

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

SETO HOLDINGS, INC.

6231 Columbia Park Road
Hyattsville, Maryland 20785

202-251-1873
IR@seto-holdings.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:

118,471,600 shares of common stock as of December 31, 2025, and 141,200,300 shares of common stock as of April 15, 2026.

10,082,221,600 shares of common stock as of December 31, 2024.

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

¹ “Change in Control” shall mean any events resulting in:

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

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

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

The Company was incorporated in the State of Nevada in 1985 as Epic Resources, Inc. The Company changed its name to Semicon Tools, Inc. in October 1987. The Company changed its name to SETO Holdings, Inc. in October 1998.

Current State and Date of Incorporation or Registration:

Incorporated in the State of Nevada on October 8, 1985.

Standing in this jurisdiction: (e.g. active, default, inactive):

Active

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

None.

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

Shinju Spirits Acquisition. Effective June 20, 2025, the Company entered into an Agreement and Plan of Reorganization (the “Intergen Agreement”) with Intergen.

Pursuant to the Intergen Agreement, the Company acquired:

- **Shinju: 60% ownership of Shinju Spirits, Inc., the owner of “Shinju,” a Japanese Whisky brand with distribution in the United States, positioned in one of the fastest-growing spirits categories with minimal competition.**
- **Copa Imperial: A premium, high-end Tequila aimed at capitalizing on the superior growth of Tequila, as well as Global Drinks Intel’s projection that super premium Tequila will account for 55% of Tequila’s global value by 2026.**
- **Eight Vodka: A high-end Vodka fitting into the latest surge in popularity for premium Vodka. While many lower-end Vodkas have seen a slowdown, premium Vodka is seeing a revival, with IWSR projecting a 3% CAGR through 2027.**
- **Mazeray Brands: Mazeray (Champagne), Cote’ Or (Sparkling Wine) and Comte de Mazeray (Cognac). All Mazeray brands are super-premium products, featuring gold flakes and produced at a boutique chateau in France. The Company believes these brands can capitalize on the growth of super-premium champagne and cognac.**

The Company issued 75,000 shares of its Series B Voting Preferred Stock, in payment of the foregoing assets.

CapCity Beverages, LLC Acquisition. In November 2025, SETO acquired CapCity Beverages, LLC, a U.S.-based federally licensed alcohol imported and national wholesale distributor, in exchange for 100,000 shares of the SETO's Series C Preferred Stock with a total stated value of \$500,000 and a promissory note with a principal amount of \$100,000 and due on the date that is 180 days immediately following the date on which the SEC qualifies SETO's pending Regulation A offering.

Address of the issuer's principal executive office:

6231 Columbia Park Road, Hyattsville, Maryland 20785

Address of the issuer's principal place of business:

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

N/A

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:

Custodianship

On April 27, 2022, the District Court of Clark County, Nevada, case number A22-849116-C, entered an Order Granting Application for Appointment (the "Order") of UMA, LLC as Custodian of the Company. Pursuant to the Order, UMA, LLC (the "Custodian") has the authority to take any actions on behalf of the Company, that are reasonable, prudent or for the benefit of the Company, including, but not limited to, issuing shares of stock and issuing new classes of stock, as well as entering into contracts on behalf of the Company. In addition, the Custodian, pursuant to the Order, is required to meet the requirements under the Nevada charter.

On April 27, 2022, the Custodian appointed its president, Nikki Lee, as the sole officer and director of the company.

On April 27, 2022, the Custodian designated one share of preferred stock as Special 2022 Series A Preferred Stock at par value of \$0.001. The Special 2022 Series A Preferred has 60% voting rights over all classes of stock and is convertible into 61,800,000 shares of the Company's common stock.

On April 27, 2022, the Custodian issued to itself one share of the Special 2022 Series A Preferred Stock.

Change in Control – May 27, 2022

On May 27, 2022, the Custodian appointed Nairobi Anderson as the sole officer and director of the company.

On May 27, 2022, the Custodian transferred one share of Special 2022 Series A Preferred Stock to Nairobi Anderson.

On November 3, 2022, the District Court of Clark County, Nevada entered a Notice Of Entry Of Order Granting Custodian UMA, LLC's Motion To Discharge Custodianship And Enter Final Order.

Change in Control – June 21, 2023

On June 21, 2023, in a private transaction, Nairobi Anderson entered into a Securities Purchase Agreement (the “SPA”) with Krisa Management LLC, a Texas limited liability company, to sell the Special 2022 Series A Preferred Stock. Upon closing of the SPA on June 21, 2023, Krisa Management LLC acquired 60% voting control of the Company.

On June 21, 2023, the Board of Directors appointed Carey W. Cooley as the Company’s sole officer and director. On June 21, 2023, Nairobi Anderson resigned as an officer and director.

Change in Control – June 18, 2024

On June 18, 2024, in a private transaction, Krisa Management entered into a Securities Purchase Agreement (the “SPA”) with Daming Zhang, to sell the Special 2022 Series A Preferred Stock. Upon closing of the SPA on June 18, 2024, Daming Zhang acquired 60% voting control of the Company.

On June 18, 2024, the Board of Directors appointed Daming Zhang and Miaomiao Wang as directors. Daming Zhang was elected as the Company’s CEO and Miaomiao Wang as the Company’s Treasurer. On June 18, 2024, Carey W Cooley resigned as an officer and director.

Change in Control – May 27, 2025

Effective May 27, 2025, a change in control of the Company occurred. On such date, pursuant to a securities purchase agreement Daming Zhang sold (A) the single outstanding share of the Special 2022 Series A Preferred Stock of the Company and (B) 9,995,000,000 shares of common stock of the Company to a single entity, Intergen I Limited Partnership (“Intergen”), a Wyoming limited partnership controlled by Tres Grados LLC, of which the control persons are Janon Costley and Ryan Dolder. In addition, on May 27, 2025, pursuant to a securities purchase agreement, Daming Zhang sold 5,000,000 shares of common stock of the Company to Steel Sporrán, LLC (Harrison G. Newlan).

In connection with the change in control, (1) Naiwei Chen, Bo Fu and Xiuxiang Shou resigned as Directors of the Company, (2) Naiwei Chen resigned as CEO and President of the Company, (3) Daming Zhang resigned as CFO and Secretary of the Company, (4) Janon Costley was appointed President and Chief Executive Officer of the Company; and (5) Ryan Dolder was appointed Chief Operating Officer, Chief Financial Officer and Treasurer of the Company.

2) Security Information

Transfer Agent

Name: Securities Transfer Corporation

Phone: (469) 633-0101

Email: pstephan@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:	SETO
Exact title and class of securities outstanding:	Common Stock
CUSIP:	817813108
Par or stated value:	\$.001
Total shares authorized:	500,000,000 as of date: April 15, 2026
Total shares outstanding:	141,200,300 as of date: April 15, 2026
Total number of shareholders of record:	1,175 as of date: April 15, 2026

Other classes of authorized or outstanding equity securities:

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

Exact title and class of the security:	Special 2022 Series A Preferred Stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.001
Total shares authorized:	0 as of date: April 15, 2026
Total shares outstanding (if applicable):	0 as of date: April 15, 2026
Total number of shareholders of record	0 as of date: April 15, 2026

Exact title and class of the security:	Series B Voting Preferred Stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.001
Total shares authorized:	75,000 as of date: April 15, 2026
Total shares outstanding (if applicable):	75,000 as of date: April 15, 2026
Total number of shareholders of record	1 as of date: April 15, 2026

Exact title and class of the security:	Series C Voting Preferred Stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.001
Total shares authorized:	100,000 as of date: April 15, 2026
Total shares outstanding (if applicable):	100,000 as of date: April 15, 2026
Total number of shareholders of record	1 as of date: April 15, 2026

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.

The holders of our common stock are entitled to one vote per share on all matters submitted to a vote of the shareholders, including the election of directors. Generally, all matters to be voted on by shareholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all shares of our common stock that are present in person or represented by proxy.

Except as otherwise provided by law, amendments to our Articles of Incorporation generally must be approved by a majority of the votes entitled to be cast by all outstanding shares of our common stock. Our Articles of Incorporation do not provide for cumulative voting in the election of directors.

Holder of our common stock will be entitled to such cash dividends as may be declared from time to time by the Board from funds available. Holders of our common stock have no preemptive rights to purchase shares of our common stock. The issued and outstanding shares of our common stock are not subject to any redemption provisions and are not convertible into any other shares of our capital stock.

Upon our liquidation, dissolution or winding up, the holders of our common stock will be entitled to receive pro rata all assets available for distribution to such holders.

We have never declared or paid any cash dividends on our common stock.

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

Series B Voting Preferred Stock. Number Designated. The number of shares designated as Series B Voting Preferred Stock shall be 75,000. *Fractional Shares.* The Series B Voting Preferred Stock may be issued in fractional shares. *Voting Rights.* The holders of the Series B Voting Preferred Stock shall, as a class, have rights in all matters requiring shareholder approval to a number of votes equal to two (2) times the sum of: (a) the total number of shares of Company common stock which are issued and outstanding at the time of any election or vote by the shareholders; plus (b) the number of votes allocated to shares of preferred stock issued and outstanding of any other class that shall have voting rights. *Dividends.* The holders of the Series B Voting Preferred Stock shall not be entitled to receive dividends paid on the common stock. *Liquidation.* The holders of the Series B Voting Preferred Stock shall not be entitled to any liquidation preference. *Conversion Rights.* The Series B Voting Preferred Stock shall be convertible into shares of the Company's common stock, as follows: each share of Series B Voting Preferred Stock shall be convertible at any time into a number of shares of common stock that equals one-thousandth of one percent (0.001%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion, such that 1,000 shares of Series B Voting Preferred Stock would convert into one percent (1%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion. A holder of shares of Series B Voting Preferred Stock shall be required to convert all of such holder's shares of Series B Voting Preferred Stock, should any such holder exercise his, her or its rights of conversion.

Series C Preferred Stock. Number Designated. The number of shares designated as Series C Preferred Stock shall be 100,000. *Stated Value.* The Series C Preferred Stock shall have a stated value of \$5.00 per share (the "Stated Value"). *Fractional Shares.* The Series C Preferred Stock may be issued in fractional shares. *Voting Rights.* Each share of the Series C Preferred Stock shall be entitled to one (1) vote on all matters with the outstanding shares of common stock. *Dividends.* The Series C Preferred Stock shall be treated pari passu with the common stock, on an as-converted basis. *Liquidation.* Upon any liquidation, dissolution or winding up of our company, whether voluntary or involuntary, payments to the holders of Series C Preferred Stock shall be treated pari passu with the common stock, except that the payment on each share of Series C Preferred Stock shall be an amount equal to Five Dollars (\$5.00) for each such share of the outstanding Series C Preferred Stock held by such holder (as adjusted for any combinations, consolidations, stock distributions or stock dividends with respect to such shares), plus all dividends, if any, declared and unpaid thereon as of the date of such distribution, before any payment shall be made or any assets distributed to the holders of the common stock, and, after such payment, the remaining assets of our company shall be distributed to the holders of the common stock. *Conversion Rights.* Any time following the date that is nine (9) months from issuance, the Series C Preferred Stock shall be convertible into shares of the Common Stock, as follows: holders of Series C Preferred Stock may convert shares of Series C Preferred Stock held by them into shares of the common stock. The conversion price shall be \$0.05 per share (the "Conversion Price"), subject to certain adjustments. The number of shares of common stock receivable upon conversion of one (1) share of Series C Preferred Stock equals the Stated Value divided by the then-Conversion Price; provided, however, that, should the closing price, as reported on OTCMarkets.com (or its successor), of the common stock be less than \$0.05 per share, then the Conversion Price shall be adjusted such that the total number of shares of the common stock to be issued multiplied by the Adjusted Conversion Price equals the total

Stated Value of the shares of Series C Preferred Stock converted. *Redemption.* The Series C Preferred Stock may be redeemed by us at any time for a cash purchase price equal to the liquidation preference as of the redemption date; provided, however, that we shall provide not less than five days' written notice (the "Redemption Notice") to the holder(s) of its intent to redeem the Series C Preferred Stock; provided further, however, that the holder(s) shall have the right to deliver a notice of conversion prior to the date of redemption set forth in the Redemption Notice.

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

None.

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

There have been no material modifications to rights of holders of the Company's securities that occurred over the reporting period covered by this report.

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)

Number of Shares outstanding as of: January 1, 2022		Opening Balance:								
		Common: 82,221,600 Preferred: Special 2022 Series A: -0- Series B Voting Preferred Stock: -0- Series C Preferred Stock: -0-								
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g., for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing	Exemption or Registration Type	
4/27/2022	New Issuance	1	Special 2022 Series A Preferred Stock	\$.001 (See * below)	No (See * below)	UMA LLC (Nikki Lee) (See * below)	Custodian Services (See * below)	Restricted (See * below)	Section 4(a)(2) (See * below)	
10/11/2024	New Issuance	10,000,000,000	Common Stock	\$.0072	No	Daming Zhang	Retention Bonus	Restricted	Section 4(a)(2)	
6/20/2025	New Issuance	75,000	Series B Voting Preferred Stock	\$46.67	No	Intergen I Limited Partnership (Janon Costley)	Asset Acquisition	Restricted	Section 4(a)(2)	
7/9/2025	Cancellation	(9,965,000,000)	Common Stock	N/A	N/A	N/A	N/A	N/A	N/A	
8/11/2025	New Issuance	500,000	Common Stock	\$.01	No	Porché Love	Stock Subscription	Restricted	Section 4(a)(2)	
9/5/2025	New Issuance	250,000	Common Stock	\$.01	No	Rahsaan Alexander	Consulting Services	Restricted	Section 4(a)(2)	
9/5/2025	New Issuance	250,000	Common Stock	\$.01	No	Teymur Guliyev	Consulting Services	Restricted	Section 4(a)(2)	
9/5/2025	New Issuance	250,000	Common Stock	\$.01	No	John Lee	Consulting Services	Restricted	Section 4(a)(2)	
11/9/2025	New Issuance	100,000	Series C Preferred Stock	\$5.00	No	Rogue One, Inc. (Joe Poe)	Acquisition	Restricted	Section 4(a)(2)	
3/10/2026	New Issuance	10,000,000	Common Stock	\$.0001	Yes	MD Global Partners, LLC (Owen May)	Note Conversion	Restricted	Section 4(a)(2)	
4/2/2026	New Issuance	11,728,700	Common Stock	\$.0375	Yes	Marbletown Advisors, LLC (Jasahn)Sommerville)	Note Conversion	Restricted	Section 4(a)(2)	
3/30/2026	New Issuance	1,000,000	Common Stock	\$.015	No	Chris Pyrate	Consulting Services	Restricted	Section 4(a)(2)	
Shares Outstanding as of: April 15, 2026		Ending Balances: Common: 141,200,300 Preferred: Special 2022 Series A: -0- Series B Voting Preferred Stock: 75,000 Series C Preferred Stock: 100,000								

Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

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

* On May 27, 2022, the Custodian transferred one share of Special 2022 Series A Preferred Stock to Nairobi Anderson. In June 2023, in a private transaction, Nairobi Anderson sold the one share of Special 2022 Series A Preferred Stock for \$1,000 in cash to Krisa Management LLC, a Texas limited liability company controlled by Carey W. Cooley. On June 18, 2024, in a private transaction, Krisa Management LLC sold the one share of Special 2022 Series A Preferred Stock for \$60,000 in cash to Daming Zhang. On May 27, 2025, in a private transaction, Daming Zhang sold the one share of Special 2022 Series A Preferred Stock and 9,995,000,000 shares of common stock for \$25,000 in cash and a \$42,000 principal amount promissory note to Intergeren I Limited Partnership, a Wyoming limited partnership controlled by Janon Costley.

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 ⁵	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
6/18/2025	\$150,000	\$142,000	6/18/2026	75% discount to market price	10,000,000	142,000,000	MGD Global Partners, LLC (Owen May)	Payment for Services
9/5/2025	\$25,000	\$-0-	9/5/2026	Fixed conversion price of \$.0035 per share	7,436,429	-0-	Marbletown Advisors, LLC (Jasahn Sommerville)	Loan
10/23/2025	\$25,000	\$10,740	10/23/2026	Fixed conversion price of \$.0035 per share	4,292,271	3,068,570	Marbletown Advisors, LLC (Jasahn Sommerville)	Loan
Total Outstanding Balance:		\$-0-		Total Shares:	21,728,700	145,068,571		

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

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.otcm Markets.com).

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

The Company is a spirits company with operations in the United States, select European markets and planned expansion into the Bahamas. The Company is positioned as a vertically integrated beverage company focused on the development, acquisition, and scaling of premium spirits brands across high-growth global categories. The Company differentiates itself, and creates a competitive advantage, from most of its competition in the spirits industry by creating an integrated sales model by shifting from a passive brand owner to an active, closed-loop brand accelerator.

⁵ 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.

By taking ownership in all levels of the vertical chain – brand, distillery, tech, promotions, and experiential – the Company can scale its brands faster, position them for a buyout quicker, while also creating additional monetizable assets and exit opportunities.

The Company is launching with its two flagship brands – Shinju Japanese Whisky and Copa Imperial Tequila – both positioned in premium, fast-growing segments with strong global demand.

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

Shinju Spirits, Inc., a Nevada corporation; CapCity Beverages, LLC, a Maryland limited liability company; Siesta Billy, Inc., a Colorado corporation; and SETO Digital, Inc., a Colorado corporation.

C. Describe the issuer’s principal products or services.

SETO Holdings Inc. (“SETO” or the “Company”) is positioned as a vertically integrated beverage company focused on the development, acquisition, and scaling of premium spirits brands across high-growth global categories. Our business strategy is built around using an integrated marketing and sales model to not only build value in the Company’s brands, but to also build value across multiple platforms, all driving revenue for the Company while increasing its overall value. We believe our fully integrated model, which directly drives brand sales, positions SETO as a uniquely differentiated platform in the alcoholic beverage sector.

In the world of spirits, brand valuation is driven largely by one metric: cases sold per year. As such, brands chasing high-value exits often pursue sales growth through fragmented, costly marketing strategies that drain capital and stall momentum. SETO solves this by providing an end-to-end, integrated platform that drives sales more efficiently, preserves resources, and positions brands for sustainable growth and potential exits.

SETO’s model is different. SETO distinguishes itself from traditional spirits companies by having a fully integrated operational structure that provides greater control, efficiency, and scalability. While most brands lack ownership in critical parts of the vertical chain - such as distilling, technology, sales and promotions, and experiential marketing - SETO owns or partners across each of these verticals.

The performance of a brand is intrinsically linked to the effectiveness of the verticals that support and drive its sales.

By owning a stake in the distillery, or having supply contracts, SETO secures supply which enhances brand value. Having a proprietary technology platform powers digital marketing, drives consumer engagement, and delivers valuable consumer data for our brands, while our ownership in a sales and promotions company gives us direct control over market execution. Additionally, SETO manages its own experiential marketing, allowing it to position its brands to meet modern consumers where they are. This integrated model accelerates brand growth, reduces costs, improves operational control, and creates multiple revenue streams for the Company, all of which contribute to SETO’s competitive advantage and long-term scalability.

SETO’s structure will be aligned to vertically integrate its sales and marketing operations with the goal of driving case sales, enhancing brand equity, and maximizing exit value. This integrated model gives SETO a strategic advantage over much of its competition by shifting from a passive brand owner to an active, closed-loop brand accelerator. SETO is not reinventing the sales chain, but it is reimagining how it’s done in the Spirits Industry.

The Company's structure is built around ownership in its two flagship brands, Shinju Japanese Whisky and N-Finite Tequila. Our business model is designed to support these and future brands by delivering full lifecycle services - from brand creation and production to marketing, sales, and strategic exits.

Shinju Japanese Whisky is the first and only Black-owned Japanese whisky brand and a cornerstone of SETO Holdings' premium spirits portfolio. In 2024, Shinju secured a strategic investment from Pronghorn, a Diageo-backed venture, which acquired a 22% equity stake and committed to additional capital support as growth milestones are achieved. Currently distributed in 18 U.S. states and 4 European countries, Shinju is also available direct-to-consumer across 42 states via platforms such as BevStack and ReserveBar. The brand signed a national distribution deal with Republic National Distributing Company in 2023 and has achieved national approval with Total Wine while actively expanding into Costco locations. With a focused sales strategy targeting nine key U.S. markets and a growth plan to reach 20,000 annual cases within 3 - 5 years, Shinju is positioned ahead of the curve in the fast-growing Japanese whisky category. Given the niche nature of the category, Shinju's path to scale requires fewer cases than traditional spirits brands, creating a compelling opportunity for a high-multiple strategic exit, potentially exceeding \$100 million in valuation.

Given the shortage of Japanese Whisky following the discontinuation of many labels such as Hibiki 12, Hibiki 17, Hakushu 12, Nikka 12 and Taketsuru Pure Malt 17, 21 and 25, the Company believes that there is an opportunity in this space in the future if the Company can obtain funding, firstly to invest in its marketing components, as well as increase its product offering with the potential addition of other aged versions of Japanese Whisky.

The global Japanese Whisky market is projected to grow at a compound annual growth rate of 9.4% over the next five years, which the Directors believe presents a good opportunity for its Shinju Whisky.

N-Finite Tequila is SETO Holdings' premium tequila brand, positioned at the forefront of one of the fastest-growing segments in the global spirits industry. SETO has an LOI in place with N-Finite to acquire an equity stake in the brand, along with a contract to be its sole supplier of tequila.

SETO targeted N-Finite as a strategic acquisition target, recognizing both the substantial growth potential within the tequila category and the remarkable market traction the brand achieved in just a few years - despite minimal marketing and support. Within our integrated platform, N-Finite is positioned to scale rapidly and capture significant market share.

N-Finite is a premium tequila that is 100% vegan, no added sugars, no additives, and no hangovers. The Brand is currently in Total Wine & More, Applebee's, TGI Fridays, 48 pool halls, and 200 liquor stores across eleven states. N-Finite has just been added to Carnival Cruise Lines and currently has a \$621k purchase order from Carnival. Carnival projects they will double that order in 2026.

N-Finite is currently launching a line of tequila-based RTDs (Ready-to-Drink) as well as an innovative new product called Spiked!, which is a tequila-infused coffee creamer.

With N-Finite, SETO will leverage the momentum built and created by its Shinju Japanese Whisky brand to build a portfolio that aligns with consumer demand and premium trends, positioning N-Finite for significant growth and long-term value creation.

Tequila is one of the fastest growing spirits in the world, yet still only makes up 3% of sales in the world liquor market. Americans consume on average 185,000 margaritas every hour, according to the South Florida Reporter, and, globally, tequila is forecasted to grow at a compound annual growth rate of 9.5% from 2024 to 2030, with expected expansion from \$10.53 billion to \$19.73 billion. SETO believes the growth in the tequila market will continue in the long-term and hopes to capitalize on that growth with N-Finite Tequila.

SETO's core strategy is to scale its brands to case sale volumes that position them as attractive buyout targets. In the spirits industry, the only reliable path to that level of growth is through effective sales and marketing. However, most brands follow the same outdated playbook - overspending on third-party agencies for promotions and marketing, or passively relying on distributors to drive sales, a strategy that consistently underdelivers.

Sales and marketing aren't just a support function for spirits brands - they are the growth engine. Without them, even the best liquid in a bottle won't get the reach, reputation, or return needed to scale or attract acquisition interest.

SETO is being structured so that growth engine is vertically-integrated within the Company giving it powerful strategic advantages that directly drive brand growth, case sales, and long-term valuation. Not only does it build that brand growth, but by way of owning portions of the sales chain, it also creates multiple revenue streams for the Company.

By owning critical pieces of the sales and marketing engine, SETO transforms from a product-centric business to a multi-entity growth platform. This structure not only fuels brand success, but creates multiple monetizable assets, layered revenue streams, and a much more valuable, and flexible, enterprise overall.

SETO's model is built around full alignment across five key vertical components—each of which directly fuels the ability to push case sales and build brand momentum:

CapCity Beverages, LLC

In November 2025, SETO acquired CapCity Beverages, LLC, a U.S.-based federally licensed alcohol imported and national wholesale distributor, in exchange for 100,000 shares of the SETO's Series C Preferred Stock with a total stated value of \$500,000 and a promissory note with a principal amount of \$100,000 and due on the date that is 180 days immediately following the date on which the SEC qualifies SETO's pending Regulation A offering.

1. Promotions Company – Control at the Front Lines

SETO has the opportunity to buy ownership into a well-known spirits promotions company. This would give the Company direct control over on-the-ground brand activation. This enables SETO to:

- Place our own trained teams in retail and on-premise accounts
- Execute tastings and events that educate consumers about our brands
- Drive purchase intent and repeat sales through authentic engagement
 - This direct connection to the consumer enhances brand awareness, loyalty, and most importantly - sales velocity, the key driver of valuation.
- Allows us to save on costs as we're not paying a third-party for promotions
- Becomes an additional profit center for the Company as non-SETO brands will be paying us for our promotional services

2. Marketing – In-house Brand Marketing

SETO has an LOI in place to acquire an equity stake in the brand marketing agency, WHTWRKS. WHTWRKS is a marketing agency that builds brand campaigns that accelerate market growth, strengthen customer loyalty, and drive measurable returns. WHTWRKS has worked with several Fortune 500 companies on their brand campaigns. This partnership provides multiple benefits to SETO, both strategically and financially:

Strategic Benefits

1. **Full Creative Control** – Ensures brand identity, messaging, and campaigns are consistent and aligned with SETO’s growth strategy.
2. **Faster Execution** – Eliminates delays from working with outside agencies; marketing initiatives can be developed and launched quickly to capitalize on market opportunities.
3. **Integrated Brand Building** – Allows marketing to be developed alongside sales, distribution, and product development for more cohesive market execution.
4. **Category Expertise** – WHTWRKS can specialize in spirits branding, building deeper expertise and competitive advantage over generalist agencies.
5. **Confidentiality & Focus** – Reduces the risk of proprietary strategies leaking to competitors through shared external agencies.

Financial Benefits

1. **Cost Savings** – Cuts recurring agency fees and keeps more marketing spend inside the corporate structure.
2. **Asset Ownership** – Retains all intellectual property, creative assets, and campaign data as corporate-owned assets.
3. **Additional Revenue Stream** – WHTWRKS can take on select external clients, generating revenue outside of SETO’s brand portfolio.
4. **Scalable Resource** – As SETO grows its brand portfolio, WHTWRKS’ fixed cost base can serve multiple brands without proportionally increasing expenses, improving operating margins.

3. Technology – Real-Time Attribution and Consumer Data

SETO has an LOI in place to acquire an ownership stake in MXXR, a mobile platform specifically designed for the alcohol industry that combines e-commerce, brand promotions, and social networking in one space. In a space where traditional advertising lacks attribution, MXXR delivers:

- Verified purchase data
- Real-time consumer behavior insights
- Direct re-marketing opportunities
 - By connecting marketing spend to actual in-bar/in-store purchases, MXXR empowers our brands to optimize campaigns, improve ROI, and build direct relationships with our consumers.
- An ability to create multiple additional revenue streams through transaction fees, subscriptions, advertising, and data licensing

4. Experiential Marketing – Turning Brands into Lifestyle Assets

Today’s consumers want more than a product - they want an experience. SETO is tapping into this shift by leveraging:

- Partnerships with the **Downtown Revitalization Unit (DRU)** in Nassau, Bahamas which would allow us to create a pop-up marketing experience at the port where all the cruise ship passengers disembark
- Strategic access to **airport retail and minority vendor programs** through major concession operators
 - These opportunities allow us to embed our brands into high-traffic, culturally immersive environments, driving discovery, premium perception, and loyalty - translating to repeat purchases and brand advocacy.
- These marketing pop-ups not only build brand awareness, but they also drive revenue for the Company through direct sales

5. Distillery Ownership – Securing Supply, Signaling Value

SETO has the opportunity to acquire equity in the distilleries producing its core brands. While most competitors white-label their products with no control over production or supply, distillery ownership:

- Ensures long-term supply continuity
- Reduces production risk
- Demonstrates strategic asset backing to acquirers
 - Even a minority stake signals to potential buyers that the brand is in control of its future, making it a more attractive acquisition target.
- Ownership provides an additional revenue stream for SETO

By owning key parts of the sales chain - such as a promotions company, a mobile-based consumer engagement platform, and a distillery - it unlocks multiple layers of revenue generation, ownership value, and strategic flexibility that go far beyond just growing a brand:

1. Internal Revenue Capture

- Instead of outsourcing to third parties, the brand company pays its own subsidiaries for promotions, marketing services, tech engagement, or production—keeping dollars in-house.
- Each component becomes a profit center instead of a cost center.

2. Stacked Ownership Value

- Each part of the chain - promotions, marketing, tech, distillery - is a standalone asset with its own P&L and potential for independent growth or exit.
- As these units grow (often fueled by the success of the brand), they can attract outside capital, partnerships, or become separate buyout targets.

3. Brand Acceleration with Built-In ROI

- Every dollar spent to grow our brands also helps grow our owned infrastructure.
- This creates a flywheel effect: the more the brand scales, the more revenue flows to owned subsidiaries, and the more valuable each unit becomes.

4. Greater Strategic Control & Speed

- Owning the sales chain enables faster execution, greater coordination, and stronger brand alignment across channels.
- Reduces dependence on third parties who may lack brand loyalty or urgency.

5. Increased Appeal to Acquirers

- A brand backed by a vertically integrated infrastructure is often more attractive to acquirers:
 - Lower operational risk (supply chain and marketing already in place)
 - Access to proprietary tools (e.g., consumer data platform)
 - Optionality to acquire the brand, the infrastructure, or both

SETO's integrated model is designed to drive case sales, which in turn builds brand value. By owning critical elements of the sales chain - from consumer activation to analytics and supply - SETO can scale its portfolio brands faster and more efficiently than most traditional spirits companies, while spending less money. As these brands mature and increase their market share, they become attractive targets for acquisition by larger beverage groups seeking growth in premium categories.

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

None. The Company's Chief Executive Officer, Janon Costley, provides needed office space at no charge to the Company.

6) Officers, Directors, and Control Persons

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.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted) ⁽¹⁾	Note
Janon Costley	President, Chief Executive Officer Director, 5% Owner	Temple Hill, Maryland	18,000,000 ⁽²⁾	Common Stock	12.75%	
			1 ⁽²⁾⁽³⁾	Special 2022 Series A Preferred Stock	100%	See Note A below.
			75,000 ⁽²⁾	Series B Voting Preferred Stock	100%	See Note B below.
Ryan Dolder	Chief Financial Officer, Secretary, Treasurer, Director, 5% Owner	New Albany, Ohio	18,000,000 ⁽²⁾	Common Stock	12.75%	
			1 ⁽²⁾⁽³⁾	Special 2022 Series A Preferred Stock	100%	See Note A below.
			75,000 ⁽²⁾	Series B Voting Preferred Stock	100%	See Note B below.
Intergen I Limited Partnership	5% Owner	Washington, D.C.	-0-	Common Stock	0%	
			-0-	Special 2022 Series A Preferred Stock	0%	See Note A below.
			-0-	Series B Voting Preferred Stock	0%	See Note B below.
			100,000	Series C Preferred Stock	100%	See Note C below.
Rogue One, Inc. (Joe Poe)	5% Owner					

(1) Based on 141,200,300 shares outstanding as of April 15, 2026.

(2) These securities are owned of record by Intergen I Limited Partnership, which is owned 50% by Janon Costley and 50% by Ryan Dolder.

(3) By agreement, Janon Costley possesses voting and dispositive control over these securities.

Note A Except as provided by Nevada statutes, the holder of the Special 2022 Series A Preferred Stock shall vote together with the holders of preferred stock (including on an as converted basis), par value \$0.001, and common stock, par value \$0.001 per share, of the Company as a single class. The 2022 Series A Preferred Stock stockholder is entitled to 60% of all votes (including, but not limited to, common stock, and preferred stock (including on an as converted basis) entitled to vote at each meeting of stockholders of the Company (and written actions of stockholders in lieu of meetings) with respect to any and all matters presented to the stockholders of the Company for their action or consideration. The Special 2022 Series A Preferred Stock shall not be divided into fractional shares.

Note B The Series B Voting Preferred Stock shall be convertible into shares of the Company's common stock, as follows: each share of Series B Voting Preferred Stock shall be convertible at any time into a number of shares of common stock that equals one-thousandth of one percent (0.001%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion, such that 1,000 shares of Series B Voting Preferred Stock would convert into one percent (1%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion.

Note C Any time following the date that is nine (9) months from issuance, the Series C Preferred Stock shall be convertible into shares of the Common Stock, as follows: holders of Series C Preferred Stock may convert shares of Series C Preferred Stock held by them into shares of the common stock. The conversion price shall be \$0.05 per share (the "Conversion Price"), subject to certain adjustments. The number of shares of common stock receivable upon conversion of one (1) share of Series C Preferred Stock equals the Stated Value divided by the then-Conversion Price; provided, however, that, should the closing price, as reported on OTCMarkets.com (or its successor), of the common stock be less than \$0.05 per share, then the Conversion Price shall be adjusted such that the total number of shares of the common stock to be issued multiplied by the Adjusted Conversion Price equals the total Stated Value of the shares of Series C Preferred Stock converted.

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;

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

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

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

8) Third Party Service Providers

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: Eric Newlan, Esq.
Newlan Law Firm, PLLC
Address 1: 2201 Long Prairie Road, Suite 107-762
Address 2: Flower Mound, Texas 75022
Phone: 940-367-6154
Email: eric@newlanpllc.com

Accountant or Auditor

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

Investor Relations

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

All other means of Investor Communication:

Twitter: @setoholdingsinc
Discord: N/A
LinkedIn: N/A
Facebook: N/A
Instagram: @setoholdingsinc

Other Service Providers

Provide the name of any other service provider(s) **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: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

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

Name: **Eric Newlan**
Title: **Managing Member, Newlan Law Firm, PLLC**
Relationship to Issuer: **Outside 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: **Ryan Dolder**
Title: **Chief Financial Officer**
Relationship to Issuer: **Executive Officer**

Describe the qualifications of the person or persons who prepared the financial statements⁽⁶⁾: **Ryan Dolder has extensive experience in the collection of financial information and the preparation of financial statements.**

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.
- 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.

[CERTIFICATION PAGE FOLLOWS]

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.

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, Janon Costley, certify that:

1. I have reviewed this Disclosure Statement for **SETO Holdings, Inc.**;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: April 15, 2026

/s/ Janon Costley

Janon Costley
Chief Executive Officer

Principal Financial Officer:

I, Ryan Dolder, certify that:

1. I have reviewed this Disclosure Statement for **SETO Holdings, Inc.**;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: April 15, 2026

/s/ Ryan Dolder

Ryan Dolder
Chief Financial Officer

SETO HOLDINGS, INC.
BALANCE SHEETS
(unaudited)

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 15,035	\$ 0
Inventory	147,909	0
Receivables	<u>405,242</u>	<u>0</u>
Total Current Assets	568,186	0
Non-Current Assets		
Investment in Subsidiary, net of amortization	<u>3,500,000</u>	<u>0</u>
Total Non-Current Assets	<u>3,500,000</u>	<u>0</u>
Total Assets	<u><u>\$ 4,068,186</u></u>	<u><u>\$ 0</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts Payable	\$ 147,703	\$ 2,000
Other Current Liabilities	<u>23,084</u>	<u>0</u>
Total Current Liabilities	170,787	2,000
Long-term Liabilities		
Note Payable	150,000	0
Convertible Note Payable	50,000	0
Loans Payable	<u>10,238</u>	<u>0</u>
Total Long-term Liabilities	<u>210,238</u>	<u>0</u>
Total Liabilities	381,025	2,000
STOCKHOLDERS' DEFICIT		
Special 2022 Series A Preferred Stock, \$0.001 par value, 1 share authorized, 1 share and 1 share issued and outstanding at December 31, 2025 and 2024, respectively respectively	0	1
Series B Voting Preferred Stock, \$0.001 par value, 75,000 shares authorized, 75,000 shares and -0- shares issued and outstanding at December 31, 2025 and 2024, respectively, respectively	75	0
Series C Preferred Stock, \$0.001 par value, 100,000 shares authorized, 100,000 shares and -0- shares issued and outstanding at December 31, 2025 and 2024, respectively respectively	1	0
Common stock, \$0.001 par value, 500,000,000 shares authorized, 118,471,600 shares and 10,082,221,600 shares issued and outstanding at December 31, 2025 and 2024, respectively, respectively	10,083,471	10,082,221
Additional paid-in capital	71,104,033	67,208,534
Accumulated deficit	<u>(77,734,938)</u>	<u>(77,290,756)</u>
Total stockholders' equity (deficit)	<u>3,687,161</u>	<u>0</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u><u>\$ 4,068,186</u></u>	<u><u>\$ 0</u></u>

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

SETO HOLDINGS, INC.
STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(unaudited)

	For the Year Ended December 31,	
	2025	2024
Sales	\$ 659,003	\$ 0
Cost of goods sold	434,964	0
Gross profit (loss)	224,039	0
Expense		
Consulting expense	157,500	0
General and administrative	478,251	73,000,000
Total expenses	(635,751)	(73,000,000)
Net operating loss	(411,712)	(73,000,000)
Profit (loss) before taxes	(411,712)	(73,000,000)
Income tax expense	---	---
Net profit (loss)	\$ (411,712)	\$ (73,000,000)
Net profit (loss) per common share		
Basic and Diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding:		
Basic and Diluted	118,471,600	10,082,221,600

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

SETO HOLDINGS, INC.
STATEMENTS OF STOCKHOLDERS' DEFICIT
YEARS ENDED DECEMBER 31, 2025 AND 2024
(unaudited)

	Special 2022 Series A Preferred Stock		Series B Voting/Series C Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, December 31, 2023	1	\$ 1	---	\$ --- / ---	82,221,600	\$ 82,221	\$ 4,208,534	\$ (4,290,756)	0
Issuance of common stock for services					10,000,000,000	10,000,000	63,000,000		73,000,000
Net loss	---	---	---	--- / ---	---	---	---	(73,000,000)	(73,000,000)
Balance, December 31, 2024	1	1	---	--- / ---	10,082,221,600	10,000,082,221	67,208,534	(77,290,756)	0
Balance, December 31, 2024	1	\$ 1	---	\$ --- / ---	10,082,221,600	\$ 10,082,221	\$ 67,208,534	\$ (77,290,756)	0
Series B Voting Preferred Stock issued in acquisition	---	---	75,000	75 / ---	---	---	3,499,925	---	3,500,000
Adjustment due to acquisition	---	---	---	--- / ---	---	---	---	(13,597)	(313,627)
Cancellation of common stock	---	---	---	--- / ---	(9,965,000,000)	---	---	---	---
Cancellation of Series A	(1)	1	---	--- / ---	---	---	---	---	---
Issuances of common stock	---	---	---	--- / ---	1,250,000	1,250	11,250	---	12,500
Series C Preferred Stock issued in acquisition	---	---	100,000	--- / 100	---	---	899,900	---	900,000
Net loss	---	---	---	--- / ---	---	---	---	(411,712)	(411,712)
Balance, December 31, 2025	---	\$ 1	75,000	\$ 75 / 100	\$ 118,471,600	\$ 10,083,471	\$ 71,104,033	\$ (77,734,938)	\$ 3,687,161

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

SETO HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(unaudited)

	For the Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (411,712)	\$ (73,000,000)
Adjustments to reconcile net loss to net cash used for operating activities:		
Consulting services paid by issuance of note	150,000	0
Consulting services paid by issuances of common stock	7,500	73,000,000
Changes in operating assets and liabilities:		
Inventory	(15,374)	---
Changes from acquisitions	18,942	0
Accounts receivable	67,668	0
Accrued expenses	132,269	0
Net cash used for operating activities	(50,707)	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used for investing activities	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock	5,000	0
Proceeds from convertible promissory note	50,000	
Loans payable	10,742	
Net cash provided by financing activities	65,742	0
Net increase (decrease) in cash and cash equivalents	15,035	0
Cash and cash equivalents at beginning of period	0	0
Cash and cash equivalents at end of period	\$ 15,035	\$ 0
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Common stock issued for services	\$ 157,500	\$ 0
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Income taxes paid	\$ ---	\$ ---
Interest paid	\$ ---	\$ ---

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

SETO HOLDINGS, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 -- BASIS OF PRESENTATION AND GOING CONCERN

Background

SETO Holdings, Inc., a Nevada corporation (the “Company”), was incorporated in the State of Nevada in 1985 as Epic Resources, Inc. The Company changed its name to Semicon Tools, Inc. in October 1987. The Company changed its name to SETO Holdings, Inc. in October 1998.

Custodianship

On April 27, 2022, the District Court of Clark County, Nevada, case number A22-849116-C, entered an Order Granting Application for Appointment (the “Order”) of UMA, LLC as Custodian of the Company. Pursuant to the Order, UMA, LLC (the “Custodian”) has the authority to take any actions on behalf of the Company, that are reasonable, prudent or for the benefit of the Company, including, but not limited to, issuing shares of stock and issuing new classes of stock, as well as entering into contracts on behalf of the Company. In addition, the Custodian, pursuant to the Order, is required to meet the requirements under the Nevada charter.

On April 27, 2022, the Custodian appointed its president, Nikki Lee, as the sole officer and director of the company.

On April 27, 2022, the Custodian designated one share of preferred stock as Special 2022 Series A Preferred Stock at par value of \$0.001. The Special 2022 Series A Preferred has 60% voting rights over all classes of stock and is convertible into 61,800,000 shares of the Company’s common stock.

On April 27, 2022, the Custodian issued to itself one share of the Special 2022 Series A Preferred Stock.

Change in Control – May 27, 2022

On May 27, 2022, the Custodian appointed Nairobi Anderson as the sole officer and director of the company.

On May 27, 2022, the Custodian transferred one share of Special 2022 Series A Preferred Stock to Nairobi Anderson.

On November 3, 2022, the District Court of Clark County, Nevada entered a Notice Of Entry Of Order Granting Custodian UMA, LLC’s Motion To Discharge Custodianship And Enter Final Order.

Change in Control – June 21, 2023

On June 21, 2023, in a private transaction, Nairobi Anderson entered into a Securities Purchase Agreement (the “SPA”) with Krisa Management LLC, a Texas limited liability company, to sell the Special 2022 Series A Preferred Stock. Upon closing of the SPA on June 21, 2023, Krisa Management LLC acquired 60% voting control of the Company.

On June 21, 2023, the Board of Directors appointed Carey W. Cooley as the Company’s sole officer and director. On June 21, 2023, Nairobi Anderson resigned as an officer and director.

Change in Control – June 18, 2024

On June 18, 2024, in a private transaction, Krisa Management entered into a Securities Purchase Agreement (the “SPA”) with Daming Zhang, to sell the Special 2022 Series A Preferred Stock. Upon closing of the SPA on June 18, 2024, Daming Zhang acquired 60% voting control of the Company.

On June 18, 2024, the Board of Directors appointed Daming Zhang and Miaomiao Wang as directors. Daming Zhang was elected as the Company’s CEO and Miaomiao Wang as the Company’s Treasurer. On June 18, 2024, Carey W Cooley resigned as an officer and director.

Change in Control – May 27, 2025

Effective May 27, 2025, a change in control of the Company occurred. On such date, pursuant to a securities purchase agreement Daming Zhang sold (A) the single outstanding share of the Special 2022 Series A Preferred Stock of the Company and (B) 9,995,000,000 shares of common stock of the Company to a single entity, Intergen I Limited Partnership (“Intergen”), a Wyoming limited partnership controlled by Tres Grados LLC, of which the control persons are Janon Costley and Ryan Dolder.

In connection with the change in control, (1) Naiwei Chen, Bo Fu and Xiuxiang Shou resigned as Directors of the Company, (2) Naiwei Chen resigned as CEO and President of the Company, (3) Daming Zhang resigned as CFO and Secretary of the Company, (4) Janon Costley was appointed President and Chief Executive Officer of the Company; and (5) Ryan Dolder was appointed Chief Operating Officer, Chief Financial Officer and Treasurer of the Company.

Acquisition Transaction

Effective June 20, 2025, the Company entered into an Agreement and Plan of Reorganization (the “Intergen Agreement”) with Intergen. Pursuant to the Intergen Agreement, the Company acquired: 60% ownership of Shinju Spirits, Inc., the owner of “Shinju,” a Japanese Whisky brand with distribution in the United States; Copa Imperial, a premium, high-end Tequila aimed at capitalizing on the superior growth of Tequila; Eight Vodka, a high-end Vodka fitting into the latest surge in popularity for premium Vodka; and other brands, Mazeray Champagne, Cote’ Or Sparkling Wine and Comte de Mazeray Cognac. The Company issued 75,000 shares of its Series B Voting Preferred Stock, in payment of the foregoing assets.

In connection with this change in control, (1) Naiwei Chen, Bo Fu and Xiuxiang Shou resigned as Directors of the Company, (2) Naiwei Chen resigned as CEO and President of the Company, (3) Daming Zhang resigned as CFO and Secretary of the Company, (4) Janon Costley was appointed President and Chief Executive Officer of the Company; and (5) Ryan Dolder was appointed Chief Operating Officer, Chief Financial Officer and Treasurer of the Company.

Business Operations

The Company is a spirits company with operations in the United States, select European markets and planned expansion into the Bahamas. The Company is positioned as a vertically integrated beverage company focused on the development, acquisition, and scaling of premium spirits brands across high-growth global categories. The Company differentiates itself, and creates a competitive advantage, from most of its competition in the spirits industry by creating an integrated sales model by shifting from a passive brand owner to an active, closed-loop brand accelerator.

Basis of Presentation

The accompanying unaudited interim financial statements of SETO Holdings, Inc. (the “Company”) have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America (“GAAP”) and should be read in conjunction with the audited financial statements and notes thereto. In the opinion of management, such statements reflect all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial statements of the Company as of June 30, 2025 and 2024. These unaudited condensed financial statements should be read in conjunction with the related disclosures of the Company as of June 30, 2025, and for the period then ended included elsewhere in this filing.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Changes in estimates and assumptions are reflected in reported results in the period in which they become known. Significant estimates made by management include but are not limited to, the valuation allowance associated with deferred tax assets. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Actual results could differ from those estimates.

New Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect, and that may impact its financial statements. The Company does not believe that any other new accounting pronouncements have been issued that might have a material impact on its financial position or results of operations.

Basic and Diluted Income Per Share

The Company presents both basic and diluted earnings per share (EPS) on the face of the statements of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period including convertible debt, stock options, and warrants, using the treasury stock method, and convertible debt instruments, using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

At June 30, 2025, December 31, 2024, the Company had no dilutive securities outstanding.

NOTE 2 - STOCKHOLDERS' EQUITY

Common Stock

In September 2024, the Company increased the number of authorized shares of common stock to 10,100,000,000.

In September 2024, 10,000,000,000 shares of common stock were issued to the Company's former CFO as a retention bonus, which shares were valued at \$0.0073 per share, or \$73,000,000, in the aggregate.

At December 31, 2025, and December 31, 2024, the Company had 141,200,300 shares and 10,082,221,600 shares of common stock issued and outstanding, respectively.

Preferred Stock

Special 2022 Series A Preferred Stock. Except as provided by Nevada statutes, the holder of the Special 2022 Series A Preferred Stock shall vote together with the holders of preferred stock (including on an as converted basis), par value \$0.001, and common stock, par value \$0.001 per share, of the Company as a single class. The 2022 Series A Preferred Stock stockholder is entitled to 60% of all votes (including, but not limited to, common stock, and preferred stock (including on an as converted basis) entitled to vote at each meeting of stockholders of the Company (and written actions of stockholders in lieu of meetings) with respect to any and all matters presented to the stockholders of the Company for their action or consideration. The Special 2022 Series A Preferred Stock shall not be divided into fractional shares.

At December 31, 2025, and December 31, 2024, the Company had no shares and 1 share of Special 2022 Series A Preferred Stock issued and outstanding, respectively.

Series B Voting Preferred Stock.

Number Designated. The number of shares designated as Series B Voting Preferred Stock shall be 75,000.

Fractional Shares. The Series B Voting Preferred Stock may be issued in fractional shares.

Voting Rights. The holders of the Series B Voting Preferred Stock shall, as a class, have rights in all matters requiring shareholder approval to a number of votes equal to two (2) times the sum of: (a) the total number of shares of Company common stock which are issued and outstanding at the time of any election or vote by the shareholders; plus (b) the number of votes allocated to shares of preferred stock issued and outstanding of any other class that shall have voting rights.

Dividends. The holders of the Series B Voting Preferred Stock shall not be entitled to receive dividends paid on the common stock.

Liquidation. The holders of the Series B Voting Preferred Stock shall not be entitled to any liquidation preference.

Conversion Rights. The Series B Voting Preferred Stock shall be convertible into shares of the Company's common stock, as follows: each share of Series B Voting Preferred Stock shall be convertible at any time into a number of shares of common stock that equals one-thousandth of one percent (0.001%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion, such that 1,000 shares of Series B Voting Preferred Stock would convert into one percent (1%) of the number of issued and outstanding shares of the common stock outstanding on the date of conversion. A holder of shares of Series B Voting Preferred Stock shall be required to convert all of such holder's shares of Series B Voting Preferred Stock, should any such holder exercise his, her or its rights of conversion.

At December 31, 2025, and December 31, 2024, the Company had 75,000 shares and zero shares of Series B Voting Preferred Stock issued and outstanding, respectively.

Series C Preferred Stock.

Number Designated. The number of shares designated as Series C Preferred Stock shall be 100,000.

Stated Value. The Series C Preferred Stock shall have a stated value of \$5.00 per share (the “Stated Value”).

Fractional Shares. The Series C Preferred Stock may be issued in fractional shares.

Voting Rights. Each share of the Series C Preferred Stock shall be entitled to one (1) vote on all matters with the outstanding shares of common stock

Dividends. The Series C Preferred Stock shall be treated pari passu with the common stock, on an as-converted basis.

Liquidation. Upon any liquidation, dissolution or winding up of our company, whether voluntary or involuntary, payments to the holders of Series C Preferred Stock shall be treated pari passu with the common stock, except that the payment on each share of Series C Preferred Stock shall be an amount equal to Five Dollars (\$5.00) for each such share of the outstanding Series C Preferred Stock held by such holder (as adjusted for any combinations, consolidations, stock distributions or stock dividends with respect to such shares), plus all dividends, if any, declared and unpaid thereon as of the date of such distribution, before any payment shall be made or any assets distributed to the holders of the common stock, and, after such payment, the remaining assets of our company shall be distributed to the holders of the common stock.

Conversion Rights. Any time following the date that is nine (9) months from issuance, the Series C Preferred Stock shall be convertible into shares of the Common Stock, as follows: holders of Series C Preferred Stock may convert shares of Series C Preferred Stock held by them into shares of the common stock. The conversion price shall be \$0.05 per share (the “Conversion Price”), subject to certain adjustments. The number of shares of common stock receivable upon conversion of one (1) share of Series C Preferred Stock equals the Stated Value divided by the then-Conversion Price; provided, however, that, should the closing price, as reported on OTCMarkets.com (or its successor), of the common stock be less than \$0.05 per share, then the Conversion Price shall be adjusted such that the total number of shares of the common stock to be issued multiplied by the Adjusted Conversion Price equals the total Stated Value of the shares of Series C Preferred Stock converted.

Redemption. The Series C Preferred Stock may be redeemed by us at any time for a cash purchase price equal to the liquidation preference as of the redemption date; provided, however, that we shall provide not less than five days’ written notice (the “Redemption Notice”) to the holder(s) of its intent to redeem the Series C Preferred Stock; provided further, however, that the holder(s) shall have the right to deliver a notice of conversion prior to the date of redemption set forth in the Redemption Notice.

At December 31, 2025, and December 31, 2024, the Company had 100,000 shares and zero shares of Series C Preferred Stock issued and outstanding, respectively.

NOTE 3 –CHANGES IN CONTROL

June 2024

Effective June 18, 2024, a change in control of the Company occurred. On such date, Carey Cooley sold one (1) share, or 100% of the outstanding shares, of the 2022 Series A Preferred Stock (the “Control Shares”) of the Company to a single person, Daming Zhang.

In connection with the change in control, Carey Cooley resigned as the Sole Director, Daming Zhang and Miaomiao Wang were appointed as the new Directors. Daming Zhang was appointed President, Chief Executive Officer and Secretary of the Company; Miaomiao Wang was appointed Treasurer of the Company.

May 2025

Effective May 27, 2025, a change in control of the Company occurred. On such date, pursuant to a securities purchase agreement Daming Zhang sold (A) the single outstanding share of the Special 2022 Series A Preferred Stock of the Company and (B) 9,995,000,000 shares of common stock of the Company to a single entity, Intergen I Limited Partnership (Intergen), a Wyoming limited partnership controlled by Tres Grados LLC, of which the control persons are Janon Costley and Ryan Dolder.

In connection with the change in control, (1) Naiwei Chen, Bo Fu and Xiuxiang Shou resigned as Directors of the Company, (2) Naiwei Chen resigned as CEO and President of the Company, (3) Daming Zhang resigned as CFO and Secretary of the Company, (4) Janon Costley was appointed President and Chief Executive Officer of the Company; and (5) Ryan Dolder was appointed Chief Operating Officer, Chief Financial Officer and Treasurer of the Company.

NOTE 4 – ACQUISITION TRANSACTION: INTERGEN ASSETS

Effective June 20, 2025, the Company entered into an Agreement and Plan of Reorganization (the “Intergen Agreement”) with Intergen. Pursuant to the Intergen Agreement, the Company acquired: 60% ownership of Shinju Spirits, Inc., the owner of “Shinju,” a Japanese Whisky brand with distribution in the United States; Copa Imperial, a premium, high-end Tequila aimed at capitalizing on the superior growth of Tequila; Eight Vodka, a high-end Vodka fitting into the latest surge in popularity for premium Vodka; and other brands, Mazeray Champagne, Cote’ Or Sparkling Wine and Comte de Mazeray Cognac.

The Company issued 75,000 shares of its Series B Voting Preferred Stock, in payment of the foregoing assets.

NOTE 5 – PLACEMENT AGENT AND ADVISORY SERVICES AGREEMENT

On June 18, 2025, the Company entered into a Placement Agent and Advisory Services Agreement (the “Placement Agent Agreement”) with MD Global Partners, LLC, a FINRA-member broker-dealer (the “Placement Agent”). Under the Placement Agent Agreement, the Company paid the Placement Agent an advisory fee of \$150,000 by the delivery of a \$150,000 principal amount convertible promissory note, convertible at a 25% discount to the market on the date immediately preceding the date of conversion. In addition, the Company is required to pay the Placement Agent a cash fee equal to 8% of proceeds received by the Company from a financing source attributable to the Placement Agent. The Placement Agent Agreement is not a firm-commitment agreement on behalf of the Placement Agent; rather, it is a best-efforts agreement.

NOTE 6 – CONVERTIBLE PROMISSORY NOTE

On June 18, 2025, the Company issued a \$150,000 principal amount convertible promissory note, convertible at a 25% discount to the market on the date immediately preceding the date of conversion, in payment of an advisory fee due to the Placement Agent under the Placement Agent Agreement. Principal and accrued interests on this note is due and payable on June 18, 2026.

NOTE 7 – ACQUISITION TRANSACTION: CAPCITY BEVERAGES, LLC

In November 2025, the Company acquired CapCity Beverages, LLC, a U.S.-based federally licensed alcohol imported and national wholesale distributor, in exchange for 100,000 shares of the Company’s Series C Preferred Stock with a total stated value of \$500,000 and a promissory note with a principal amount of \$100,000 and due on the date that is 180 days immediately following the date on which the SEC qualified the Company’s Regulation A offering.

NOTE 8 – SUBSEQUENT EVENTS

Acquisition Transaction: Preferred Brands USA, Inc.

In February 2026, the Company acquired 60% ownership of Preferred Brands USA, Inc., a premier beverage sales and brand management agency focused on the spirits and functional beverage sectors for \$150,000, payable \$20,000 in cash at closing, \$30,000 in cash 60 days thereafter and \$100,000 by the issuance of 6,666,667 shares of the Company’s common stock (these shares have not yet been issued but are issuable by the Company).

In March 2026, the Company entered into a strategic investment and platform integration agreement with El Hempe Spirits, Inc (“El Hempe”). El Hempe is an innovative beverage company operating at the intersection of premium RTD cocktails and hemp-adjacent culture, crafted for modern consumers seeking flavor, function, and freedom in exploring new drinking occasions. The brand is positioned to redefine RTD consumption through a combination of lifestyle relevance, formulation innovation and cross category appeal for the wellness-forward generation.

Other

The Company performed an evaluation of subsequent events through the date on which these condensed financial statements were issued. There were no other material subsequent events which affected, or could affect, the amounts or disclosures in the financial statements.

* * **End of Report** * *