$ 86,066
Less: Current portion of notes payable		(735,000)	-	(735,000)	(350,000)	263,934	(86,066)
Notes payable, net of current portion		<u>\$ 175,000</u>	<u>\$ (7,459)</u>	<u>\$ 167,541</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

In connection with the closing of the September 2023 Transaction, outstanding debt and accounts payable totalling \$330,933 was forgiven. This amount was included in other income in the statements of operations.

AJB 2023 Note

On September 29, 2023, the Company entered into a Securities Purchase Agreement with AJB Capital Investments, LLC providing for the issuance and sale by the Company of a Promissory Note ("AJB 2023 Note") in the aggregate principal amount of \$350,000. The Company issued 16,797,770 warrants in connection with the financing. The warrants are exercisable for five years at \$0.02 per warrant, or on a cashless basis. The fair value of the warrant was \$167,978, which was concluded as equity classification and recorded in additional paid-in capital and the related amount recognized as a debt discount and will be amortized to interest expense over the life of the note.

Total debt discount recognized in connection with the note was \$167,978, of which \$126,672 and \$41,306 was amortized during the years ended December 31, 2024 and 2023, respectively. The note payable, net of unamortized discount of \$0, was \$350,000 as of December 31, 2024.

As additional incentive per the AJB 2023 Note, the Company also issued 41,900,000 shares of common stock for a fair value of \$419,000. \$271,978 out of \$419,000 was recognized as loss on issuance of debt and remaining was recorded as debt discount. Total debt discount recognized in connection with the share issuance was \$147,022, of which \$110,869 and \$36,153 was amortized to interest expense during the years ended December 31, 2024 and 2023, respectively. Unamortized debt discount as of December 31, 2024 is \$0.

Additionally, original issue discount of \$35,000 was recorded during the year ended December 31, 2023, of which \$26,393 and \$8,607 was amortized to interest expense during the years ended December 31, 2024 and 2023, respectively. Unamortized debt discount as of December 31, 2024 is \$0.

The AJB 2023 Note bears interest on the unpaid principal balance at a rate equal to ten percent (10%) per annum accruing from the closing date until the AJB 2023 Note becomes due and payable at maturity. All principal and interest owing hereunder, along with any and all other amounts, shall be due and owing on September 24, 2024. As of December 31, 2024, the note is in default.

AJB 2024 Note

On February 16, 2024, the Company entered into a Securities Purchase Agreement with AJB Capital Investments, LLC providing for the issuance of a Promissory Note (“AJB 2024 Note”) in the aggregate principal amount of \$105,000. On May 16, 2024, the Note was amended to a balance of \$135,000 for an extension of the due date. As of December 31, 2024, the note is in default.

Total debt discount recognized in connection with the note was \$30,000, of which \$30,000 was amortized during the year ended December 31, 2024. The note payable, net of unamortized discount of \$0, was \$135,000 as of December 31, 2024.

The Company recognized \$25,000 of loss on extinguishment of debt during the year ended December 31, 2024.

Convertible Note

In February 2019, the Company engaged a contractor to perform construction work through May 2019. As a result of change orders and delays in contractual payments, the parties subsequently agreed to settle outstanding obligations whereby the vendor accepted consulting fees of \$185,000, which were recognized as expense in the statements of operations for the year ended December 31, 2023, and recorded as assumed debt. Effective October 2, 2023, the Company converted \$185,000 of this debt into shares of common stock to be issued with a fair value of \$250,000. The difference of \$65,000 between the carrying value of the debt and the fair value of the common stock to be issued was recognized as a loss on extinguishment of debt in the statements of operations (see Note 5).

G3 Properties Note

On May 3, 2024, the Company entered into a two-year term note with an external lender, George Schembri, in the principal amount of \$175,000, bearing interest at 15% per annum. The note matures on June 18, 2026. As part of the compensation related to this loan, the Company agreed to issue 7,500,000 common shares to the lender. The Company recorded 7,500,000 shares as “stock to be issued”. The shares were issued for the fair value of \$22,500 and the Company also recorded a related debt discount of \$22,500 (see Note 5). \$15,041 of the debt discount amortized to interest expense during the year ended December 31, 2024.

For the year ended December 31, 2024, the Company recorded accrued interest of \$17,045. The note payable, net of unamortized discount of \$7,459, was \$167,541 as of December 31, 2024.

CR Group Note

On June 18, 2024, the Company entered into a two-year term note with CR Group in the principal amount of \$250,000, bearing interest at a fixed rate of 10% per annum. Repayment of the note was scheduled to commence on September 1, 2024, with full settlement required no later than October 1, 2026.

For the year ended December 31, 2024, the Company recognized accrued interest expense of \$16,110. As of December 31, 2024, the outstanding principal balance under the note was \$250,000. As of December 31, 2024, the note is in default as no payment of interest nor principal was made on scheduled dates as per agreement.

Note Payable – Related Parties

See Note 7.

NOTE 5. STOCKHOLDERS’ DEFICIT

As of December 31, 2024, the Company is authorized to issue 2,000,000,000 shares of common stock at a par value of \$0.001 and 100 shares of Series A preferred stock at a par value of \$0.001.

2023 Equity Transactions

On April 25, 2023, the Company executed a redemption, release and payment agreement with Justin Costello. Under the terms of the agreement Costello returned 51,807,777 shares to the Company in exchange for the return of assets

of value of \$1,724,000, previously contributed to the company. In the agreement, Costello also releases any and all claims related to the Company. Additionally, the Company also recorded \$50,000 in additional paid-in capital for reverse stock to be issued.

On April 27, 2023, the Company issued 100 shares of series “A” preferred stock for executive compensation per a board resolution dated April 25, 2023.

On April 27, 2023, the Company issued 100,000,000 shares of common stock for executive compensation per a board resolution dated April 25, 2023. The shares issued for the fair value of \$300,000.

On October 2, 2023, the Company issued 41,900,000 shares of common stock in connection with AJB 2023 Note (see Note 4) for fair value of \$419,000.

On October 2, 2023, the Company issued 41,900,000 shares of common stock for services rendered. The fair value of shares issued was \$419,000.

In connection with a recapitalization on October 2, 2023 (see Note 1), the Company issued Mar Gran, LLC (including principals Martin Donald Granatstein and Timothy Majors) 614,000,000 shares of common stock. The shares were issued at a par value of \$614,000 with a corresponding reduction of additional paid-in capital.

During the year ended December 31, 2023, the Company issued 100,000,000 shares of common stock to a new shareholder in exchange for consideration transferred by an existing shareholder, representing a total value of \$300,000. Subsequently, the Company cancelled 100,000,000 shares of common stock as officer compensation, which were later cancelled and transferred to the same new shareholder for a value of \$300,000. The transactions resulted in a change in ownership and did not impact the total value of consideration received by the Company.

On October 2, 2023, the Company recorded as “stock to be issued” 25,000,000 Shares of Common Stock from a debt conversion agreement related to work on a location completed prior to the Company closing on the acquisition of the public company. In light of the fact that this location was supposed to become part of the Company, it was agreed to issue the common shares to American Way of Living & Co., owned by R. McAllister. In June 2025, the Company became aware that the issuance had been overlooked, and the issuance order was sent to the transfer agent for immediate issuance (see Note 10).

2024 Equity Transactions

On April 1, 2024, the Company initially recorded 3,000,000 common shares as “stock to be issued” in connection with consulting services related to one of the Company’s new locations. On July 29, 2024, the shares were issued for the fair value of \$9,000.

On May 3, 2024, the Company entered into a term note for \$125,000. As part of the compensation related to this loan, the Company agreed to issue 7,500,000 common shares to the lender. The Company recorded 7,500,000 shares as “stock to be issued”. On July 29, 2024, the shares were issued for the fair value of \$22,500 (see Note 4). On September 20, 2024, the Company issued 1,250,000 common shares to Eduardo Pritz Diaz for his assistance with regard to the June 18, 2024 note with Carlos Rodriguez. The shares were issued for the fair value of \$3,750.

NOTE 6. WARRANTS

In connection with the AJB 2023 note (see Note 4), in September 2023 the Company issued 16,797,770 warrants to purchase common stock. The warrants have an exercise price of \$0.01 per share, are immediately exercisable and have a term of 5 years.

On February 28, 2025, the Company entered into an amendment to the February 16, 2024 Promissory Note extending the Maturity Date to April 30, 2025. In connection with the extension, the Company issued 10,000,000 warrants exercisable at either \$0.0000001 per warrant or, on a cashless exercise basis (see Note 10).

The Company used the Black-Scholes pricing model to estimate the fair value of stock-based awards on the date of the grant. The fair value of the warrants was \$167,978, which was valued using the Black-Scholes pricing model using the range of inputs as indicated below:

	For the years ended December 31,	
	2024	2023
Risk-free interest rate	n/a	4.72%
Expected term (in years)	n/a	5.00
Expected volatility	n/a	445.00%
Expected dividend yield	n/a	0.00%

The Company's outstanding and exercisable warrants as of December 31, 2024 and 2023 are presented below:

	Warrants	Weighted Average Exercise Price	Intrinsic Value
Outstanding as of December 31, 2022	-	\$ -	\$ -
Granted	16,797,770	0.01	-
Exercised	-	-	-
Forfeited	-	-	-
Outstanding as of December 31, 2023	16,797,770	0.01	-
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Outstanding as of December 31, 2024	16,797,770	\$ 0.01	\$ -
Exercisable as of December 31, 2024	16,797,770	\$ 0.01	\$ -
Exercisable as of December 31, 2023	16,797,770	\$ 0.01	\$ -

NOTE 7 – RELATED PARTIES

During 2024, the Company received total advances of \$630,000 from MarGan. During the year, certain repayments and settlement adjustments were made, resulting in an outstanding balance of \$383,211 as of December 31, 2024. The advances are unsecured, due on demand, and bear interest at 1% per annum.

For the years ended December 31, 2024 and 2023, the Company incurred consulting expenses of \$121,100 and \$99,749, respectively, for services incurred by the Chief Operating Officer and principal stockholder of MarGan. The related amounts were accrued and paid in accordance with the terms of the consulting arrangement and were recorded within general and administrative expenses in the accompanying statements of operations.

NOTE 8 – SEGMENT REPORTING

The CODM has been identified as the Chief Executive Officer, who reviews the operating results for the Company as a whole to make decisions about allocating resources and assessing financial performance. Accordingly, management has determined that the Company only has one operating and reportable segment.

When evaluating the Company's performance and making key decisions regarding resource allocation the CODM reviews several key metrics, which include the following:

	For the years ended December 31,	
	2024	2023
Total operating expenses	\$ 533,071	\$ 3,361,438

The key measures of segment profit or loss reviewed by our CODM are operating expenses. Operating costs are reviewed and monitored by the CODM to manage and forecast cash. The CODM also reviews operating costs to manage, maintain and enforce all contractual agreements to ensure costs are aligned with all agreements and budget.

NOTE 9. INCOME TAXES

Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. The differences relate primarily to net operating loss carryforwards. As of

December 31, 2024 and 2023, the Company had net deferred tax assets before valuation allowance of \$2,701,235 and \$2,510,027, respectively. The following table presents the deferred tax assets and liabilities by source:

	December 31,	
	2024	2023
Book loss at federal statutory rate, 21%	\$ 2,106,813	\$ 1,957,682
Book loss at state statutory rate, 5.93%	594,422	552,346
Valuation allowance	<u>(2,701,235)</u>	<u>(2,510,027)</u>
Net deferred tax assets	<u>\$ -</u>	<u>\$ -</u>

	December 31,	
	2024	2023
Deferred tax assets:		
Operating loss carryforwards	\$ 3,345,168	\$ 3,084,668
Impairment of assets	(653,075)	(590,515)
Loss on extinguishment of debt	(6,731)	-
Loss on issuance of debt	(73,230)	(73,230)
Forgiveness of debt	89,104	89,104
Valuation allowance	<u>(2,701,235)</u>	<u>(2,510,027)</u>
Net deferred tax assets	<u>\$ -</u>	<u>\$ -</u>

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. The Company assessed the need for a valuation allowance against its net deferred tax assets and determined a full valuation allowance is required due to taxable losses for the years ended December 31, 2024 and 2023, cumulative losses through December 31, 2024, and no history of generating taxable income. Therefore, a valuation allowance of \$2,701,235 and \$2,510,027 was recorded as of December 31, 2024 and 2023, respectively. Valuation allowance decreased by \$775,204 and increased by \$191,208 during the years ended December 31, 2024 and 2023, respectively. Deferred tax assets were calculated using the Company's combined effective tax rate, which it estimated to be 26.925%. The effective rate is reduced to 0% due to the full valuation allowance on its net deferred tax assets.

The Company's ability to utilize net operating loss carryforwards will depend on its ability to generate adequate future taxable income. At December 31, 2024, the Company had net operating loss carryforwards available to offset future taxable income in the amounts of \$10,032,443.

The Company has evaluated its income tax positions and has determined that it does not have any uncertain tax positions. The Company will recognize interest and penalties related to any uncertain tax positions through its income tax expense.

NOTE 10. SUBSEQUENT EVENTS

As of December 19, 2025, the Company determined the following significant, reportable, subsequent events have occurred from the period ended December 31, 2024 to the date this report was filed:

- On February 28, 2025, the Company entered into an amendment to the February 16, 2024 Promissory Note extending the Maturity Date to April 30, 2025. In connection with the extension, the Company issued 10,000,000 warrants exercisable at either \$0.0000001 per warrant or, on a cashless exercise basis.
- On October 2, 2023, the Company recorded as "stock to be issued" 25,000,000 Shares of Common Stock from a debt conversion agreement related to work on a location completed prior to the Company closing on the acquisition of the public company. In light of the fact that this location was supposed to become part of the Company, it was agreed to issue the common shares to American Way of Living & Co., owned by R. McAllister. In June 2025, the Company became aware that the issuance had been overlooked, and the issuance order was sent to the transfer agent for immediate issuance (see Note 5).

- Change in Name and Ticker Symbol: On May 13, 2025, the Company received notice from FINRA that the change in the Company's name and ticker symbol would be effective May 15, 2025. The name Parliament House Enterprises, Inc. and the ticker symbol PHSE became effective on that date.

Asset Purchase of Two Johnsons Locations (Fort Lauderdale, FL and Tampa, FL): On August 1, 2025, the Company executed the asset purchase of the two Johnsons locations, located in Fort Lauderdale, Florida and Tampa, Florida, for 100,000,000 shares of stock at \$0.06 per share via an asset acquisition.

- Asset Purchase of Stonewall (Sydney, Australia): On August 3, 2025, the Company executed the asset purchase of Stonewall, located in Sydney, Australia, for 100,000,000 shares of stock at \$0.06 per share via an asset acquisition.
- Asset Purchase of Two Aquaplex Locations (Key West, FL and Fort Lauderdale, FL): On August 3, 2025, the Company executed the asset purchase of two Aquaplex locations, located in Key West, Florida and Fort Lauderdale, Florida, for 254,000,000 shares of stock at \$0.06 per share via an asset acquisition.
- Asset Purchase of Luckys Gay Bar (West Palm Beach, FL): On August 14, 2025, the Company executed the asset purchase of Luckys Gay Bar, located in West Palm Beach, Florida, for 10,000,000 shares of stock at \$0.06 per share via an asset acquisition.
- Asset Purchase of Fountain Coles & Company, LLC dba Club One (Savannah, GA): On August 15, 2025, the Company executed the asset purchase of Fountain Coles & Company, LLC dba Club One, located in Savannah, Georgia, for 22,428,572 shares of stock at \$0.06 per share via an asset acquisition.
- Acquisition of Lips Motor Row (Chicago, IL): On September 15, 2025, the Company executed the acquisition of Lips Motor Row, located in Chicago, Illinois, for \$840,000 in cash.
- Asset Purchase of Stonewall Bali (Bali, Indonesia): On September 19, 2025, the Company executed the asset purchase of Stonewall Bali, located in Bali, Indonesia, for 4,285,714 shares of stock at \$0.06 per share via an asset acquisition.
- Asset Purchase of Cheer Up Charlies (Austin, TX): On October 20, 2025, the Company executed the asset purchase of Cheer Up Charlies, located in Austin, Texas, for 10,000,000 shares of stock at \$0.06 per share via an asset acquisition.
- Resignation of Donald Granatstein: On October 16, 2025, the Company accepted the resignation of Donald Granatstein from the Board of Directors.
- Resignation of Bart Whitehead: On October 31, 2025, the Company accepted the resignation of Bart Whitehead as Chairman of the Board and as a member of the Board of Directors.