

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

## **RINO International Corp.**

101 E Park Blvd, 6th Floor Plano, Texas 75074

1 (800) 986-9260

No website

rinointlcorp@gmail.com

SIC code: 7372

### **Annual Report**

**For the year Ended: December 31, 2021(the  
"Reporting Period")**

As of December 31, 2021, the number of shares outstanding of our Common Stock was:  
258,604,602

As of September 30, 2021, the number of shares outstanding of our Common Stock was:  
58,604,602

As of December 31, 2020, the number of shares outstanding of our Common Stock was:  
28,604,602

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

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

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

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Active with the state of Nevada.

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

Not aware of any trading suspension orders.

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

- On April 12, 2021, Grassroots Advisory, LLC was appointed Custodian of the Corporation by the Eighth Judicial District Court, Clark County, Nevada.
- On October 26, 2021, GrassRoots Advisory, LLC terminated Custodianship after returning the company to good standing with the state, transfer agent, and OTC Markets.

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

101 E Park Blvd, 6th Floor Plano, Texas 75074

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

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

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

Yes: ☐ No: ☒

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

N/A

## 2) Security Information

Trading symbol:	<u>RINO</u>
Exact title and class of securities outstanding:	<u>Common Stock</u>
CUSIP:	<u>766883102</u>
Par or stated value:	<u>\$0.0001</u>
Total shares authorized:	<u>10,000,000,000</u> as of date: <u>December 31, 2021</u>
Total shares outstanding:	<u>258,604,602</u> as of date: <u>December 31, 2021</u>
Number of shares in the Public Float <sup>2</sup> :	<u>10,578,329</u> as of date: <u>December 31, 2021</u>
Total number of shareholders of record:	<u>102</u> as of date: <u>December 31, 2021</u>

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

N/A

### Transfer Agent

Name: National Agency and Transfer Company  
Phone: (775) 322-0626  
Email: tiffany@natco.com  
Address: 50 West Liberty Street, Suite 880 Reno, NV 89501

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

### 3) Issuance History

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/20</u> Common: <u>28,604,602</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>9/17/21</u>	<u>New Issuance</u>	<u>30,000,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>Yes</u>	<u>7P Capital, LLC- Douglas DiSanti</u>	<u>Services in exchange for Custodianship</u>	<u>Restricted</u>	<u>4(a)(2)</u>
<u>10/6/21</u>	<u>New Issuance</u>	<u>200,000,000</u>	<u>Common</u>	<u>\$0.00038</u>	<u>Yes</u>	<u>Diamond Eye Capital, Inc. – Andrew Van Noy</u>	<u>Reimbursement of company expenses</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>10/6/21</u>	<u>New Issuance</u>	<u>10,000,000</u>	<u>Preferred – Series A</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>Diamond Eye Capital, Inc. – Andrew Van Noy</u>	<u>Reimbursement of company expenses</u>	<u>Restricted</u>	<u>Rule 144</u>
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date <u>12/31/21</u> Common: <u>258,604,602</u> Preferred: <u>10,000,000</u>									

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Service etc.)
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

### 4) Financial Statements

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

☒ U.S. GAAP

☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

Name: Benjamin Oates

Title: CEO, CFO, Director

Relationship to Issuer: Officer of the company

### 5) Issuer's Business, Products and Services

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

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

Rino International Corporation is in the business of identifying and acquiring strategic intellectual property in the agricultural technology, biotechnologies and energy industries.

B. Please list any subsidiaries, parents, or affiliated companies.

None

C. Describe the issuers' principal products or services.

None

### 6) Issuer's Facilities

None

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

None

7)      **Insiders (Officers, Directors, and Control Persons)**

Name of Officer/Director or Control Person	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	Note
<u>Diamond Eye Capital, Inc.***</u>	<u>&gt;5% owner</u>	<u>Lehi, UT</u>	<u>200,000,000</u>	<u>Common</u>	<u>77%</u>	
<u>7P Capital, LLC*</u>	<u>&gt;5% owner</u>	<u>ADDISON, TX</u>	<u>30,000,000</u>	<u>Common</u>	<u>12%</u>	<u>Former Custodian</u>
<u>GAFONG LIMITED**</u>	<u>&gt;5% owner</u>	<u>British Virgin Islands</u>	<u>16,109,679</u>	<u>Common</u>	<u>6%</u>	<u>Previous Director of the Business</u>

\*Control person Doug DiSanti

\*\*Control person Zou Dejun

\*\*\*Control person Andrew Van Noy

**8) Legal/Disciplinary History**

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None noted

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

None noted

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

None noted

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

None noted

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 noted

**9) Third Party Providers**

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

Securities Counsel

Name: Jonathan Leinwand  
Firm: 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

Name: N/A  
Firm: N/A  
Address 1: N/A  
Address 2: N/A  
Phone: N/A  
Email: N/A

Investor Relations

N/A



## 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, Benjamin Oates certify that:

1. I have reviewed this Annual disclosure statement of RINO International 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.

March 22, 2022 [Date]

/s/ Benjamin Oates [CEO's Signature]

*Principal Financial Officer:*

I, Benjamin Oates certify that:

1. I have reviewed this Annual disclosure statement of RINO International 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.

March 22, 2022 [Date]

/s/ Benjamin Oates [CFO's Signature]

**RINO INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(UNAUDITED)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ -	\$ -
Accounts receivable	-	-
Other current assets and prepaid expenses	-	-
<b>TOTAL CURRENT ASSETS</b>	<u>-</u>	<u>-</u>
 PLANT AND EQUIPMENT, NET	 -	 -
 OTHER ASSETS	 -	 -
Intangible assets, net	-	-
<b>TOTAL OTHER ASSETS</b>	<u>-</u>	<u>-</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ -	\$ -
Notes payable	-	-
Customer deposits	-	-
Deferred revenue	-	-
Other payables and accrued liabilities	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<u>-</u>	<u>-</u>
 Long term loan	 -	 -
 COMMITMENTS AND CONTINGENCIES	 -	 -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>
 <b>SHAREHOLDERS' EQUITY</b>		
Preferred Stock (\$0.0001 par value, 50,000,000 shares authorized)		
Series A - 10,000,000 and zero shares issued and outstanding	1,000	-
Common Stock (\$0.0001 par value, 10,000,000,000 shares authorized, 258,604,602 and 28,604,602 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively)	25,860	2,860
Additional paid-in capital	107,578,685	107,527,065
Retained earnings	(107,605,545)	(107,529,925)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**RINO INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(UnAUDITED)

	<b>Year Ended</b>	
	<b>December 31, 2021</b>	<b>December 31, 2020</b>
REVENUES	\$ -	\$ -
OPERATING EXPENSES		
Selling, general and administrative expenses	75,620	-
Stock compensation expense	-	-
TOTAL OPERATING EXPENSES	<u>75,620</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>(75,620)</u>	<u>-</u>
OTHER INCOME (EXPENSES), NET		
Other expense, net	-	-
Interest income (expense), net	<u>-</u>	<u>-</u>
TOTAL OTHER INCOME (EXPENSES), NET	<u>-</u>	<u>-</u>
INCOME FROM OPERATIONS BEFORE PROVISION FOR INCOME TAXES	<u>(75,620)</u>	<u>-</u>
PROVISION FOR INCOME TAXES	-	-
NET INCOME/(LOSS)	<u>(75,620)</u>	<u>-</u>
NET INCOME/(LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	<u><u>\$ (75,620)</u></u>	<u><u>\$ -</u></u>
WEIGHTED AVERAGE NUMBER OF SHARES:		
Basic	84,511,195	28,604,602
Diluted	84,511,195	28,604,602
EARNINGS PER SHARE:		
Basic	(0.00)	-
Diluted	(0.00)	-

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

**RINO INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(UnAUDITED)

	Year Ended	
	December 31, 2021	December 31, 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ (75,620)	\$ -
Adjustments to reconcile net income to cash (used in) provided by operating activities:	-	-
Changes in operating assets and liabilities:	-	-
Other	-	-
Net cash provided by operating activities	(75,620)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Other	-	-
Net cash provided by investing activities	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of common stock to investor	75,620	-
Net cash provided by financing activities	75,620	-
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS, beginning	-	-
CASH AND CASH EQUIVALENTS, ending	\$ -	\$ -
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest expense	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
<b>Non-cash financing activities:</b>		
Issuance of Series A preferred stock	\$ 1,000	\$ -
Stock issued to the custodian	\$ 3,000	\$ -

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

RINO INTERNATIONAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

	Preferred Stock Par Value \$0.0001		Common Stock Par Value \$0.0001		Additional Paid-in capital	Retained Earnings	Totals
	Number of Shares	Par Value	Number of Shares	Par Value			
Year ended December 31, 2020							
BALANCE, December 31, 2019 (Unaudited)	-	\$ -	28,604,602	\$ 2,860	\$ 107,527,065	\$ (107,529,925)	\$ -
No equity transactions	-	-	-	-	-	-	-
BALANCE, March 31, 2020 (Unaudited)	-	-	28,604,602	2,860	107,527,065	(107,529,925)	-
No equity transactions	-	-	-	-	-	-	-
BALANCE, June 30, 2020 (Unaudited)	-	-	28,604,602	2,860	107,527,065	(107,529,925)	-
No equity transactions	-	-	-	-	-	-	-
BALANCE, September 30, 2020 (Unaudited)	-	-	28,604,602	2,860	107,527,065	(107,529,925)	-
No equity transactions	-	-	-	-	-	-	-
BALANCE, December 31, 2020 (Unaudited)	-	\$ -	28,604,602	\$ 2,860	\$ 107,527,065	\$ (107,529,925)	\$ -
Year ended December 31, 2021							
BALANCE, December 31, 2020 (Unaudited)	-	\$ -	28,604,602	\$ 2,860	\$ 107,527,065	\$ (107,529,925)	\$ -
No equity transactions	-	-	-	-	-	-	-
BALANCE, March 31, 2021 (Unaudited)	-	-	28,604,602	2,860	107,527,065	(107,529,925)	-
No equity transactions	-	-	-	-	-	-	-
BALANCE, June 30, 2021 (Unaudited)	-	-	28,604,602	2,860	107,527,065	(107,529,925)	-
Stock issuance to custodian	-	-	30,000,000	3,000	(3,000)	-	-
BALANCE, September 30, 2021 (Unaudited)	-	-	58,604,602	5,860	107,524,065	(107,529,925)	-
Stock issuance to investor	-	-	200,000,000	20,000	55,620	-	75,620
Stock issuance to investor	10,000,000	1,000	-	-	(1,000)	-	-
Net loss	-	-	-	-	-	(75,620)	(75,620)
BALANCE, December 31, 2021 (Unaudited)	10,000,000	\$ 1,000	258,604,602	\$ 25,860	\$ 107,578,685	\$ (107,605,545)	\$ -

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

**RINO INTERNATIONAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(Unaudited)**

**1. ORGANIZATION AND LINE OF BUSINESS**

**Organization**

Rino International Corporation (“we”, “us”, “our”, “Rino”, or the “Company”) is a Nevada corporation. In approximately 2010, the Company ceased operations and was designated as a shell company until 2021.

**Going Concern**

The accompanying consolidated financial statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and liabilities and commitments in the normal course of business. The accompanying financial statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern. As of December 31, 2021, the Company had no assets, liabilities or revenue and has historically reported net losses, and no operations, which raise substantial doubt about the Company’s ability to continue as a going concern. The ability of the Company to continue as a going concern and appropriateness of using the going concern basis is dependent upon, among other things, an additional cash infusion. The Company has obtained funds from its lenders and investors since its inception through December 31, 2021. It is management’s plan to generate additional working capital from increasing sales from the Company’s service offerings, in addition to acquiring profitable companies.

**Business Description**

RINO International Corporation (the “Company” or “RINO”) was originally incorporated in 1984 in accordance with the laws of the State of Minnesota. On December 27, 2006, the shareholders of the Company approved a proposal to re-domicile the Company from the State of Minnesota to the State of Nevada. The Company through its 100% owned subsidiaries and Variable Interest Entities (“VIEs”), engaged in designing, developing, manufacturing, and installation of environmental protection and energy saving industrial equipment in the People’s Republic of China (PRC).

On February 22, 2010, Dalian RINO Environment Engineering Science and Technology Co., Ltd. (“Dalian RINO”) and three other unrelated Chinese based companies formed Dalian Environment Exchange Co., Ltd., under the laws of PRC. Dalian RINO was mainly engaged in the business of providing comprehensive services for trading of proprietary technology and other rights and interests within environmental protection and energy sector.

On July 14, 2010, RINO Investment (Dalian) Co., Ltd. (“Rino Investment”) established a new 100% owned subsidiary in Dalian, named Dalian RINO Solid Waste Treatment Co., Ltd. (“RINO Sludge”). RINO Sludge was engaged in the business of municipal sludge and solid waste treatment.

On August 3, 2010, Dalian RINO established a new 100% subsidiary named Dalian RINO Logistics Co., Ltd. (“Rino Logistics”). RINO Logistics was mainly engaged in providing cargo transportation services.

With the absence of prior operation records and the passage of the statute of limitations the company has recorded adjustments to the financial statements of the year ended December 31, 2018 to zero out all financial statement balances related to the prior operations.

As of December 31, 2021, RINO International Corp was a shell company seeking to merge with other entities with experienced management and opportunities for growth in return for shares of our common stock to create value for our shareholders. The accompanying financial statements are prepared on the basis of accounting principles generally accepted in the United States of America (“GAAP”). The Company is a development stage enterprise devoting substantial efforts to establishing a new business, financial planning, raising capital, and research into products which may become part of the Company’s product portfolio. A development stage company is defined as one in which all efforts are devoted substantially to establishing a new business and, even if planned principal operations have commenced, revenues are insignificant.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Rino is presented to assist in understanding the Company's Consolidated Financial Statements. The Consolidated Financial Statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the Consolidated Financial Statements.

### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Since the Company has limited operations, estimates are primarily used in measuring liabilities, fair value assumptions in accounting for business combinations and analyzing goodwill, intangible assets, and long-lived asset impairments and adjustments.

### **Cash and Cash Equivalents**

For purposes of reporting within the statements of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

### **Accounts Receivable**

The Company has not yet extended credit to its customers. Accounts receivable are customer obligations due under normal trade terms. Once the Company resumes offering credit to its customers, we will perform continuing credit evaluations of our customers' financial condition. Management will review accounts receivable on a regular basis, based on contractual terms and how recently payments have been received to determine if any such amounts will potentially be uncollected. The Company will include any balances that are determined to be uncollectible in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable would be written off. The balance of the allowance account at September 30, 2021 and December 31, 2020 were both zero.

### **Property and Equipment**

Property and equipment are stated at cost, and are depreciated or amortized using the straight-line method over the following estimated useful lives:

Furniture, fixtures & equipment	7 Years
Computer equipment	5 Years
Commerce server	5 Years
Computer software	3 - 5 Years
Leasehold improvements	Length of the lease

Since the Company had no depreciable assets, depreciation expense was zero for the periods ended December 31, 2021 and December 31, 2020.

### **Impairment of Long-Lived Assets**

The Company reviews and evaluates its long-lived assets for impairment at each balance sheet date and documents such impairment testing. The tests include an evaluation of the assets and events or changes in circumstances that would indicate that the related carrying amounts may not be recoverable.

The tests for long-lived assets in the exploration, development or producing stage that would have a value beyond proven and probable reserves would be monitored for impairment based on factors such as current market value and future undiscounted cash flows expected to result from the use of the related assets. Recoverability of assets

to be held and used is measured by a comparison of the carrying amount of an asset to the estimated future net undiscounted cash flows expected to be generated by the asset, including evaluating its reserves beyond proven and probable amounts.

The Company's policy is to record an impairment loss in the period when it is determined that the carrying amount of the asset may not be recoverable either by impairment or by abandonment of the property. The impairment loss is calculated as the amount by which the carrying amount of the assets exceeds its fair value.

### **Revenue Recognition**

During the years ended December 31, 2021 and December 31, 2020, the Company had no revenue. However, when we do record revenue, it will be in accordance with ASU 2014-09 Revenue from Contracts with Customers ("ASC 606"). Deferred revenue and customer deposits as of December 31, 2021, and December 31, 2020 were both zero.

### **Research and Development**

Research and development costs are expensed as incurred. Total research and development costs were zero for the years ended December 31, 2021 and December 31, 2020.

### **Advertising Costs**

The Company expenses the cost of advertising and promotional materials when incurred. Total advertising cost was zero for the years ended December 31, 2021 and December 31, 2020.

### **Fair value of financial instruments**

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

ASC Topic 820 established a nine-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable

### **Basic and Diluted Net Income (Loss) per Share Calculations**

Income (Loss) per Share dictates the calculation of basic earnings per share and diluted earnings per share. Basic earnings per share are computed by dividing income available to common shareholders by the weighted-average number of common shares available. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

For the years ended December 31, 2021 and December 31, 2020, the Company did not exclude any shares from the calculation of earnings per share.

Dilutive per share amounts are computed using the weighted-average number of common shares outstanding and



potentially dilutive securities, using the treasury stock method if their effect would be dilutive.

### **Income Taxes**

The Company accounts for income taxes pursuant to FASB ASC Topic 740, Income Taxes. Under FASB ASC Topic 740, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company's financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carry-forward period under the Federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the reliability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

### **Employee Stock-Based Compensation**

The Company accounts for stock-based compensation in accordance with ASC 718 Compensation - Stock Compensation ("ASC 718"). ASC 718 addresses all forms of share-based payment ("SBP") awards including shares issued under employee stock purchase plans and stock incentive shares. Under ASC 718 awards result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest and will result in a charge to operations.

### **Recently Adopted Accounting Pronouncements**

The Company does not elect to delay complying with any new or revised accounting standards, but to apply all standards required of public companies, according to those required application dates. Management reviewed accounting pronouncements issued during the period ended September 30, 2021, and no pronouncements were adopted during the period.

### **Recently Issued Accounting Pronouncements Not Yet Adopted**

In June 2016, the FASB issued Accounting Standards Update No. 2016-13 (ASU 2016-13) "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. ASU 2016-13 is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2022. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In January 2017, the FASB issued 2017-04, Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this ASU simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test and eliminating the requirement for a reporting unit with a zero or negative carrying amount to perform a qualitative assessment. Instead, under this pronouncement, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment change for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized is not to exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects will be considered, if applicable. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosure.

### **3. REVENUE RECOGNITION**

Although the Company currently does not have any revenue, when revenue recognition resumes, the Company will record the transactions in accordance with ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, “ASC 606”). In accordance with ASC 606, revenues are recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

The core principles of revenue recognition under ASC 606 includes the following five criteria:

1. Identify the contract with the customer.

Contract with our customers may be oral, written, or implied. A written and signed contract stating the terms and conditions is the preferred method and is consistent with most customers. The terms of a written contract may be contained within the body of an email, during which proposals are made and campaign plans are outlined, or it may be a stand-alone document signed by both parties. Contracts that are oral in nature are consummated in status and pitch meetings and may be later followed up with an email detailing the terms of the arrangement, along with a proposal document. No work is commenced without an understanding between the Company and our customers, that a valid contract exists.

2. Identify the performance obligations in the contract.

Our sales and account management teams define the scope of services to be offered, to ensure all parties are in agreement and obligations are being delivered to the customer as promised. The performance obligation may not be fully identified in a mutually signed contract, but may be outlined in email correspondence, face-to-face meetings, additional proposals or scopes of work, or phone conversations.

3. Determine the transaction price.

Pricing is discussed and identified by the operations team prior to submitting a proposal to the customer. Based on the obligation presented, third-party service pricing is established, and time and labor are estimated, to determine the most accurate transaction pricing for our customer. Price is subject to change upon agreed parties, and could be fixed or variable, milestone focused or time and materials.

4. Allocate the transaction price to the performance obligations in the contract.

If a contract involves multiple obligations, the transaction pricing is allocated accordingly, during the performance obligation phase (criteria 2 above).

5. Recognize revenue when (or as) we satisfy a performance obligation.

The Company will evaluate the performance obligations as revenue recognition materializes.

### **4. LIQUIDITY AND OPERATIONS**

The Company had a net loss of \$75,620 for the year ended December 31, 2021, and net cash used in operating activities of \$75,620.

As of December 31, 2021, the Company did not have short-term borrowing relationship with any lenders.

While the Company hopes that its capital needs in the foreseeable future may be met by operations, there is no assurance that the Company will be able to generate enough positive cash flow to finance its growth and business operations in which event, the Company may need to seek outside sources of capital. There can be no assurance that such capital will be available on terms that are favorable to the Company or at all.

### **5. INTANGIBLE ASSETS**

As of December 31, 2021, the Company had no goodwill or intangible assets.

### **6. CAPITAL STOCK**

At December 31, 2021, the Company’s authorized stock consists of 10,000,000,000 shares of common stock, par value \$0.0001 per share, and 50,000,000 shares of preferred stock, par value of \$0.0001 per share. The rights, preferences and privileges of the holders of the preferred stock will be determined by the Board of Directors prior to issuance of such shares. The conversion of certain outstanding preferred stock could have a significant impact on our common stockholders.

#### Common Stock

As of December 31, 2021 and December 31, 2020, there were 258,604,602 and 28,604,602 shares of common stock outstanding, respectively. During the year ended December 31, 2021, the Company issued 30,000,000 shares of common stock to 7P Capital, LLC, which is controlled by the former custodian and 200,000,000 shares

to an investor.

#### Preferred Stock

As of December 31, 2021 and December 31, 2020, there were 10,000,000 and zero shares of preferred stock outstanding, respectively.

### **7. STOCK OPTIONS AND WARRANTS**

As of December 31, 2021 and December 31, 2020, no stock options or warrants were outstanding.

### **8. RELATED PARTIES**

None noted

### **9. CONCENTRATIONS**

None noted

### **10. COMMITMENTS AND CONTINGENCIES**

#### Leases

In February 2016, the FASB issued ASU 2016-02, “Leases” Topic 842, which amends the guidance in former ASC Topic 840, Leases (“ASC 840”). The new standard increases transparency and comparability most significantly by requiring the recognition by lessees of right-of-use (“ROU”) assets and lease liabilities on the balance sheet for all leases longer than 12 months. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. For lessees, leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement, over the expected term on a straight-line basis. Operating leases are recognized on the balance sheet as right-of-use assets, current operating lease liabilities and non-current operating lease liabilities. We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities on our consolidated balance sheets. Finance leases are included in property and equipment, current liabilities, and long-term liabilities on our consolidated balance sheets.

When the Company initiates a lease, we will record the transaction in accordance with ASC 842.

#### Legal Matters

The Company may be involved in legal actions and claims arising in the ordinary course of business, from time to time, none of which at this time the Company considers to be material to the Company’s business or financial condition.

### **11. SUPPLEMENTAL STATEMENT OF CASH FLOWS INFORMATION**

During the year ended December 31, 2021, the following non-cash transactions occurred:

- The Company issued 30,000,000 shares of common stock to 7P Capital, LLC, which is controlled by the custodian. The shares have a par value of \$3,000.
- The Company issued 10,000,000 shares of series A preferred stock to an investor, Diamond Eye Capital, Inc. The shares have a par value of \$1,000.

During the period ended December 31, 2020, there were no non-cash activities.

### **12. SUBSEQUENT EVENTS**

Management has evaluated subsequent events according to ASC TOPIC 855 as of the date of the financial statements and has determined that the following subsequent events are reportable:

- On March 15, 2022, the Company’s sole Director, CEO and CFO, Samuel Smith resigned and was replaced with Benjamin Oates, who will serve as the new sole Director, CEO and CFO.