

VICTORY MARINE HOLDINGS CORP.

555 NE 34TH STREET, SUITE 1207 MIAMI, FL 33137

(305) 219-4323

[http:// www. victoryyachts.com](http://www.victoryyachts.com)

sales@victoryyachts.com

Annual Report

For the period ending December 31, 2025 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

121,074,966 as of 12/31/2025 (Current Reporting Period Date or More Recent Date)

121,074,966 as of 12/31/2025 (Most Recent Completed Fiscal Year End)

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 Control⁵ of the company has occurred during this reporting period:

Yes: No:

⁵ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

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

Current since May 7, 2018:	Victory Marine Holdings Corp.
Before May 7, 2018:	China Good Electric, Inc.
Before October 10, 2007:	Planisol, Inc.
Before May 17, 1984:	Continental Health Services Corporation
Before November 2, 1972:	Triangle Industries Corporation
Before February 5, 1971:	Triangle Uranium Corporation

Victory Marine Holdings Corp. (the "Company") was originally incorporated on November 3, 1954 in the State of Nevada under the name of Triangle Uranium Corporation. On February 5, 1971, the Company changed its name to Triangle Industries Corporation. On November 2, 1972, the Company changed its name to Continental Health Services Corporation. On May 17, 1984, the Company changed its name to Planisol, Inc., and on October 10, 2007, the Company changed its name to China Good Electric, Inc. The Company was administratively abandoned and reinstated in September 2017 through a court appointed guardian – Custodian. On March 23, 2018, the Board of Directors of the Company approved the name of the Company was changed to "Victory Marine Holdings Corp.", which was effective on May 7, 2018. The Company's common shares are quoted on the "Pink Sheets" quotation market under the symbol "VMHG". The Company is currently active status with the State of Nevada.

Current State and Date of Incorporation or Registration: Nevada
Standing in this jurisdiction: (e.g. active, default, inactive): active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
None

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

None

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

On March 17, 2026, Victory Marine Holding Corp. (VMHG) entered into a plan of exchange agreement with Dunn & Groux Beverage Holdings, Inc. whereby VMHG acquired all the issued and outstanding shares of Dunn & Groux Beverage in exchange for 150,000,000 shares of VMHG common stock and 35,000 shares of VMHG's newly created Series B Preferred Stock. The shares were issued to the shareholders of Dunn & Groux Beverage consisting of Dunn Capital Partners, Groux Family Holdings, and First Olympia.

Upon closing of the exchange agreement, Dunn & Groux Beverage Holdings, Inc. became a wholly owned subsidiary of VMHG.

Address of the issuer's principal executive office:

7910 Harbor Island Dr. Suite 1008

North Bay Village, Fl. 33141

Address of the issuer's principal place of business:

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

555 NE 34th Street Suite 1207

Miami, Florida 33137

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

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

2) Security Information

Transfer Agent

Name: Securities Transfer Corporation

Phone: (469) 633-0101

Email: akeener@stctransfer.com

Address: 2901 N Dallas Parkway

Suite 380

Plano, Texas 75093

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:	VMHG
Exact title and class of securities outstanding:	Common Stock
CUSIP:	926462 10 2
Par or stated value:	<u>\$.001</u>
Total shares authorized:	<u>1,000,000,000</u> as of date: <u>12/31/2025</u>
Total shares outstanding:	<u>121,074,966</u> as of date: <u>12/31/2025</u>
Total number of shareholders of record:	<u>529</u> as of date: <u>12/31/2025</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

None

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

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 that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security: Convertible Preferred Series A Stock
Par or stated value: \$.001
Total shares authorized: 5,000,000 as of date: 12/31/2025
Total shares outstanding: 60,000 as of date: 12/31/2025
Total number of shareholders of record: 1 as of date: 12/31/2025

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None

Security Description:

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

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

NA

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

The Company's authorized Preferred Stocks are 20,000,000 shares, \$.001 par value. Out of the 20,000,000 shares of Preferred Stock, 5,000,000 shares were further designated as Convertible Preferred Series A Stock, each share of which has a conversion ratio of 1:1,000 and is entitled to one thousand votes on any and all matters considered and voted upon by the Corporation's Common Stock

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

N/A

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

N/A

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

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

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

Example: A company with a fiscal year end of December 31st 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Shares Outstanding as of Second Most Recent Fiscal Year End:									
Opening Balance									
Date 01/01/2021	Common: 42,242,261								
	Preferred Series A: 60,000								
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR-	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
02/08/2021	New	3,554,222	Common	\$0.0023	Yes	L&H Inc Vicky Huang	Debt Conversion	Unrestricted	Rule 144
02/21/2021	New	2,000,000	Common	\$0.00225	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
03/17/2021	New	2,543,433	Common	\$0.03	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
03/26/2021	New	338,855	Common	\$0.1625	Yes	Florentina Gonzalo Figuroa	Debt Conversion	Unrestricted	Rule 144
07/29/2021	New	1,398,333	Common	\$0.03	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
01/25/2022	New	1,250,000	Common	\$0.02	No	Mastiff Group, LLC Marissa Welner	Cash	Unrestricted	Reg A
04/13/2022	New	2,500,000	Common	\$0.02	No	Greentree Financial Group R. Chris Cottone	Cash	Unrestricted	Reg A
04/13/2022	New	2,388,100	Common	\$0.02	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
03/02/2023	New	5,688,571	Common	\$0.0028	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
03/23/2023	New	5,990,870	Common	\$0.0023	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144

04/24/2023	New	6,111,111	Common	\$.0009	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
9/29/2023	New	7,429,091	Common	\$.00055	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
06/09/2024	New	26,925,833	Common	\$.00055	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
12/30/2025	New	10,714,286	Common	\$.00055	Yes	Greentree Financial Group R. Chris Cottone	Debt Conversion	Unrestricted	Rule 144
Shares Outstanding on Date of This Report:									
Ending Balance									
Date 12/31/2025 Common: <u>121,074,966</u>									
Preferred Series A: <u>60,000</u>									

Any additional material details, including footnotes to the table are below:

None

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion ⁶	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
09/15/2017	\$67,500	-	08/15/2018	75% discount to the closing bid price prior to the Conversion Date	748,312	-	Thais Lee Proenza	Loan
03/27/2020	\$35,000	\$77,945	One year	50% of the lowest trading price for the twenty (20) trading days version	-	119,915,385	Greentree Financial Group R. Chris Cottone	Services Note
02/05/2021	Up to \$250,000	\$281,124	One year	50% of the lowest trading price for the twenty (20) trading days prior to the Conversion date	62,859,762	432,498,209	Greentree Financial Group R. Chris Cottone	Loan
03/8/2023	\$65,000	\$109,753	One year	50% of the lowest trading price for the	-	168,850,000	Greentree Financial Group	Services Note

⁶ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

				twenty (20) trading days version			R. Chris Cottone	
Total Outstanding Balance:		\$468,821	Total Shares:		63,608,074	721,263,593		

Any additional material details, including footnotes to the table are below:

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. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

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

The Company, through its wholly owned subsidiary, is a world class yacht sales, brokerage and consulting firm with a founder that has over twenty-five years of experience in the boating industry, from building world class offshore center console boats such as Midnight Express, Latitude Powerboats, Apache and Cigarette. The Company has partnered with selective world class yacht manufacturers such as Johnson Yachts, Mazu Yachts, Sunreef Luxury Catamarans, Heliiothrope Catamarans as well as yacht tenders manufacturer Argos Nautic. The company and its principal are a Licensed and Bonded Yacht Broker by the state of Florida.

The Company is currently conducting business and has operations and is not currently a "shell company" as that term is defined in Rule 405 of the Securities Act.

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

Victory Marine Holdings Corp., a Nevada public holding company, is comprised of one wholly owned subsidiary, Victory Yacht Sales Corp. The contact information for subsidiary Victory Yacht Sales Corp. is the same as VMHG's.

On October 30, 2017, the Company entered a Plan of Exchange with Victory Yacht Sales Corp., a corporation organized under the laws of the State of Florida, pursuant to which the Company acquired 100% of the capital shares of Victory in exchange for an issuance by the Company of 20,000,000 shares of Common Stock to Victory Shareholders, and/or their assigns.

C. Describe the issuers' principal products or services.

The Company and its subsidiary's principal business is yacht sales, brokerage and consulting services. The Company has partnered with selective world class yacht manufacturers such as Johnson Yachts, Mazu Yachts, Sunreef Luxury Catamarans, Heliiothrope Catamarans as well as yacht tenders manufacturer Argos Nautic. The Company offers various size and featured boats and yachts.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company leases approximately 1,500 square feet in Miami, Florida for use of its administrative offices, sales and marketing staff on a month-to-month basis. The Company is located at 555 NE 34th Street Suite 1207 Miami, Florida 33137. The property is in good condition and sufficient for the Company's current needs. The issuer does not have complete ownership or control of any property.

6) All Officers, Directors, and 5% Beneficial Owners of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors 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 owners.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding
Orlando Hernandez (1)	CEO/Director	Miami, FL	20,000,000	Common Stock	18.12%
Hui Zhang (2)	Owner of more than 5%	Miami, FL	13,649,997	Common Stock	12.37%
Orlando Hernandez (1)	CEO/Director	Miami, FL	60,000	Preferred A	100 %

1. On January 29, 2026, Orlando Hernandez, CEO and Director of the company, entered into a Stock Purchase Agreement with Red Gemini LLC, which is controlled by William Shane Dunn, whereby Mr. Hernandez sold 20,000,000 common shares and 60,000 Convertible Series A preferred stock in exchange for cash resulting in a change of control for the company. The Change of control is effective as of January 29, 2026. On February 18, 2026 Mr. Hernandez resigned as CEO and Director of the company and William Shane Dunn was appointed as Sole Director and Robert J. Groux was appointed as the new CEO of the company.

2. On 03/20/2026, the Company issued additional common shares and Mr. Zhang's share ownership percentage has been reduced to 2.67%.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

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 to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NONE

8) Third Party Service Providers

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

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: Jonathan D. Leinwand
Firm: Law Offices of Jonathan D. Leinwand, P.A.
Address 1: 18305 Biscayne Blvd, Suite 200
Address 2: Aventura, FL 33160
Phone: (954) 903-7856
Email: Jonathan@jdlpa.com

Accountant or Auditor

Firm: L&L CPAs PA
Address 1: 1000 S Pine Island Rd, Ste 210
Address 2: Plantation, FL 33324
Phone: (858) 229-5140
Email: tluo@llcpas.net

Investor Relations

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

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other] _____

Other Service Providers

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

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

9) Disclosure & Financial Information

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

Name: Marchello Beriy
Title: Attorney
Relationship to Issuer: Securities Counsel

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

- IFRS
- U.S. GAAP

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

Name: William Shane Dunn
Title: Director
Relationship to Issuer: Director

Describe the qualifications of the person or persons who prepared the financial statements:⁶ William Shane Dunn has worked with publicly traded companies for over a decade.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.

⁶ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Robert J. Groux certify that:

1. I have reviewed this Disclosure Statement for Victory Marine Holdings Corp.;
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.

04/01/2026 [Date]

/s/Robert J. Groux [CEO's Signature]

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

Principal Financial Officer:

I, [identify the certifying individual] certify that:

1. I have reviewed this Disclosure Statement for Victory Marine Holdings Corp.;
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.

04/01/2026 [Date]

/s/Robert J. Groux [CFO's Signature]

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



900 S. Pine Island Road,
Suite 310
Plantation, FL 33324
Tel: 704-897-8336
Fax: 704-919-5089

The accompanying financial statements of Victory Marine Holdings Corp. and its subsidiary as of and for the years ended December 31, 2025 and 2024, were not subjected to an audit, review, or compilation engagement by us and we do not express an opinion, a conclusion, nor provide any assurance on them.

L&L CPAS PA
Plantation, Florida
Feb 26, 2026

VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024

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VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
Consolidated Balance Sheets

(unaudited)

	December 31, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,482	\$ 19,758
TOTAL CURRENT ASSETS	23,482	19,758
TOTAL ASSETS	\$ 23,482	\$ 19,758
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 5,500	\$ 5,500
Accrued expenses	29,621	44,497
Interest payable	218,822	215,513
compensation	1,629,056	1,404,056
Deferred revenue	-	146,151
Loan from related party	-	71,400
Convertible notes payable	250,000	260,480
Derivative liabilities	690,670	708,030
TOTAL CURRENT LIABILITIES	2,823,669	2,855,627
TOTAL LIABILITIES	2,823,669	2,855,627
STOCKHOLDERS' DEFICIT		
Preferred stock		
(Par value \$.001, 20,000,000 shares authorized, of which 60,000 and 60,000 shares issued and outstanding as of December 31, 2025 and 2024, respectively)	60	60
Common stock		
(Par value \$.001, 1,000,000,000 shares authorized, of which 121,074,966 and 110,360,680 shares issued and outstanding as of December 31, 2025 and 2024, respectively)	121,075	110,361
Additional paid-in capital	2,989,978	2,866,563
Accumulated deficit	(5,911,300)	(5,812,853)
TOTAL STOCKHOLDERS' DEFICIT	(2,800,187)	(2,835,869)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 23,482	\$ 19,758

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

VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
Consolidated Statements of Operations
(unaudited)

	For the years ended December 31,	
	2025	2024
Sales	\$ 694,351	\$ 553,292
Cost of goods sold	526,232	560,269
Gross profit (loss)	168,119	(6,977)
Operating expenses:		
General & administrative expenses	7,644	6,340
Advertising expense	19,125	29,096
Professional fees	7,500	5,150
Officer salaries	225,000	300,000
Transfer agent fees	-	3,000
Total operating expenses	259,269	343,586
Net operating loss	(91,150)	(350,563)
Other income (expenses):		
Interest expense	(44,508)	(23,146)
Other income	30,900	-
Change in fair value of derivative liabilities	6,311	-
Total other income (expenses)	(7,297)	(23,146)
Net loss	\$ (98,447)	\$ (373,709)
Net loss per common stock	\$ (0.00)	\$ (0.00)
Weighted average shares of common stock	110,390,034	110,360,680

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

VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
Consolidated statements of Stockholders' Deficit

(unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Stockholders' Deficit
Balances, December 31, 2023	60,000	\$ 60	83,434,847	\$ 83,435	\$ 2,893,489	\$ (5,439,144)	\$ (2,462,160)
Shares issued for debt conversion	-	-	26,925,833	26,926	(26,926)	-	-
Net loss for the year ended December 31, 2024	-	-	-	-	-	(373,709)	(373,709)
Balances, December 31, 2024	60,000	\$ 60	110,360,680	\$ 110,361	\$ 2,866,563	\$ (5,812,853)	\$ (2,835,869)
Shares issued for debt conversion	-	-	10,714,286	10,714	7,835	-	18,549
Capital contribution - short-term advances forgiveness	-	-	-	-	115,580	-	115,580
Net loss for the year ended December 31, 2025	-	-	-	-	-	(98,447)	(98,447)
Balances, December 31, 2025	60,000	\$ 60	121,074,966	\$ 121,075	\$ 2,989,978	\$ (5,911,300)	\$ (2,800,187)

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

VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
Consolidated Statements of Cash Flows

(unaudited)

	For the years ended December 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (98,447)	\$ (373,709)
Change in fair value of derivative liabilities	(6,311)	-
Adjustments to reconcile net loss to net cash used in operating activities:		
Accrual liabilities	(17,856)	(6,054)
Overdraft	-	(5,861)
Deferred revenue	(146,151)	79,401
Interest payable	3,309	25,373
Accrued officer compensation	225,000	300,608
Net cash provided by (used in) operating activities	(40,456)	19,758
Cash flows from financing activities:		
Proceed from short-term advances	44,180	-
Net cash provided by (used in) financing activities	44,180	-
Net increase in cash and cash equivalents	3,724	19,758
Cash and cash equivalents, beginning of period	19,758	-
Cash and cash equivalents, end of period	\$ 23,482	\$ 19,758
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Convertible notes conversion	\$ 7,500	\$ -
Capital contribution - short-term advances forgiveness	\$ 115,580	\$ -

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

VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024

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VICTORY MARINE HOLDINGS CORP. AND SUBSIDIARY
Notes to Consolidated Financial Statements

NOTE 1- Description of Business

Organization and Description of Business

Victory Marine Holdings Corp. (the “Company”) was incorporated as Triangle Uranium Corporation in 1954. On May 17, 1984, the Company changed its name to Planisol, Inc., and on October 10, 2007, the Company changed its name to China Good Electric, Inc. The Company was administratively abandoned and reinstated in September 2017 through a court appointed guardian – Custodian. On March 23, 2018, the Board of Directors of the Company approved the name of the Company was changed to “Victory Marine Holdings Corp.”, which was effective on May 7, 2018. The Company’s common shares are quoted on the “Pink Sheets” quotation market under the symbol “VMHG”.

In October 2017, the Board of Directors of the Company approved the issuance of 60,000 control shares of Convertible Preferred Series A Stock to Mr. Orlando Hernandez, for his services in connection with reorganization of the Company and as consideration for the acquisition of Victory Yacht Sales Corp. Such issuance gave Mr. Hernandez a majority of the then issued and outstanding voting power, or 80%, of the Company, resulting in a change in control of the Company. Mr. Hernandez was also the holder of 100% interest of Victory Yacht Sales Corp., our operating subsidiary, organized and exiting under the laws of the State of Florida (“Victory”).

On October 30, 2017, the Company entered into a Plan of Exchange with Victory Yacht Sales Corp., a corporation organized and exiting under the laws of the State of Florida (“Victory”), pursuant to which the Company acquired 100% of the Capital Shares of Victory in exchange for an issuance by the Company of 20,000,000 shares of Common Stock to Victory Shareholders, and/or their assigns. The above issuance gave Victory Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 57% of the issued and outstanding shares of the Company’s Common Stock. The Company and Victory were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Victory, and Victory became wholly-owned operating subsidiary of the Company.

The transaction has been accounted for as a reverse acquisition and recapitalization of the Company whereby Victory was deemed to be the accounting acquirer (legal acquiree) and the Company was deemed to be the accounting acquiree (legal acquirer). The accompanying consolidated financial statements are in substance those of Victory, with the assets and liabilities, and revenues and expenses, of the Company being included effective from the date of stock exchange transaction. The Company is deemed to be a continuation of the business of Victory. Accordingly, the accompanying consolidated financial statements include the following:

- (1) The balance sheet consists of the net assets of the accounting acquirer at historical cost and the net assets of the accounting acquiree at historical cost;
- (2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented and the operations of the accounting acquiree from the date of stock exchange transaction.

Victory Marine Holdings Corp., a Nevada corporation, and Victory Yacht Sales Corp., a Florida corporation, are hereinafter referred to as the “Company”.

The Company, through its wholly-owned subsidiary, is a world class yacht sales, brokerage and consulting firm with a founder that has over 25 years of experience in the boating industry, from building world class offshore center console boats such as Midnight Express, Latitude Powerboats, Apache and Cigarette. The Company has partnered with selective world class yacht manufacturers as Johnson Yachts, Mazu Yachts, Sunreef Luxury Catamarans, Heliothrope Catamarans as well as yacht tenders manufacturer Argos Nautic.

NOTE 2- Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States (“U.S.GAAP”).

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned or controlled operating subsidiary. All significant intercompany balances and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and costs and expenses during the reporting period. Actual results could differ from those estimates.

Risks and Uncertainties

Various social and political circumstances in the U.S. and around the world (including wars and other forms of conflict, including rising trade tensions between the United States and China, and other uncertainties regarding the actual and potential shifts in the U.S. and foreign, trade, economic and other policies with other countries, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health epidemics), may contribute to increased market volatility and economic uncertainties or deterioration in the U.S. and worldwide. Specifically, the rising conflict between Russia and Ukraine, and the rising conflicts in the Middle East, and resulting market volatility could adversely affect the Company’s operations. In response to the conflict between Russia and Ukraine, the U.S. and other countries have imposed sanctions or other restrictive actions against Russia. Any of the above factors, including sanctions, export controls, tariffs, trade wars and other governmental actions, could have a material adverse effect on the Company’s operations and the value of the Company’s securities. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (“OBBBA”). ASC 740, “Income Taxes”, requires the effects of changes in tax laws to be recognized in the period in which the legislation is enacted. The Company is currently evaluating the impact of the new law. However, none of the tax provisions are expected to have a significant impact on the Company’s financial statements.

Any of the above-mentioned factors, or any other negative impact on the global economy, capital markets or other geopolitical conditions resulting from the Russian invasion of Ukraine, the Israel-Hamas conflict and subsequent sanctions or related actions, could adversely affect the Company’s operations.

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions, and all highly liquid investments with an original maturity of three months or less of the purchase date of such investments. From time to time, the Company may maintain bank balances in interest bearing accounts in excess of \$250,000, which is currently the maximum amount insured by the FDIC for interest bearing accounts (there is currently no insurance limit for deposits in noninterest bearing accounts). The Company has not experienced any losses with respect to its cash. Management believes our Company is not exposed to any significant credit risk with respect to its cash.

Leases

The Company adopted ASU No. 2016-02, “Leases (Topic 842),” which, for operating leases, requires a lessee to recognize an operating lease right-of-use asset and an operating lease liability, initially measured at the present value of the lease payments, in its balance sheet with terms of more than 12 months. The Company had no long-term lease obligation as of December 31, 2025 and 2024.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Balances from borrowings are subsequently measured at amortized cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least year after the date of the balance sheet. All interest-related charges are included within other expense sections on the Statements of Operations.

Convertible Notes Payable

The Company accounts for convertible notes payable in accordance with the FASB Accounting Standards Codification No. 815, “Derivatives and Hedging” since the conversion feature is indexed to the Company’s stock and can’t be classified in equity. The Company allocates the proceeds received from convertible notes payable between the liability component and conversion feature component. The conversion feature that is considered embedded derivative liabilities has been recorded at their fair value as its fair value can be separated from the convertible notes and its conversion is independent of the underlying note value. The Company has also recorded the resulting discount on debt related to the conversion feature and is amortizing the discount using the effective interest rate method over the life of the debt instruments. All interest-related charges are included within other (expense) sections in the Consolidated Statements of Operations.

Derivative Liabilities

The Company accounts for derivative liabilities in accordance with the FASB Accounting Standards Codification No. 815, “Derivatives and Hedging”. ASC 815 requires companies to recognize all derivative liabilities in the balance sheet at fair value, and mark it to market at each reporting date with the resulting gains or losses shown in the Statements of Operations.

The Company’s notes payables are convertible at a discount to market and are considered embedded derivatives. The Company’s convertible notes have been evaluated with respect to the terms and conditions of the conversion features contained in the notes to determine whether they represent freestanding derivative instruments under the provisions of ASC 815. The Company determined that the conversion features contained in all of the principal balances of notes, represents a freestanding derivative instrument that meets the requirements for liability classification under ASC 815. As a result, the fair values of the derivative financial instrument in the notes are reflected in the Company’s balance sheet as liabilities. The fair values of the derivative financial instrument of the convertible notes were measured using the Lattice Binominal Option Pricing Model at the inception date of the note and will do so again on each subsequent balance sheet date. Any changes in the fair value of the derivative financial instruments are recorded as non-operating, non-cash income or expense at each balance sheet date. The derivative liabilities will be reclassified into additional paid in capital upon conversion. Refer to Note 4 for the derivative liabilities associated with the convertible notes payable as of December 31, 2025 and 2024.

Fair Value Measurements of Assets and Liabilities

The Company measures its financial and non-financial assets and liabilities, as well as makes related disclosures, in accordance with FASB ASC No. 820, Fair Value Measurements, which provides guidance with respect to valuation techniques to be utilized in the determination of fair value of assets and liabilities.

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the

fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three-tier hierarchy of inputs is summarized in the three broad levels below:

- Level 1 – inputs are unadjusted quoted market prices in active independent markets for identical assets and liabilities
- Level 2 – inputs are directly or indirectly observable estimates from quotes for similar but not identical assets and liabilities, market trades for identical assets not actively traded, or other external independent means
- Level 3 – inputs are unobservable and reflect assumptions on the part of the reporting entity

Our financial instruments include cash, accounts receivable, accounts payable, accrued liabilities, convertible notes payable, and derivative liabilities. The carrying values of the Company’s cash, accounts receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company’s convertible notes payable are measured at amortized cost.

The following table represents the Company’s financial assets and liabilities measured and recorded at fair value on the Company’s Consolidated Balance Sheet on a recurring basis and their level within the fair value hierarchy as of December 31, 2025 and 2024.

Fair value measurement

	Fair Value Measurements at December 31, 2025			
	Total	Level 1	Level 2	Level 3
Derivative liabilities	690,670	-	-	690,670

	Fair Value Measurements at December 31, 2024			
	Total	Level 1	Level 2	Level 3
Derivative liabilities	708,030	-	-	708,030

The Company used the Lattice Bi-nominal Option Pricing Model to determine the fair values of these derivative liabilities. See Note 4 for the Company’s assumptions used in determining the fair value of these financial instruments.

Revenue Recognition

The Company generates revenue from its subsidiary primarily from the sale of yachts. The Company applies the following five-step ASC 606 model to determine revenue recognition:

- Identification of a contract with a customer
- Identification of the performance obligations in the contact
- Determination of the transaction price
- Allocation of the transaction price to the separate performance obligations
- Recognition of revenue when performance obligations are satisfied.

At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses services promised within each contract and determines those that are a performance obligation and assesses whether each promised service is distinct.

Substantially all the Company's revenue is recognized at the time control of the products transfer to the customer and the underlying performance obligations have been satisfied. Initial customer deposits from the sale of the products is initially recorded as deferred revenue until the underlying performance obligations are satisfied.

The Company measures revenue based on the amount of consideration the Company expects to be entitled to in exchange for those goods. The transaction price the Company expects to be entitled to is primarily comprised of product revenue, net of returns and variable other considerations, including sales discounts and market development funds provided to customers. The Company determines variable consideration by estimating the most likely amount of consideration the Company expects to receive from the customers based on historical analysis.

Cost of Revenues

Cost of Revenues include expenses directly related to selling our products such as product delivery, direct labor and other overhead costs.

Net Loss Per Share

The Company calculates net loss per share in accordance with ASC Topic 260, "Earnings per Share". Basic income per share is computed by dividing the net income by the weighted-average number of common shares outstanding during the year. Diluted income per share is determined using the weighted-average number of common shares outstanding during the year, adjusted for the dilutive effect of common stock equivalents, consisting of shares that might be issued upon exercise of common stock options and conversion of convertible notes. In periods where losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion will be anti-dilutive.

Income Taxes

Income taxes are determined in accordance with ASC Topic 740, "Income Taxes" ("ASC 740"). Under this method, 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. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Operations in the period that includes the enactment date. A valuation allowance is provided for deferred tax assets if it is more likely than not these items will either expire before the Company is able to realize their benefits, or that future deductibility is uncertain.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

For the year ended December 31, 2024, the Company did not have any interest and penalties associated with tax positions. As of December 31, 2025, the Company did not have any significant unrecognized uncertain tax positions.

Related Party Transactions

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include **a.)** affiliates of the Company; **b.)** entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; **c.)** trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; **d.)** principal owners of the Company; **e.)** management of the Company; **f.)** other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and **g.)** other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The consolidated financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Segment Reporting

The Chief Operating Decision Maker (“CODM”), our Chief Executive Officer, reviews financial information for purposes of allocating resources and assessing performance. As such, the Company has determined that it operates in one reportable segment in accordance with Accounting Standards Codification (“ASC”) Topic 280, Segment Reporting.

The Company operates as one segment, in which management uses one measure of profitability, and the Company’s assets are mainly located in U.S. The Company does not operate separate lines of business or separate business entities with respect to any of its product candidates. Accordingly, the Company does not have separately reportable segments.

Recently Issued Accounting Standards

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company’s financial statements.

NOTE 3- Convertible Notes Payable

As of December 31, 2024 and 2025, the Company had principal balances of its convertible notes payable in the amounts of \$260,480 and \$250,000, respectively. The debt discount was amortized in full in year 2025.

(A) Convertible Notes Payable - \$65,000

On March 8, 2023, the Company issued a convertible promissory note (the “Note A”) to a creditor with a principal amount of \$65,000. Note A matured on March 8, 2024 with an annual interest rate of 15%, which increased to 18% if in default. Both the principal and accrued interest are convertible into shares of the Company’s common stock. The conversion price

is set at 50% of the lowest trading price of the Company's common stock on its primary trading market during the last twenty (20) trading days immediately preceding the conversion date.

As of December 31, 2025, the carrying value of Note A was \$65,000. The Company recorded default interest expenses related to Note A in the amount of \$11,700 for the year ended December 31, 2025, and had accrued interest payable of \$44,753 as of December 31, 2025.

As of December 31, 2024, the carrying value of Note A was \$65,000. The Company recorded default interest expenses related to Note A in the amount of \$11,500 for the year ended December 31, 2024, and had accrued interest payable of \$23,205 as of December 31, 2024.

(B) Convertible Note Payable – \$35,000

On March 27, 2020, the Company issued an unrelated third party (“Consultant”) a 15% promissory note in principal amount of \$35,000 with 18% default charge (the “Note B”) for financial services rendered. Note B is due on March 27, 2021 and bears interest at a rate of 15% per annum. According to the Note B, the Consultant, at his options, is entitled to convert all or any portion of the accrued interest and unpaid principal balance of the Note B into the shares of the common stock of the Company at a conversion price of 50% of the lowest trading price of the Company's common stock on its primary trading market during the last twenty (20) trading days immediately prior to but not including the conversion date.

As of December 31, 2025, the carrying value of Note B was \$35,000, and the debt discount was amortized in full. The Company recorded default interest expense related to the Note B in the amount of \$6,300 for the year ended December 31, 2025, and had accrued interest payable of \$42,945 as of December 31, 2025.

As of December 31, 2024, the carrying value of Note B was \$35,000, and the debt discount was amortized in full. The Company recorded default interest expense related to Note B in the amount of \$6,300 for the year ended December 31, 2024, and had accrued interest payable of \$36,558 as of December 31, 2024.

(C) Convertible Line of Credit – Up to \$250,000

On February 5, 2021, the Company issued an unrelated third party (the “Note Holder”) a 10% semi-annual promissory note (the “LOC Note”), pursuant to which the Note Holder agreed to invest a total amount of up to \$250,000 into the Company for working capital. All outstanding principals shall be due one year from the loan issuance date. This LOC Note bears the interest at a rate of 10% semi-annually, which shall increase to 18% when in default. The LOC Note is convertible at the Note Holder’s option into the shares of the common stock of the Company at a conversion price equal to 50% of the lowest trading prices of the Company's common stock on its primary trading market during the last twenty (20) trading days immediately prior to but not including the conversion date. The Note Holder should also be reimbursed for estimated conversion cost by adding \$1,500 to each note conversion effected by the Note Holder.

On December 23, 2025, a portion of principal and accrued interest in the LOC Note totaling \$7,500 was converted into 10,714,286 shares of common stock of the Company at the conversion price of \$0.0007 per share.

As of December 31, 2025, the carrying value of this LOC Note was \$150,000, and the debt discount was amortized in full. The Company recorded default interest expense related to the LOC Note in the amount of \$27,000 for the year ended December 31, 2025, and had accrued interest payable of \$131,124 as of December 31, 2025.

As of December 31, 2024, the carrying value of this LOC Note was \$157,980, and the debt discount was amortized in full. The Company recorded default interest expense related to the LOC Note in the amount of \$6,919 for the year ended December 31, 2024, and had accrued interest payable of \$97,761 as of December 31, 2024.

NOTE 4- Derivative Liabilities

The Company's convertible notes have been evaluated with respect to their terms and conditions of the conversion features contained in the notes to determine whether they represent embedded or freestanding derivative instruments under the provisions of ASC 815. The Company determined that the conversion features contained in the convertible notes carrying values represent a freestanding derivative instrument that meets the requirements for liability classification under ASC 815. As a result, the fair values of the derivative financial instruments in the notes are reflected in the Company's balance sheets as a liability. The fair values of the derivative financial instruments of the convertible notes were measured using the Lattice Binominal Option Model at the inception date of the note and will be re-measured again at each subsequent balance sheet date. Any changes in the fair values of the derivative financial instruments are recorded as non-operating, non-cash income or expense at each balance sheet date. The derivative liabilities will be reclassified into additional paid in capital upon conversions. As of December 31, 2025 and 2024, the Company did not have any derivative instruments that were designated as hedges.

As of December 31, 2025 and 2024, the Company's derivative liabilities are embedded derivatives associated with the Company's convertible notes payable in Note 3. The Company measured the fair values of the derivative liabilities as \$690,670 and \$708,030 on December 31, 2025 and 2024, respectively. For the twelve months ended December 31, 2025, the Company reclassified \$11,049 of derivative liabilities into additional paid in capital due to several conversions of a portion of principal and the accrued interest totaling \$7,500 into 10,714,286 shares of common stock.

The following table provides a summary of changes in fair values of our Level 3 financial liabilities for the year ended December 31, 2025:

Balance as of December 31, 2024	\$	708,030
Derivatives settled		(11,049)
Mark to market adjustment		(6,311)
Balance as of December 31, 2025	\$	690,670

The valuations of the derivative liabilities to the convertible debt was arrived at through the use of the Lattice Binominal Option Model using the following assumptions:

	December 31, 2025
Volatility	164.07%
Risk-free interest rate	3.59%
Expected term (year)	1

NOTE 5- Shareholders' Equity

The Company filed an Amendment to Articles of Incorporation to increase its authorized Common Stock, \$.001 par value, to 1,000,000,000 shares, and authorized Preferred Stock to 20,000,000 shares, \$.001 par value. Out of the 20,000,000 shares of Preferred Stock, 5,000,000 shares were further designated as Convertible Preferred Series A Stock, each share of which has a conversion ratio of 1:1,000 and is entitled to one thousand vote on any and all matters considered and voted upon by the Company's Common Stock.

On June 9, 2024, a portion of principal and accrued interest in the LOC Note in the amount of \$1,859 and \$727, respectively, plus \$1,500 of conversion fee were converted into 26,925,833 shares of common stock of the Company at the conversion price of \$0.00055 per share.

On December 23, 2025, a portion of principal and accrued interest in the LOC Note totaling \$7,500 were converted into 10,714,286 shares of common stock of the Company at the conversion price of \$0.0007 per share.

As of December 31, 2025, the Company had 60,000 shares of Preferred Stock and 121,074,966 shares of Common Stock issued and outstanding.

As of December 31, 2024, the Company had 60,000 shares of Preferred Stock and 110,360,680 shares of Common Stock issued and outstanding.

NOTE 6- Commitment and Contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. The Company had no pending commitments and contingencies as of December 31, 2025 and 2024.

NOTE 7- Related Party Transactions

The Company follows FASB ASC NO. 850-10 for the identification of related parties and disclosure of related party transactions.

On September 30, 2014, the Company entered into a five-year Employment Agreement with Mr. Hernandez for his contribution and work as the Company's Chief Executive Officer ("CEO"), pursuant to which, Mr. Hernandez was entitled to receive \$25,000 per month, 5% of commission from the gross yacht sales receipt, and 10% annual performance incentive based on the gross sales price. This employment contract will be effective until September 30, 2025. As of December 31, 2025 and 2024, the balances of accrued officer compensation were \$1,629,056 and \$1,404,056, respectively.

The Company received non-interest-bearing short-term advances from its CEO, which were due on demand. As of December 31, 2024, the outstanding balance due to the CEO was \$71,400. In 2025, the Company received additional advances totaling \$44,180. During the fourth quarter ended December 31, 2025, the outstanding balance of \$115,580 was forgiven in full. Accordingly, the Company recorded a capital contribution of \$115,580 to additional paid-in capital. The balance due to the CEO was zero as of December 31, 2025.

NOTE 8- Going Concern

The accompanying consolidated financial statements have been prepared using the going concern basis of accounting, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

As of December 31, 2025, the Company had an accumulated deficit of \$5,911,300 and is reporting losses from its operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management has taken certain actions and continues to implement changes designed to improve the Company's financial results and operating cash flows. The actions involve certain cost reductions and growing strategies, and expansion of the business model into new markets. Management believes that these actions will enable the Company to improve future profitability and cash flow in its continuing operations.

These consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets and liabilities that may result in the Company not being able to continue as a going concern.

NOTE 9- Segment Information

In accordance with ASC 280-10, Segment Reporting: Overall, the CODM reviews the consolidated results of operations when making decisions about allocating resources and assessing performance of the Company as a whole; hence, the Company has only one operating segment.

The Company's segment profit or loss is measured using gross profit, which is the primary performance metric utilized by management to evaluate the financial results and to make decisions regarding resource allocation. Although gross profit is reviewed by management for operational analysis, operating income (loss) is the primary measure used by the Company's chief operating decision maker (CODM) for segment performance assessment and resource allocation. The Company concluded that the CODM was Orlando Hernandez, CEO for 2025.

Item	For the years ended December 31,	
	2025	2024
Sales	\$ 694,351	\$ 553,292
Cost of goods sold	526,232	560,269
Gross profit (loss)	168,119	(6,977)
Segment operating loss	(91,150)	(350,563)
Segment assets	23,482	19,758

NOTE 10- Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date and through the date that the unaudited consolidated financial statements were available to be issued. Other than as set forth below, there were no material subsequent events that required recognition or additional disclosure in the unaudited consolidated financial statements presented.

On or about January 29, 2026, Orlando Hernandez ("Mr. Hernandez"), CEO and Director of the Company, entered into a Stock Purchase Agreement with Red Gemini LLC., pursuant to which Mr. Hernandez sold his 20,000,000 common shares and 60,000 Convertible Series A preferred stock in exchange for cash resulting in a change of control for the Company. The Change of control was effective as of January 29, 2026. As a result, Mr. Hernandez resigned as CEO and Director of the Company and William S. Dunn was appointed as Executive Director and sole Director of the Company.

Also on or about January 29, 2026, Mr. Hernandez executed a letter voluntarily waiving any accrued compensation due to him in amount of \$1,629,056, which will be later be reclassified as capital contribution from related party. This waiver was effective upon the closing of the Stock Purchase Agreement aforementioned.

On or about February 24, 2026, Robert J. Groux was appointed as CEO which marks the beginning of a disciplined restructuring and growth initiative designed to enhance shareholder value and strengthen the Company's long-term market position.

On March 17, 2026, Victory Marine Holding Corp. (VMHG) entered into a plan of exchange agreement with Dunn & Groux Beverage Holdings, Inc. whereby VMHG acquired all the issued and outstanding shares of Dunn & Groux Beverage in exchange for 150,000,000 shares of VMHG common stock and 35,000 shares of VMHG's newly created Series B Preferred Stock. The shares were issued to the shareholders of Dunn & Groux Beverage consisting of Dunn Capital Partners, Groux Family Holdings, and First Olympia. Upon closing of the exchange agreement, Dunn & Groux Beverage Holdings, Inc. became a wholly owned subsidiary of VMHG.