

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

### **Digital Utilities Ventures, Inc.**

Digital Utilities Ventures, Inc.  
71 Commercial Street  
Boston, MA 02109

---

(617) 588-0068  
[www.duventures.com](http://www.duventures.com)  
[info@duventures.com](mailto:info@duventures.com)  
3990

**Quarterly Report**  
**For the Period Ending: February 28, 2022**  
(the "Reporting Period")

As of **February 28, 2022**, the number of shares outstanding of our Common Stock was: **3,453,679,078**

As of **November 30, 2021**, the number of shares outstanding of our Common Stock was: **3,453,679,078**

As of **May 31, 2021**, the number of shares outstanding of our Common Stock was: **3,453,679,078**

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: ☒

---

<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)**

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.

**Digital Utilities Ventures, Inc – Current Name**  
**3EEE, Inc – Changed 5/12/2009 to Digital Utilities Ventures, Inc**  
**Broken Arrow Petroleum Co – Changed 6/1/2000 to 3EEE, Inc**

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):

**Digital Utilities Ventures, Inc. is a Delaware C corporation that was incorporated on June 13, 1991.**  
**Current standing – Active**

Describe any trading suspension orders issued by the SEC 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:

**NONE**

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

**71 Commercial Street**  
**Boston, MA, 02109**

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:* ☒

**71 Commercial Street**  
**Boston, MA, 02109**

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:

**NONE**

## 2) Security Information

Trading symbol: DUTV  
Exact title and class of securities outstanding: Common Stock with a par value \$0.001 per share  
CUSIP: 25400G 10 7  
Par or stated value: 0.001

Total shares authorized: 7,000,000,000 as of date: February 28, 2022  
Total shares outstanding: 3,453,679,078 as of date: February 28, 2022  
Number of shares in the Public Float<sup>2</sup>: 1,260,527,279 as of date: February 28, 2022  
Total number of shareholders of record: 614 as of date: February 28, 2022

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

Trading symbol: NA  
Exact title and class of securities outstanding: NA  
CUSIP: NA  
Par or stated value: 0.001  
Total shares authorized: 250,000,000 as of date: February 28, 2022  
Total shares outstanding: 0 as of date: February 28, 2022

### Transfer Agent

Name: Pacific Stock Transfer Co.  
Phone: (800) 785-7782  
Email: info@pacificstocktransfer.com  
Address: 6725 Via Austi Pkwy, Suite 300, Las Vegas, NV 8911

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

## 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct 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

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: ☒

<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.

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>May 31, 2019</u> Common: <u>3,453,679,078</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>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date: <u>Feb. 28, 2022</u> Common: <u>3,453,679,078</u> Preferred: <u>0</u>									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended June 30, 2021, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2019 through June 30, 2021 pursuant to the tabular format above.

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

**NONE**

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

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
6/17/2002	\$320,584	\$320,584	\$193,203	1 Year from date of	Each dollar amount of unpaid principal amount and any interest owed may	Epic Events Trust (Joseph C.	Loan at 8%

				Loan	be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	<i>Passalaqua)</i>	
3/31/2009	\$410,744	\$144,369	\$462,821	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	Joseph C. Passalaqua	Loan at 18%
3/31/2009	\$540,000	\$540,000	\$573,955	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	Callaway Properties, Inc ( <i>Joseph C. Passalaqua</i> )	Loan at 8%
10/1/2010	\$33,620	\$33,620	\$65,642	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	Cobalt Blue, LLC ( <i>Mary Passalaqua</i> )	Loan at 18%
	\$355,595	\$355,595	\$851,780	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	Transferred from Digital Ventures.  ( <i>Joseph C. Passalaqua</i> )	Loan at 18%
	\$8,000	\$8,000	\$14,954	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	Mary Passalaqua	Loan at 18%

	\$21,584	\$21,584	\$82.14	1 Year from date of Loan	Each dollar amount of unpaid principal amount and any interest owed may be converted into one duly authorized, validly- issued, fully-paid and non-assessable share of common stock of the Company	<u>Deanna Johnson</u>	<u>Loan at 3%</u>
<b>Total</b>	<b><u>1,690,127</u></b>		<b><u>2,162,438</u></b>				

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

**NONE**

#### 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: Sarah Ahmed  
Title: Independent Accountant  
Relationship to Issuer: Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance Sheet;
- D. Statement of Income;
- E. Statement of Cash Flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

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

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

<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

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

## 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")

**Digital Utilities Ventures, Inc. is working to become a formidable presence in the green solutions marketplace. We have identified strategic opportunities for acquisitions and joint ventures that will allow us to capitalize on existing and emerging opportunities in this industry. Consumers understand the significance of progressing from conventional assets to inexhaustible sources that produce no ozone harming greenhouse gas emissions from petroleum by-products and lessen air contaminants. Enhancing green solutions such as in energy supply and lessening reliance on imported fuels will assist with economic development by increasing occupations in manufacturing, assembling, and more.**

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

**NONE**

- C. Describe the issuers' principal products or services.

**The company's mission is to bring in new technologies as subsidiary companies of DUTV, and then manufacture, sell and service these modularized technologies under the DUTV public company umbrella.**

## 6) 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.

**71 Commercial Street, Boston, MA, 02109**

## 7) Company Insiders (Officers, Directors, and Control Persons)

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

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **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 in the note section.**

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
Mark Gaalswyk	CEO	Lake Crystal, MN	NONE	N/A	N/A	N/A
Noemi Gil Espinal	President / CFO / Secretary/ Director	Santo Domingo, Dominican Republic	NONE	N/A	N/A	N/A
Dakota Max, LLC (Malcolm Nickerson)	Member	Panama City, Panama	2,280,584,037	CS1	66.033%	N/A

## 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**

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**

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**



3. 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**

- 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**

## **9) Third Party Providers**

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

### Securities Counsel

Name: **Moshe Selikovitz**  
Firm: **Law Office of Moshe Selikovitz**  
Address 1: **18375 Ventura Blvd. #303**  
Address 2: **Tarzana, CA. 91356**  
Phone: **(800) 763-0224**  
Email: **selikovitzlaw@gmail.com**

### Accountant or Auditor

Name: **Sarah Ahmed**  
Firm: **AMN Professionals Consultants**  
Address 1: **Office 503, Al Mamlikha, Al Shuwein**  
Address 2: **Sharjah, United Arab Emirates (UAE)**  
Phone: **00971-50-1284843**  
Email: **amnprofessionals@gmail.com**

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Other Service Providers

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

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## 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, Mark Gaalswyk certify that:

1. I have reviewed this quarterly disclosure statement as of February 28, 2022 of Digital Utilities Ventures 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.

April 13, 2022

/s/ Mark Gaalswyk - CEO

### *Principal Financial Officer:*

I, Noemi Gil Espinal, certify that:

1. I have reviewed this quarterly disclosure statement as of February 28, 2022 of Digital Utilities Ventures 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.

April 13, 2022

/s/ Noemi Gil Espinal - Director / President /CFO / Secretary

DIGITAL UTILITIES VENTURES, INC.  
BALANCE SHEETS  
AS OF FEBRUARY 28, 2022 AND MAY 31, 2021  
(UNAUDITED)

	February 28, 2022	May 31, 2021
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and equivalents	\$ 66	\$ 107
Prepaid Expenses	5,069	-
<b>Total Current Assets</b>	<u>\$ 5,135</u>	<u>\$ 107</u>
<b>Total Assets</b>	<u><u>\$ 5,135</u></u>	<u><u>\$ 107</u></u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expense	94,963	213,223
Accrued interest	2,162,438	2,013,667
Related party payables	168,950	94,337
Notes payable	1,690,127	1,668,543
<b>Total current liabilities</b>	<u>\$ 4,116,478</u>	<u>\$ 3,989,770</u>
<b>Stockholders' deficit</b>		
Common stock (Authorized) 7,000,000,000 Par Value \$.001 issued and outstanding 3,453,679,078 as of February 28, 2022 and May 31, 2021.	3,453,679	3,454,486
Common shares subscribed	167,075	167,075
Additional paid in capital	2,741,861	2,741,861
Accumulated deficit	(10,473,958)	(10,353,085)
<b>Total common shareholders' deficit</b>	<u>(4,111,343)</u>	<u>(3,989,663)</u>
<b>Total liabilities and stockholders' deficit</b>	<u><u>\$ 5,135</u></u>	<u><u>\$ 107</u></u>

See accompanying notes to the unaudited financial statements.

DIGITAL UTILITIES VENTURES, INC.  
STATEMENT OF OPERATIONS  
(UNAUDITED)

	Three months ended February 28		Nine months ended February 28	
	2022	2021	2022	2021
<b>Revenue</b>	\$ -	\$ -	\$ -	\$ -
Cost of Revenue	-	-	-	-
Gross Margin	-	-	-	-
<b>Operating expenses</b>				
Professional and consulting	16,696		25,216	10,000
General and administrative	213	15,867	3,319	17,156
<b>Total operating expenses</b>	<u>\$ (16,909)</u>	<u>\$ (15,867)</u>	<u>\$ (28,535)</u>	<u>\$ (27,156)</u>
<b>Other expenses (income)</b>				
Interest expenses	<u>\$ (49,638)</u>	<u>\$ -</u>	<u>\$ (148,771)</u>	<u>\$ (34,744)</u>
<b>Net Loss</b>	<u>(66,548)</u>	<u>(15,867)</u>	<u>(177,306)</u>	<u>(61,900)</u>
Basic and diluted loss per common shares	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average shares outstanding basic and diluted	<u>3,453,679,078</u>	<u>3,453,679,078</u>	<u>3,453,679,078</u>	<u>3,453,679,078</u>

See accompanying notes to the unaudited financial statements.

DIGITAL UTILITIES VENTURES, INC.  
STATEMENT OF STOCKHOLDERS' DEFICIT  
FOR NINE MONTHS ENDED FEBRUARY 28, 2022 AND 2021  
(UNAUDITED)

	Preferred Stock		Common Stock		Additional Paid in Capital	Common Stock Subscribed	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
<b>Balance May 31, 2021</b>	-	\$ -	3,453,679,078	\$ 3,453,679	\$ 2,741,861	\$ 167,075	\$ (10,296,652)	\$ (3,934,037)
Net loss nine months ended February 28, 2022							(177,306)	(177,306)
<b>Balance February 28, 2022</b>	-	\$ -	3,453,679,078	3,453,679	2,741,861	167,075	(10,473,958)	(4,111,343)
<b>Balance May 31, 2020</b>	-	\$ -	3,454,485,798	\$ 3,454,486	\$ 2,741,861	\$ 167,075	\$ (10,123,332)	\$ (3,759,910)
Net loss nine months ended February 28, 2021							(61,900)	(61,900)
<b>Balance February 28, 2021</b>	-	\$ -	3,454,485,798	3,454,486	2,741,861	167,075	(10,185,232)	(3,821,810)

See accompanying notes to the unaudited financial statements.

DIGITAL UTILITIES VENTURES, INC.  
STATEMENT OF CASH FLOW  
FOR NINE MONTHS ENDED FEBRUARY 28, 2022 AND 2021

	2022	2021
<b>Cash flows from operating activities</b>		
Net loss	\$ (177,306)	\$ (61,900)
Depreciation		
Changes in operating assets and liabilities:		
Prepaid expenses	(5,069)	-
Accounts payable and accrued expenses	(118,260)	21,343
Accrued interest payable	148,771	34,899
Related party payable	130,239	5,769
<b>Net cash used in operating activities</b>	<u>(21,625)</u>	<u>111</u>
<b>Cash flows from investing activities</b>		
Investment	-	-
<b>Net cash used in investing activities</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Proceeds from notes payable	21,584	-
Issuance of common stock	-	-
Payments of notes payable	-	-
<b>Net cash provided by financing activities</b>	<u>21,584</u>	<u>-</u>
Net change in cash	(41)	111
Cash at beginning of year	107	-
Cash at end of year	<u>\$ 66</u>	<u>\$ 111</u>
<b>Supplemental cash flows disclosures:</b>		
Cash paid for interest	-	-
Cash paid for income taxes	-	-

See accompanying notes to the unaudited financial statements.

DIGITAL UTILITIES VENTURES, INC.  
NOTES TO UNAUDITED FINANCIAL STATEMENTS  
FEBRUARY 28, 2022

**Note 1 - Nature and Continuance of Operations**

**Organization**

Digital Utilities Ventures, Inc. (the Company) was incorporated under the laws of the State of Delaware on June 13, 1991. The Company's business plan indicates that it has designed an efficient real time video transport system for the internet as well as for television and mobile phones. The key features of the system include 1) IMPEG-\$DMIF based terminal architecture; 2) combination of an end-to-end feedback control mechanism and a rate-adaptive encoding algorithm for the best use of the Internet3) a robust and efficient packetization scheme for the IMPEG-4 bit standard and 4) efficient error control algorithms adopted at the end systems for visual quality enhancement.

On August 31, 2010 the Company liquidated its subsidiary American Telepath International, Inc. Additionally, on January 1, 2016, the Company existed the wholesale telecom business. The financial statements have been restated to reflect for all periods presented the loss on discontinued operations.

In 2019 Digital Utilities Ventures, Inc. was working in the cannabis marketplace. The Company identified strategic opportunities for acquisitions a joint venture with that allow us to capitalize on existing and emerging opportunities in the cannabis industry. Digital Utilities Ventures, Inc. has positioned itself to control these opportunities from seed to sale of not only the grown product but also the licensing of products that are ancillary to the cultivation and sale cannabis products of which there are over more than 25,000 products that can be made from cannabis.

In 2022 the Company began working to become a formidable presence in the green solutions marketplace. We have identified strategic opportunities for acquisitions and joint ventures that will allow us to capitalize on existing and emerging opportunities in this industry. Consumers understand the significance of progressing from conventional assets to inexhaustible sources that produce no ozone harming greenhouse gas emissions from petroleum by-products and lessen air contaminants. Enhancing green solutions such as in energy supply and lessening reliance on imported fuels will assist with economic development by increasing occupations in manufacturing, assembling, and more.

**Going Concern**

These financial statements have been prepared on a going concern basis. The Company's ability to continue as a going concern is dependent upon the ability of it to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. The outcome of these matters cannot be predicted with any certainty at this time. These factors raise substantial doubt that the company will be able to continue as a going concern for a period of one year from the issuance of these financial statements. Management plans to continue to provide for its capital needs by the issuance of common stock and related party advances. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of Presentation**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal



accounting control is designed to assure, among other items, that (1) recorded transactions are valid; (2) all valid transactions are recorded and (3) transactions are recorded in the period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the company for the respective periods being presented. These financial statements should be read in conjunction with the Company's annual report for the year ended May 31, 2021 filed September 03, 2021.

### **Use of Estimates**

The preparation of financial statements in accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. A change in managements' estimates or assumptions could have a material impact on the Company's financial condition and results of operations during the period in which such changes occurred.

Actual results could differ from those estimates.

### **Impairment of Long-lived Assets**

The Company reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable based on the undiscounted future cash flows of the asset. If the carrying amount of the asset is determined not to be recoverable, a write-down to fair value is recorded. Fair values are determined based on quoted market values, discounted cash flows, or external appraisals, as applicable. The Company reviews long-lived assets for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified.

### **Basic and diluted earnings per share**

Basic earnings per share are based on the weighted-average number of shares of common stock outstanding. Diluted Earnings per share is based on the weighted-average number of shares of common stock outstanding adjusted for the effects of common stock that may be issued as a result of the following types of potentially dilutive instruments:

- Warrants,
- Employee stock options, and
- Other equity awards, which include long-term incentive awards.

The FASB ASC Topic 260, Earnings per Share, requires the Company to include additional shares in the computation of earnings per share, assuming dilution. Diluted earnings per share are based on the assumption that all dilutive options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options are assumed to be exercised at the time of issuance, and as if funds obtained thereby were used to purchase common stock at the average market price during the period.

The Company has not issued warrants or entered into any agreements requiring the Company to do so at a future date. Therefore, dilutive and basic losses per common share are equal.

### **Revenue Recognition**

We recognize revenue when persuasive evidence of an arrangement exists, delivery has occurred or products have been sold, the purchase price is fixed or determinable and collectability is reasonably assured.

Our customers place orders for our products pursuant to their purchase orders and we are paid by our customers pursuant to our invoices. Each invoice calls for a fixed payment in a fixed period of time. We recognize revenue by selling our products under our customers' purchase orders and our related invoices to our customers. Revenue related to the sales of our products to our customers is recognized as the products are sold and amounts are paid, using the straight-line method over the term of the sales transaction.

Prepayments, if any, received from customers prior to the products being delivered are recorded as advance from customers. In these cases, when the products are sold, the amount recorded as advance from customers is recognized as revenue.

### **Income Taxes**

The Company uses the asset and liability method of accounting for income taxes in accordance with FASB ASC Topic 740. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and loss carry forwards and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement.

### **Fair Value of Financial Instruments**

The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

*Level 1* – Quoted prices in active markets for identical assets or liabilities.

*Level 2* – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* – Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company's valuation techniques used to measure the fair value of money market funds and certain marketable equity securities were derived from quoted prices in active markets for identical assets or liabilities. The valuation techniques used to measure the fair value of all other financial instruments, all of which have counterparties with high credit ratings, were valued based on quoted market prices or model driven valuations using significant inputs derived from or corroborated by observable market data.

In accordance with the fair value accounting requirements, companies may choose to measure eligible financial instruments and certain other items at fair value. The Company has not elected the fair value option for any eligible financial instruments.

### **Stock Based Compensation**

For purposes of determining the variables used in the calculation of stock compensation expense under the provisions of FASB ASC Topic 505, "Equity" and FASB ASC Topic 718, "Compensation — Stock Compensation," we perform an analysis of current market data and historical company data to calculate an estimate of implied volatility, the expected term of the option and the expected forfeiture rate. With the exception of the expected forfeiture rate, which is not an input, we use these estimates as variables in the Black-Scholes option pricing model. Depending upon the number of stock options granted, any fluctuations in these calculations could have a material effect on the results presented in our statement of operations and other comprehensive income. In addition, any

differences between estimated forfeitures and actual forfeitures could also have a material impact on our financial statements. The Company has not issued stock options since its inception.

### **Recent Accounting Pronouncements**

Recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the AICPA, and the SEC did not, or are not believed by management to, have a material impact on the Company's present or future financial statements.

### **Property and Equipment**

Property and equipment are carried at cost. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of the assets are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation is computed for financial statement purposes on a straight-line basis over estimated useful lives of the related assets. The estimated useful lives of depreciable assets are:

	<u>Estimated Useful Life</u>
Furniture and Fixtures	5-10 years
Computer Equipment	2-5 years
Vehicles	5-10 years

For federal income tax purposes, depreciation is computed under the modified accelerated cost recovery system. For audit purposes, depreciation is computed under the straight-line method. We have not purchased property or equipment since inception.

### **Note 3 – Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred losses since inception and has an accumulated deficit of \$10,473,958 as of February 28, 2022. The Company currently has limited liquidity and has not completed its efforts to establish a stabilized source of revenues sufficient to cover operating costs over an extended period of time. These factors among others, raises substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that may result from the outcome of these uncertainties. The Company will require additional financing moving forward and is pursuing various strategies to accomplish this, including seeking equity funding and/or debt funding from private placement sources. Although management believes that it will be able to obtain the necessary funding to allow the Company to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

Management anticipates that the Company will be dependent, for the near future, on additional investment capital to fund operating expenses. There are no assurances that the Company will be successful in this or any of its endeavors or become financially viable and continue as a going concern.

Since inception, the Company has funded operations by the issuance of common shares in exchange for services. For the coming year, the Company plans to continue to fund the Company through debt and securities sales and issuances until the company generates enough revenues through the operations as stated above.

### **Note 4 - Stockholders' Equity**

The total number of common shares authorized that may be issued by the Company is 7,000,000,000 shares with a par value of \$0.001 per share. The total number of preferred shares authorized that may be issued by the Company is 250,000,000 shares with a par value of \$0.001.

There were 3,453,679,078 shares of common stock issued and outstanding as of February 28, 2022, and May 31, 2021, respectively. There were no preferred or common shares issued during the period ended February 28, 2022.

#### **Notes 5 – Notes payable**

Note's payables are various promissory notes due to related parties which bears interest from 3% to 18%. As of February 28, 2022, and May 31, 2021 the notes payable balances are \$1,690,127 and \$1,668,543 respectively. Accrued interest \$2,162,438 and \$2,013,668 as of February 28, 2022 and May 31, 2021 respectively.

#### **Notes 6 – Related Party payable**

Related party payables are accumulated operating expenses paid by shareholders in-behalf of the company. Balances outstanding of \$168,950 and \$94,337 as of February 28, 2022 and May 31, 2021 respectively.

#### **Note 7 - Commitments and Contingencies**

In response to the COVID-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") was signed into law in March 2020. The CARES Act lifts certain deduction limitations originally imposed by the Tax Cuts and Jobs Act of 2017 ("2017 Tax Act"). Corporate taxpayers may carry back net operating losses (NOLs) originating between 2018 and 2020 for up to five years, which was not previously allowed under the 2017 Tax Act. The CARES Act also eliminates the 80% of taxable income limitations by allowing corporate entities to fully utilize NOL carry forwards to offset taxable income in 2018, 2019 or 2020. Taxpayers may generally deduct interest up to the sum of 50% of adjusted taxable income plus business interest income (30% limit under the 2017 Tax Act) for 2019 and 2020. The CARES Act allows taxpayers with alternative minimum tax credits to claim a refund in 2020 for the entire amount of the credits instead of recovering the credits through refunds over a period of years, as originally enacted by the 2017 Tax Act.

In addition, the CARES Act raises the corporate charitable deduction limit to 25% of taxable income and makes qualified improvement property generally eligible for 15-year cost-recovery and 100% bonus depreciation. The enactment of the CARES Act did not result in any material adjustments to our income tax provision.

#### **Note 8– Subsequent Events**

The Company evaluated all other events or transactions that occurred after February 28<sup>th</sup>, 2022, through the date of this filing. The Company determined that it does not have any other subsequent event requiring recording or disclosure in the financial statements for the period ended February 28<sup>th</sup>, 2022.