

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines



Grow Solutions Holdings, Inc.

430 Franklin Village Drive
Franklin, MA. 02038
USA

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GRSOInvest.com
Info@ AeroGrowManufacturing.com
SIC:8742

Annual Report **For the Period Ending: December 31, 2021** (the "Reporting Period")

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

9,416,983,199

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

5,783,403,505

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

1,875,799,430

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 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 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 originally was named Strachan Inc.

On October 1, 1999, the Company changed its name to LightTouch Vein & Laser, Inc.

On June 24, 2015, the Company changed its name to Grow Solutions Holdings, 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):

The Company was incorporated in the State of Delaware on May 1, 1981, and redomiciled to Nevada on June 24, 2015. The Company is currently active in the State of Nevada.

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:

430 Franklin Village Drive, Franklin, MA 02038

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:

None.

2) Security Information

Trading symbol:	<u>GRSO</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>399844109</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>10,000,000,000</u>	as of date: <u>12.31.21 (see note below)</u>
Total shares outstanding:	<u>9,416,983,199</u>	as of date: <u>12.31.21</u>
Number of shares in the Public Float ² :	<u>9,345,674,417</u>	as of date: <u>12.31.21</u>
Total number of shareholders of record:	<u>165</u>	as of date: <u>12.31.21</u>

Note: The Nevada Secretary of State authorized the increase in authorized shares to 20,000,000,000 on January 14, 2022.

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

Trading symbol:	<u>N/A</u>
Exact title and class of securities outstanding:	<u>Series A Preferred Stock</u>
CUSIP:	<u>N/A</u>

² "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.

Par or stated value: \$0.001
Total shares authorized: 51 as of date: 12.31.21
Total shares outstanding: 51 as of date: 12.31.21

Trading symbol: N/A
Exact title and class of securities outstanding: Series B Preferred Stock
CUSIP: N/A
Par or stated value: \$0.001
Total shares authorized: 100,000 as of date: 12.31.21
Total shares outstanding: 85,000 as of date: 12.31.21

Transfer Agent

Name: Transfer Online, Inc.
Phone: 503-227-2950
Email: Info@TransferOnline.com
Address: 512 SE Salmon Street, Portland OR, 97214

Is the Transfer Agent registered under the Exchange Act?³ 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:

³ 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>12.31.19</u> Common: 330,666,887 Series A Preferred: <u>51</u> Series B Preferred: 100,000			*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.
1/2/20	New Issue	17,079,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
1/8/20	New Issue	14,685,585	Common Stock	\$.00065	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
1/8/20	New Issue	16,000,000	Common Stock	\$.00075	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
1/8/20	New Issue	7,000,000	Common Stock	\$.0016	Yes	JSJ Investments Sameer Hirji	Conversion of note	Unrestricted	Section 3(a)(9)
1/10/20	New Issue	16,522,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
1/21/20	New Issue	13,140,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
1/30/20	New Issue	17,900,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
2/3/20	New Issue	7,000,000	Common Stock	\$.0006	Yes	JSJ Investments Sameer Hirji	Conversion of note	Unrestricted	Section 3(a)(9)
2/11/20	New Issue	24,747,875	Common Stock	\$.0004	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
2/14/20	New Issue	17,909,100	Common Stock	\$.0004	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
2/17/20	New Issue	21,478,000	Common Stock	\$.0004	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
2/21/20	New Issue	19,593,000	Common Stock	\$.0004	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
2/25/20	New Issue	8,000,000	Common Stock	\$.0005	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
2/26/20	New Issue	7,000,000	Common Stock	\$.00078	Yes	JSJ Investments Sameer Hirji	Conversion of note	Unrestricted	Section 3(a)(9)
3/4/20	New Issue	7,000,000	Common Stock	\$.00066	Yes	JSJ Investments Sameer Hirji	Conversion of note	Unrestricted	Section 3(a)(9)
3/6/20	New Issue	22,689,076	Common Stock	\$.00119	Yes	Cicero Consulting Group LLC Michael Woloshin	Conversion of note	Unrestricted	Section 3(a)(9)
3/6/20	New Issue	23,333,333	Common Stock	\$.0015	No	Trillium Partners LP – Stephen Hicks	Subscription	Unrestricted	Regulation A
3/9/20	New Issue	8,000,000	Common Stock	\$.0073	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
3/9/20	New Issue	16,666,666	Common Stock	\$.0015	No	Trillium Partners LP – Stephen Hicks	Subscription	Unrestricted	Regulation A

3/18/20	New Issue	25,000,000	Common Stock	\$.0004	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
3/19/20	New Issue	8,000,000	Common Stock	\$.00073	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
4/1/20	New Issue	39,541,667	Common Stock	\$.0006	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
4/8/20	New Issue	20,012,500	Common Stock	\$.0006	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
4/13/20	New Issue	8,000,000	Common Stock	\$.00068	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
4/13/20	New Issue	25,000,000	Common Stock	\$.0004	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
4/15/20	New Issue	23,333,333	Common Stock	\$.0015	No	<u>Trillium Partners LP – Stephen Hicks</u>	Subscription	Unrestricted	Regulation A
4/23/20	New Issue	20,000,000	Common Stock	\$.0015	No	<u>Trillium Partners LP – Stephen Hicks</u>	Subscription	Unrestricted	Regulation A
4/23/20	New Issue	30,870,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC <u>Stephen Hicks</u>	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
4/29/20	New Issue	23,908,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC <u>Stephen Hicks</u>	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
4/30/20	New Issue	55,903,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC <u>Stephen Hicks</u>	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
4/30/20	New Issue	8,000,000	Common Stock	\$.00046	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
5/5/20	New Issue	26,046,875	Common Stock	\$.0004	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
5/7/20	New Issue	10,699,700	Common Stock	\$.0004	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
5/8/20	New Issue	25,000,000	Common Stock	\$.0004	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
5/14/20	New Issue	23,333,333	Common Stock	\$.0015	No	<u>Trillium Partners LP – Stephen Hicks</u>	Subscription	Unrestricted	Regulation A
5/14/20	New Issue	17,947,000	Common Stock	\$.0015	Yes	Livingston Asset Management LLC <u>Stephen Hicks</u>	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
5/20/20	New Issue	68,163,000	Common Stock	\$.0015	Yes	Livingston Asset Management LLC <u>Stephen Hicks</u>	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
5/21/20	New Issue	8,000,000	Common Stock	\$.00052	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
5/28/20	New Issue	30,400,000	Common Stock	\$.0004	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
6/4/20	New Issue	25,000,000	Common Stock	\$.0004	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
6/8/20	New Issue	72,650,000	Common Stock	\$.00035	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Section 3(a)(9)
6/8/20	New Issue	15,000,000	Common Stock	\$.0015	No	Trillium Partners LP – Stephen Hicks	Subscription	Unrestricted	Regulation A

6/17/20	New Issue	120,386,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
7/8/20	New Issue	89,384,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
7/9/20	New Issue	45,000,000	Common Stock	\$.0002	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
7/10/20	New Issue	42,950,000	Common Stock	\$.0002	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
7/20/20	New Issue	91,112,500	Common Stock	\$.0002	Yes	Trillium Partners LP – Stephen Hicks	Conversion of note	Unrestricted	Section 3(a)(9)
7/24/20	New Issue	95,748,000	Common Stock	\$.001	Yes	Livingston Asset Management LLC Stephen Hicks	Court Settlement Issuance for Approved Liabilities	Unrestricted	Section 3(a)(10)
9/10/20	New Issue	75,000,000	Common Stock	\$.00012	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
9/30/20	New Issue	45,000,000	Common Stock	\$.00015	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
12/17/20	New Issue	45,000,000	Common Stock	\$.00015	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
1/13/21	New Issue	45,000,000	Common Stock	\$.00015	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
1/19/21	New Issue	128,119,384	Common Stock	\$.0005	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Regulation A
1/28/21	New Issue	91,445,139	Common Stock	\$.00012	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
1/25/21	New Issue	56,450,500	Common Stock	\$.0005	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Regulation A
2/10/21	New Issue	43,555,000	Common Stock	\$.0005	Yes	<u>Trillium Partners LP – Stephen Hicks</u>	Conversion of note	Unrestricted	Regulation A
2/24/21	New Issue	45,000,000	Common Stock	\$.00015	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
3/24/21	New Issue	109,309,070	Common Stock	\$.00012	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
4/1/21	New Issue	45,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of interest	Unrestricted	Section 3(a)(9)
4/30/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
5/25/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
6/10/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
6/10/21	New Issue	15,690,930	Common Stock	\$.0005	Yes	Carebourn Capital LP Chip Rice	Conversion of interest	Unrestricted	Section 3(a)(9)
6/15/21	Conversion	(650)	Series B Preferred Stock	\$.001 (par value)	No	Trillium Partners LP – Stephen Hicks	Services	Restricted	Section 4(2)
6/15/21	New Issue	241,248,626	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
6/15/21	New Issue	131,531,936	Common Stock	\$.0005	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
6/29/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)

6/30/21	Conversion	(765)	Series B Preferred Stock	\$.001 (par value)	No	Trillium Partners LP – Stephen Hicks	Services	Restricted	Section 4(2)
6/30/21	New Issue	288,402,310	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
6/30/21	Cancellation	(700,000)	Common Stock	\$.001	No	Ashley N Hollo	Asset Purchase	Restricted	Section 4(2)
6/30/21	Cancellation	(3,965,028)	Common Stock	\$.001	No	Angelina Syrovoy	Compensation	Restricted	Section 4(2)
6/30/21	Cancellation	(2,469,033)	Common Stock	\$.001	No	Dustin Maki	Compensation	Restricted	Section 4(2)
6/30/21	Cancellation	(2,388,028)	Common Stock	\$.001	No	Oleksandr Alba	Compensation	Restricted	Section 4(2)
6/30/21	Cancellation	(100,000)	Common Stock	\$.001	No	Jordan Schlosser	Services	Restricted	Section 4(2)
7/13/21	New Issue	173,346,607	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
7/15/21	New Issue	114,692,967	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
7/21/21	New Issue	166,420,368	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
7/21/21	New Issue	103,438,864	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
7/21/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
7/23/21	New Issue	143,248,306	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
8/2/21	New Issue	160,000,000	Common Stock	\$.0005	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
8/4/21	New Issue	239,009,609	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
8/9/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
8/13/21	New Issue	331,913,871	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
8/24/21	New Issue	160,000,000	Common Stock	\$.0005	Yes	Carebourn Capital LP Chip Rice	Conversion of note	Unrestricted	Section 3(a)(9)
9/1/21	New Issue	50,000,000	Common Stock	\$.0005	Yes	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
9/1/21	New Issue	232,076,561	Common Stock	\$.001	No	Trillium Partners LP – Stephen Hicks	Conversion of Series B Preferred Stock	Unrestricted	Section 4(2)
9/13/21	New Issue	502,276,116	Common Stock	\$.0003	Yes	Trillium Partners LP – Stephen Hicks	Cash	Unrestricted	Regulation A Shares
7/31 to 9/30/21	Cancellation	5,190	Series B Preferred Stock	\$.001 (par value)	No	Trillium Partners LP – Stephen Hicks	Conversions of Series B Preferred Stock	Restricted	Section 3(a)(9)
10/4/21	New Issue	218,616,665	Common	\$.0003	No	Trillium Partners LP – Stephen Hicks	Cash	Unrestricted	Regulation A Shares
10/14/21	New Issue	290,000,000	Common	\$.0003	No	JP Carey Limited Partners LP – Joseph Canouse	Cash	Unrestricted	Regulation A Shares
10/15/21	New Issue	166,666,667	Common	\$.0003	No	Trillium Partners LP – Stephen Hicks	Cash	Unrestricted	Regulation A Shares
10/18/21	New Issue	170,362,941	Common	\$.0003	No	Trillium Partners LP – Stephen Hicks	Conversions of Series B Preferred Stock	Unrestricted	Section 3(a)(9)

<u>10/20/21</u>	<u>New Issue</u>	<u>116,666,667</u>	Common	<u>\$.001</u>	<u>No</u>	Private investor	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>10/22/21</u>	<u>New Issue</u>	<u>330,000,000</u>	Common	<u>\$.0003</u>	<u>No</u>	Anvil Financial Management LLC – Jeffrey Canouse	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>10/27/21</u>	<u>New Issue</u>	<u>300,000,000</u>	Common	<u>\$.0003</u>	<u>No</u>	JP Carey Limited Partners LP – Joseph Canouse	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>10/28/21</u>	<u>New Issue</u>	<u>333,333,333</u>	Common	<u>\$.0003</u>	<u>No</u>	Jahoco, LLC - Canouse	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>10/29/21</u>	<u>New Issue</u>	<u>250,000,000</u>	Common	<u>\$.0003</u>	<u>No</u>	Trillium Partners LP – Stephen Hicks	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>11/3/21</u>	<u>New Issue</u>	<u>250,000,000</u>	Common	<u>\$.0003</u>	<u>No</u>	Trillium Partners LP – Stephen Hicks	<u>Cash</u>	Unrestricted	<u>Regulation A Shares</u>
<u>11/3/21</u>	<u>New Issue</u>	<u>50,000,000</u>	Common	<u>\$.001</u>	<u>Yes</u>	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
<u>11/18/21</u>	<u>New Issue</u>	<u>590,497,702</u>	Common	<u>\$.001</u>	<u>No</u>	Trillium Partners LP – Stephen Hicks	Conversions of Series B Preferred Stock	Unrestricted	Section 3(a)(9)
<u>11/22/21</u>	<u>New Issue</u>	<u>50,000,000</u>	Common	<u>\$.001</u>	<u>Yes</u>	Oasis Capital -- Adam Long	Conversion of note	Unrestricted	Section 3(a)(9)
<u>12/15/21</u>	<u>New Issue</u>	<u>517,435,719</u>	Common	<u>\$.001</u>	<u>No</u>	Trillium Partners LP – Stephen Hicks	Conversions of Series B Preferred Stock	Unrestricted	Section 3(a)(9)
<u>10/20/21-12/15/21</u>	<u>Cancellation</u>	<u>8,395</u>	Series B Preferred Stock	<u>\$.001 (par value)</u>	<u>No</u>	Trillium Partners LP – Stephen Hicks	Conversions of Series B Preferred Stock	<u>Restricted</u>	Section 3(a)(9)
Shares Outstanding on Date of This Report:									
Ending Balance Ending Balance:									
Date 12.31.21 Common: 9,416,983,199									
Preferred A: 51									
Preferred B: 85,000									

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2019, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2017 through September 30, 2019 pursuant to the tabular format above.

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

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.)
4/25/16	\$22,212	\$300,000	\$6,650	4/25/18	\$.80 per share value	Ralph Aiello	Loan
4/25/16	\$100,000	\$100,000	\$60,085	4/25/18	\$.80 per share value	Max Malone	Loan
5/11/16	\$22,000	\$22,000	\$14,534	5/11/18	\$.80 per share value	Tony Siu	Loan
5/18/16	\$50,000	\$50,000	\$32,039	5/18/18	\$.80 per share value	Cecilia Soh	Loan

6/8/16	\$50,000	\$50,000	\$29,118	6/8/18	\$.80 per share value	Danny Lau	Loan
6/8/16	\$25,000	\$25,000	\$15,077	6/8/18	\$.80 per share value	Tim Wong	Loan
6/10/16	\$30,000	\$30,000	\$20,022	6/10/18	\$.80 per share value	Stanley Choy	Loan
6/13/16	\$50,000	\$50,000	\$31,819	6/13/18	\$.80 per share value	Emmett Hanes McGregor	Loan
6/14/16	\$10,000	\$10,000	\$12,368	6/14/18	\$.80 per share value	Lung Chao Chan	Loan
7/8/16	\$200,000	\$200,000	\$161,720	7/8/18	\$.80 per share value	Ralph Aiello	Loan
7/14/16	\$50,000	\$50,000	\$32,809	7/14/18	\$.80 per share value	Kwok K. Leung	Loan
7/28/16	\$30,000	\$30,000	\$15,979	7/28/18	\$.80 per share value	Steven C. Mares	Loan
8/8/16	\$50,000	\$50,000	\$32,398	8/8/18	\$.80 per share value	Danny Lau	Loan
8/15/16	\$50,000	\$50,000	\$32,283	8/15/18	\$.80 per share value	Danny Lau	Loan
8/23/16	\$100,000	\$100,000	\$60,168	8/23/18	\$.80 per share value	Max Malone	Loan
1/30/17	\$79,000	\$100,000	\$78,811	10/30/17	60% of the average of the 3 lowest prices in the 10 prior trading days.	JSJ Investments Inc. – Samer Hirji -- 6060 North Central Expressway Suite 500 Dallas Tx 75206	Loan
2/8/17	\$23,000	\$50,000	\$16,794	8/10/17	70% of the lowest closing bid price in the 5 prior trading days.	Cicero Consulting Group, LLC – Michael Woloshin – 1858 Pleasantville Road Suite 110, Briarcliff Manor, NY 10510	Loan
3/23/17	\$170,670	\$300,000	\$82,856	6/17/17	62.5% of lowest trading price in prior 20 days.	Oasis Capital, LLC – Adam Long 208 Ponce de Leon Ave, Suite 1600, San Juan, PR 00918	Partial Assignment of TCA note
5/25/17	\$100,000	\$100,000	\$69,085	11/21/17	N/A	Brandi Blank	Loan
7/14/17	\$159,010	\$262,877	\$3,206	7/17/18	58% average of lowest 3 trading prices in last 20 trading days. - Note 1	Carebourn Capital, LP – Chip Rice - 8700 Blackoaks Lane North Maple Grove, MN, 55311	Loan
3/12/19	\$55,000	\$55,000	\$15,851	3/31/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion.	Ralph Aiello	Loan
6/6/19	\$35,000	\$35,000	\$18,476	6/30/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion.	Ralph Aiello	Loan
6/21/19	\$35,000	\$35,000	\$18,275	6/30/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion.	Ralph Aiello	Loan
7/25/19	\$35,000	\$35,000	\$17,364	7/31/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion.	Ralph Aiello	Loan
8/26/19	\$30,000	\$30,000	\$14,885	8/31/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion.	Ralph Aiello	Loan
10/3/19	\$22,644	\$27,500	\$6,126	10/3/20	50% of the lowest trading price the day prior to conversion	Tri-Bridge Ventures LLC John Forsythe III Suite 608 4507 th Ave. NY, NY 10123	Loan
10/9/19	\$27,500	\$35,000	\$12,940	10/8/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion	Ralph Aiello	Loan

11/13/19	\$5,000	\$5,000	\$1,430		Lower of \$.01 or 50% of lowest closing bid price in the 30 days prior to conversion	Livingston Asset Management LLC – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Loan
11/27/19	\$30,000	\$33,000	\$14,280	11/30/20	Lower of \$.01 or 50% of lowest closing bid price in the 20 days prior to conversion	Ralph Aiello	Loan
1/30/20	\$5,000	\$30,000	\$1,950	7/31/20	Lower of \$.01 or 50% of lowest closing bid price in the 30 days prior to conversion	Trillium Partners LP – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Loan
6/4/20	\$40,000	\$40,000	\$2,412	6/1/21	55% of the average of the three lowest traded prices during the 20 days prior to conversion	Carebourn Capital LP Chip Rice 8700 Blackoaks Lane North Maple Grove, MN, 55311	Loan
8/4/20	\$2,200	\$8,500	\$558	2/4/21	Lower of \$.01 or 50% of lowest closing bid price in the 30 days prior to conversion	Trillium Partners LP – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Loan
1/19/21	\$53,000	\$53,000	\$0	1/9/22	55% of the average of the three lowest traded prices during the 20 days prior to conversion	Carebourn Capital LP Chip Rice 8700 Blackoaks Lane North Maple Grove, MN, 55311	Loan
3/17/21	\$53,000	\$53,000	\$0	3/17/22	55% of the average of the three lowest traded prices during the 20 days prior to conversion	Carebourn Capital LP Chip Rice 8700 Blackoaks Lane North Maple Grove, MN, 55311	Loan
8/26/21	\$5,000	\$50,000	\$173	3/31/22	N/A	Trillium Partners LP – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Loan
5/13/21	\$20,000	\$20,000	\$1,525	5/13/22	50% of lowest closing bid price in the 30 days prior to conversion	Stout LLC Mathieu Stout 30 North Gould Street Suite 3787 Sheridan, WY 82801	Services
9/13/21	\$30,000	\$30,000	\$1,075	9/13/22	50% of lowest closing bid price in the 30 days prior to conversion	Stout LLC Mathieu Stout 30 North Gould Street Suite 3787 Sheridan, WY 82801	Services
10/1/21	\$15,000	\$15,000	\$374	6/30/22	50% of lowest closing bid price in the 30 days prior to conversion	Trillium Partners LP – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Services
11/1/21	\$15,000	\$15,000	\$247	7/31/22	50% of lowest closing bid price in the 30 days prior to conversion	Trillium Partners LP – Stephen Hicks 90 Grove St. Ridgefield, CT 06877	Services
12/1/21	\$15,000	\$15,000	\$123	8/31/22	50% of lowest closing bid price in the 30 days prior to conversion	Frondeur Partners LLC William Gonyer 3753 Howard Hughes Parkway Suite 200 Las Vegas, NV 89169	Services

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

Note 1 – Carebourn Capital rolled over the balance of the December 15, 2016 convertible note payable on July 14, 2017 and provided \$50,000 new cash along with OID \$34,288.36.

4) Financial Statements (to be filed separately)

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)⁴:

Name: William Gonyer of Will Stephenson Advisory LLC
Title: Managing Director
Relationship to Issuer: Outside Accounting Consultant

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 Changes in Shareholders' 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.

Attached Hereto.

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:

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

Grow Solutions Holdings, Inc. is a corporation incorporated under the laws of the State of Nevada on May 1, 1981.

The current focus of Grow Solutions Holdings, Inc., business operations is to design and manufacture modular aeroponic vertical farming units ("AeroPod") that are fully equipped with proprietary monitoring and automation to make growing aeroponically simple and predictable with very little human intervention. The units can be used for a large number of agricultural products to be grown in an efficient and ecologically sustainable fashion. The AeroPod designed and tested by Farm Boys Design Corp., was developed in 2017. The controlled technological environment of an AeroPod mimics perfect growing conditions through sensors and controllers, creating the optimal growing environment for food or cannabis. By monitoring and regulating the closed-loop environment of an AeroPod, it has proven to produce market leading yields of many leafy greens, tender leaf produce and cannabis.

The Company has analyzed and researched, development and design and manufacturing of licensed technologically advanced systems for eventual sales and distribution. The company plans to offer AeroPods as agricultural products for the farming sector. The AeroPods will offer high efficiency grow solutions with eventual scalable and secure low carbon footprint.

2. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

Pure Roots Holding, Ltd, a Wyoming, corporation and a wholly owned subsidiary of the Company owns 100% of Pure Roots Holding Corp. and thereby, its subsidiaries AeroGrow Manufacturing Corp. and Pure Roots Urban Farms, Inc. which are startup

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

ventures in the contract manufacturing and industrial and agricultural design businesses.

3. Describe the issuers' principal products or services, and their markets

The Company's businesses are based on design, development, manufacturing, sales and distribution of licensed technologically advanced systems for organic and other agricultural products farming "AeroPods". The AeroPod offers a high efficiency grow solution having scalable, secure and low carbon footprint characteristics. The businesses commenced operations during the three months ended March 31, 2019.

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.

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.

As of December 31, 2019, the Company subleases its office and development facilities from an affiliated party. The Company's corporate address is 230-111 Research Drive Saskatoon, Canada SK S7N 3R2. The agreement requires monthly payments of \$2,700.

7) 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, regardless of the number of shares they own. **If any 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 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/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned (1) (2)	Share type/class	Ownership Percentage of Class Outstanding	Note
Chad Fischl	Director	Saskatoon, SK	51(Note 1) 4,745(Note 2)	Series A Preferred (Note 3) Series B Preferred	<u>100%</u> 5.6%	Appointed as Officer and Director March 5, 2019 Resigned November 16, 2020 Appointed Director January 15, 2021
Philip Sands	Officer / Director	Bellingham, MA				Appointed as Officer and Director November 16, 2020
Bailey Fischl	>5%	Saskatoon, SK	4,746(Note 2)	Series B Preferred	5.6%	
Clara Fischl	>5%	Prince Albert, SK	9,421(Note 2)	Series B Preferred	11.1%	
Carla Blampin	>5%	Big River, SK	9,421(Note 2)	Series B Preferred	11.1%	
Sharon Branconnier	>5%	Abbotsford, BC	9,420(Note 2)	Series B Preferred	11.1%	
Jolene Branconnier	>5%	Langley, BC	9,421(Note 2)	Series B Preferred	11.1%	
Norman James Payton	>5%	Monte Creek, BC	9,421(Note 2)	Series B Preferred	11.1%	
Ismail Abdul Fattah	>5%	Calgary, AB	7,084(Note 2)	Series B Preferred	8.3%	

Ahmad Abdel Latif Yassine	>5%	Lebanon, Bekaa	7,083(Note 2)	Series B Preferred	8.3%	
Adrian LaChance	>5%	Red Deer, AB	9,887(Note 2)	Series B Preferred	11.6%	

Notes

1. Each one (1) share of the Series A Preferred Stock shall have voting rights equal to (x) 0.019607 multiplied by the total issued and outstanding shares of common stock of the Company eligible to vote at the time of the respective vote (the "Numerator"), divided by (y) 0.49, minus (z) the Numerator. For purposes of illustration only, if the total issued and outstanding shares of common stock of the Company eligible to vote at the time of the respective vote is 5,000,000, the voting rights of one share of the Series A Preferred Stock shall be equal to $102,036 (0.019607 \times 5,000,000) / 0.49 - (0.019607 \times 5,000,000) = 102,036$.

The Series A Preferred Stock has no dividend rights, no liquidation rights and no redemption rights, and was created primarily to be able to obtain a quorum and conduct business at shareholder meetings. All shares of the Series A Preferred Stock shall rank (i) senior to the Company's common stock and any other class or series of capital stock of the Company hereafter created, (ii) *pari passu* with any class or series of capital stock of the Company hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Company hereafter created specifically ranking, by its terms, senior to the Series A Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

2. The Company has Designated 100,000 shares as Series B Preferred Shares. The shares of Series B Preferred Stock have a par value of \$0.001 and a liquidation value of \$1,000 per share (the "Series B Liquidation Value") and are convertible into 2,833 shares of Common Stock (the "Conversion Ratio"). The holders of shares of the Series B Preferred Stock shall be entitled to receive dividends out of any assets legally available, to the extent permitted by Nevada law, at an annual rate equal to 8% of the Series B Liquidation Value of such shares of Series B Preferred Stock, and shall accrue from the date of issuance of such shares of Series B Preferred Stock, payable quarterly in Common Stock valued at the closing trade price per share on the last trading day of the calendar quarter.

1. On November 16, 2020, the Company entered into a Settlement Agreement ("Agreement") with Chad Fischl; wherein, it has agreed to pay a portion of the back wages to Mr. Fischl, as well as working out agreements with the former employees of the Company. Mr. Fischl agrees to return his Series A and B Preferred shares that he and his family members control. The Agreement states that the Shares will be surrendered when the entire Fischl Amount is paid. As of this filing not all payments have been made on the Agreement.

8) Legal/Disciplinary History

A. Please identify whether any of the persons 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.

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.

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.

Ralph Aiello Complaint and Settlement Agreement

The Company was involved in litigation against Ralph Aiello (the "Plaintiff" and together with the Company, the "Parties"). On January 19, 2017, the Plaintiff filed a complaint in the Supreme Court of the State of New York County of Nassau (the "Court"), alleging claims including breach of contract in connection with certain loans made by Plaintiff to the Company in the amount of \$500,000 plus interest (the "Dispute"). On March 15, 2017, the Parties filed a Settlement Agreement (the "Settlement Agreement") with the Court whereby the Company agreed to pay the Defendant \$550,000 by

September 15, 2018. The Company has not made timely payments in accordance with the Settlement Agreement. The Company is working to establish a payment plan for the Plaintiff and expedite the settlement of the Dispute. The Plaintiff has sold and assigned \$277,788, of the notes in dispute as of December 31, 2020, and an additional \$222,212, principal remains recognized on the balance sheet under convertible notes payable plus accrued interest.

Summary Judgement in Favor of Vendor

On October 5, 2018, Sunlight Supply, Inc. presented a motion seeking summary judgement for \$219,104, representing unpaid product invoices, interest accrued between October 11, 2017 and October 26, 2018, and attorneys' fees against One Love Garden Supply, LLC and an individual guarantor. On January 11, 2019, the court granted summary judgement in the favor of the plaintiff. The guarantor has settled the judgement in favor of the creditor in conjunction with the Company's participation in the 3(a)(10) court approved settlement that includes payment to the guarantor for amounts owed to him by the Company. (See below)

On June 3, 2019, the Company entered into a settlement agreement with an individual and affiliated unincorporated entity for a maximum amount of \$350,000. The individuals and the affiliated entities separately provided personal guarantees on certain liabilities of the Company and provided advisory services. The liability has been incorporated in the 3(a)(10) settlement as discussed below.

Court Approved Settlement of Various Liabilities Under SEC section 3(a)(10)

On September 13, 2019 the Company entered into a settlement agreement and stipulation ("Settlement Agreement") with Livingston Asset Management, LLC ("LAM") in connection with the settlement of \$3,998,152 of bona fide obligations the Company owed to certain of its creditors. The Settlement Agreement was subject to fairness hearing, and on November 15, 2019 a Federal court in the District of Maryland held a fairness hearing and granted approval of the Settlement Agreement. If the Settlement Agreement is satisfied in full, the Company shall reduce the Company's debt obligations equal to \$1,506,568 in exchange for the issuance of settlement shares of Company's common stock pursuant to the terms of section 3(a)(10) of the Securities Act of 1933, in multiple tranches, at a price equal to the lowest closing bid price for the common stock for the twenty trading days immediately preceding the delivery of such tranche. At no time may LAM beneficially own more than 9.99% of the Company's outstanding common stock.

The 3(a)(10) settlement includes the following liabilities:

TCA senior note and capitalized interest - \$729,874;
Otis claims for amounts due for services provided - \$350,000; and
Attorney fees (note for \$378,461 and \$48,233 in fees and accrued interest) - \$426,694.

Included in the convertible notes is the remaining balance sheet amount of \$1,457,307, classified as principal and \$1,457,307, of put premium related to the 3(a)(10) settlement. The amounts covered in the settlement were reclassified from convertible notes payable, accrued interest and accounts payable, along with related put premiums related to the original notes payable. Additionally, included in the put premium above was \$1,110,446, which was reclassified from settlement reserves to put premium related to the liabilities transferred to the 3(a)(10) settlement liability amount. (Refer to footnotes 5, 7 and 10)

On December 23, 2019 the Company entered into a settlement agreement and stipulation ("Settlement Agreement") with Livingston Asset Management, LLC ("LAM") in connection with the settlement of \$335,664 of bona fide obligations the Company owed to certain of its creditors. The Settlement Agreement was subject to fairness hearing, and on June 2, 2020 a Federal court in the District of Maryland held a fairness hearing and granted approval of the Settlement Agreement. If the Settlement Agreement is satisfied in full, the Company shall reduce the Company's debt obligations equal to \$335,664 in exchange for the issuance of settlement shares of Company's common stock pursuant to the terms of section 3(a)(10) of the Securities Act of 1933, in multiple tranches, at a price equal to the lowest closing bid price for the common stock for the twenty trading days immediately preceding the delivery of such tranche. At no time may LAM beneficially own more than 9.99% of the Company's outstanding common stock.

The 3(a)(10) settlement includes the following liabilities:

Trillium convertible note and capitalized interest - \$82,590;
Oscleta Partners LLC convertible note and capitalized interest - \$19,059;
Victor Wexler's claims as guarantor on liabilities arising from the Company's purchases of inventory and the Company's written agreement to indemnify Mr. Wexler against such claims by third parties - \$154,515; and
Attorney fees (current securities counsel) - \$79,500.

The settlement including the stock issue price discount qualifies as stock settled debt under ASC 480. Included in the convertible notes balance sheet amount is \$335,664, classified as principal and \$335,664, of put premium related to the 3(a)(10) settlement at December 31, 2020. The amounts covered in the settlement were reclassified from settlement reserves, convertible notes payable, accrued interest and accrued other expenses, along with related derivative liabilities related to the original notes payable.

A gain realized upon the effective date of the 3(a)(10) settlement was not recognized as it was credited to settlement reserves.

As of December 31, 2021, both 3(a)(10)s were terminated. Following payments to former creditors, the obligation to reduced to \$1,722,233 and the related put premium was \$1,722,233. The Company reclassified aggregate principal and premiums of \$2,416,691 to settlement reserves and \$426,694 to convertible notes payable principal, along with \$252,307 of put premiums. The Company recognized a gain on debt extinguishment of \$174,387.

Refer to financial statement footnotes 5, 8 and 9 for discussion of other settlements and contingent liabilities.

9) Third Party Providers

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

Securities Counsel

Name: Jeff Turner
Firm: JDT Legal PPLC
Address 1: 897 West Baxter Drive
Address 2: South Jordan, UT. 84095
Phone: 801-810-4465
Email: www.jdt-legal.com

Accountant or Auditor

Name: William Gonyer
Firm: Will Stephenson Advisory, LLC
Address 1: 697 Sport Hill Road
Address 2: Easton CT, 06612
Phone: (203) 702-1820
Email: _____

Investor Relations

None

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, advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

None

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).

The certifications shall follow the format below:

I, Phillip Sands certify that:

1. I have reviewed this Annual Disclosure Statement of Grow Solutions 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.

May 13, 2022 [Date]

/s/ Phillip Sands [CEO's Signature]

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

Principal Financial Officer:

I, Phillip Sands certify that:

1. I have reviewed this Annual Disclosure Statement of Grow Solutions 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.

May 13, 2022 [Date]

/s/ Phillip Sands [CFO's Signature]

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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021

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STATEMENTS

(Unaudited)

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GROW SOLUTIONS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	<u>December 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
ASSETS		
Current Assets		
Cash	\$ 596,653	\$ 32
Total Current Assets	<u>596,653</u>	<u>32</u>
Total Assets	<u><u>\$ 596,653</u></u>	<u><u>\$ 32</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,482,021	\$ 1,694,116
Settlement reserves	3,618,668	958,245
Convertible notes payable - net of discounts and premiums	2,877,764	5,679,320
Note payable - net of discounts	2,066	-
Derivative liabilities	324,143	324,143
Unearned revenue	-	56,765
Total Current Liabilities	<u>8,304,662</u>	<u>8,712,589</u>
Total Liabilities	<u>8,304,662</u>	<u>8,712,589</u>
Commitments and Contingencies (Note 10)		
Stockholders' Deficit:		
Series A preferred stock - \$0.001 par value: 51 shares authorized; 51 shares issued and outstanding,	1	1
Series B preferred stock - par value \$0.001: 100,000 shares authorized; 85,000 and 100,000 shares, issued and outstanding at December 31, 2021 and December 31, 2020, respectively,	85	100
Common stock - \$0.001 par value, 10,000,000,000 shares authorized, 9,416,983,199 and 1,875,799,430 shares issued and outstanding at December 31, 2021 and December 31, 2020, respectively	9,211,983	1,875,797
Additional paid-in capital	(228,091)	5,514,651
Accumulated deficit	(16,700,791)	(16,111,910)
Accumulated other comprehensive income	8,804	8,804
Total Stockholders' Deficit	<u>(7,708,009)</u>	<u>(8,712,557)</u>
Total Liabilities and Stockholders' Deficit	<u><u>\$ 596,653</u></u>	<u><u>\$ 32</u></u>

See accompanying notes to the condensed consolidated financial statements

GROW SOLUTIONS HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(Unaudited)

	For the Years Ended December 31,	
	<u>2021</u>	<u>2020</u>
Operating Expenses:		
Selling, general, and administrative expenses	\$ 179,778	\$ 779,177
Depreciation and amortization	<u>-</u>	<u>4,662</u>
Total Operating Expenses	179,778	783,839
Loss from Operations	<u>(179,778)</u>	<u>(783,839)</u>
Other Income (Expenses):		
Gain on debt extinguishment	174,387	193,140
Derivative liability income (expense)	-	(117,235)
Change in fair market value of derivative liability	-	125,566
Interest and financing costs	<u>(629,320)</u>	<u>(827,385)</u>
Total Other Expenses	<u>(454,733)</u>	<u>(625,914)</u>
Net Loss before Provision for Income Tax	(634,711)	(1,409,753)
Provision for Income Tax	<u>-</u>	<u>-</u>
Net Loss	<u>\$ (634,711)</u>	<u>\$ (1,409,753)</u>
Basic and Diluted Loss Per Share	<u>\$ (0.0001)</u>	<u>\$ (0.001)</u>
Weighted Average Number of Common Shares Outstanding:	<u>4,253,423,594</u>	<u>1,252,284,848</u>
Net Loss	\$ (634,711)	\$ (1,409,753)
Foreign Currency Translation	-	15,026
Total Comprehensive Income (Loss)	<u>\$ -</u>	<u>\$ (1,394,727)</u>

See accompanying notes to the consolidated financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN
STOCKHOLDERS' DEFICIT FOR THE YEARS
ENDED DECEMBER 31, 2021 AND 2020
(Unaudited)**

Year ended December 31, 2021

	Preferred Stock		Preferred Stock Series B		Common Stock		Additional Paid In	Accumulated	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Comprehensive Income	(Deficit) Equity
Balance, December 31, 2020	51	\$ 1	100,000	\$ 100	1,875,799,430	\$ 1,875,797	\$ 5,514,651	\$ (16,111,910)	\$ 8,804	\$ (8,712,557)
Issuance of common stock for Series B Preferred	-	-	(15,000)	(15)	3,312,094,451	3,312,095	(3,312,095)	-	-	-
Issuance of common stock for debt	-	-	-	-	966,616,145	966,616	(605,038)	-	-	361,578
Issuance of common stock for interest	-	-	-	-	286,360,930	286,361	(7,846)	-	-	278,515
Put premium reclassified to APIC on debt settlement	-	-	-	-	-	-	115,145	-	-	115,145
Issuance of common stock for cash	-	-	-	-	2,985,684,332	2,985,684	(2,044,352)	-	-	941,332
Cancellation of common stock	-	-	-	-	(9,572,089)	(9,570)	9,572	-	-	-
Net loss for the year ended December 31, 2021	-	-	-	-	-	-	-	(634,711)	-	(634,711)
Balance, December 31, 2021	51	\$ 1	85,000	\$ 85	9,416,983,199	\$ 9,416,983	\$ (329,948)	\$ (16,746,621)	\$ 8,804	\$ (7,650,696)

For the year ended December 31, 2020

	Preferred Stock Series A		Preferred Stock Series B		Common Stock		Additional Paid In	Accumulated	Accumulated Other Comprehensive Income	Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit		
Balance, December 31, 2019	51	1	100,000	100	330,666,887	330,666	6,284,074	(14,702,157)	(6,222)	(8,093,538)
Conversion of notes to equity	-	-	-	-	856,515,878	856,516	(530,820)	-	-	325,696
Put premiums reclassified in note conversions	-	-	-	-	-	-	130,572	-	-	130,572
Issuance for 3(a)(10) settlement	-	-	-	-	566,950,000	566,950	(566,950)	-	-	-
Settlements under 3(a)(10)	-	-	-	-	-	-	136,940	-	-	136,940
Shares issued - subscription	-	-	-	-	121,666,665	121,665	60,835	-	-	182,500
Net loss for the year ended December 31, 2020	-	-	-	-	-	-	-	(1,409,753)	-	(1,409,753)
Other comprehensive income – foreign currency items	-	-	-	-	-	-	-	-	15,026	15,026
Balance, December 31, 2020	51	1	100,000	100	1,875,799,430	1,875,797	5,514,651	(16,111,910)	8,804	(8,712,557)

See accompanying notes to the condensed consolidated financial statements

Grow Solutions Holdings, Inc.
Consolidated Statement of Cash Flows
(Unaudited)

	For the Years Ended	
	December 31,	
	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Net loss	\$ (634,711)	\$ (1,409,753)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	-	4,662
Impairment	-	16,699
Amortization of debt discounts	5,583	202,119
Accretion of premium on convertible note	45,000	368,292
Convertible notes issued for expenses	45,000	14,396
Derivative expense	-	117,235
Changes in fair market value of derivative liabilities	-	(125,566)
Gain on debt extinguishment	(174,387)	(193,140)
Common stock issued for expenses	107,337	11,275
Changes in operating assets and liabilities:		
Due from attorney	(123,678)	
Unearned revenue	(56,765)	24
Accounts payable and accrued expenses	237,880	784,497
Settlements payable	(71,705)	-
	<u>(562,089)</u>	<u>(209,260)</u>
Cash Used in Operating Activities		
Cash Flows from Investing Activities:		
Purchase of furniture, computers and equipment	-	(21,361)
	<u>-</u>	<u>(21,361)</u>
Cash Used in Investing Activities		
Cash Flows from Financing Activities:		
Proceeds from common stock issued from subscriptions	941,332	182,500
Proceeds from notes payable	45,000	
Repayments of notes	(45,000)	(25,000)
Net proceeds from convertible notes issued	100,000	65,000
	<u>1,035,032</u>	<u>222,500</u>
Cash Provided by Financing Activities		
Net Increase (Decrease) in Cash	472,332	(8,121)
Cash - beginning of year	<u>32</u>	<u>8,153</u>
Cash - end of year	<u>\$ 472,975</u>	<u>\$ 32</u>

Supplemental Disclosures of Cash Flow Information:

Cash paid for:

Interest and Taxes

\$	-	\$	-
	<u> </u>		<u> </u>

Noncash financing and investing activities:

Derivative cease to exist upon conversion of notes

\$	-	\$	-
	<u> </u>		<u> </u>

Debt discounts

\$	-	\$	202,119
	<u> </u>		<u> </u>

Initial derivative liabilities

\$	-	\$	118,146
	<u> </u>		<u> </u>

Issuance of common stock for 3(a)(10) settlement of note

\$	-	\$	136,940
	<u> </u>		<u> </u>

Issuance of common stock for note conversions

\$	257,711	\$	79,350
	<u> </u>		<u> </u>

Issuance of common stock for accrued interest of notes

\$	357,711	\$	235,070
	<u> </u>		<u> </u>

Issuance of common stock for fees charged in note conversions

\$	11,275	\$	11,275
	<u> </u>		<u> </u>

Reclassification of debt premium upon conversion

\$	235,900	\$	130,572
	<u> </u>		<u> </u>

See accompanying notes to the consolidated financial statements

GROW SOLUTIONS HOLDINGS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED DECEMBER 31,
2021 AND 2020
(UNAUDITED)

Note 1 — Organization and Operations

Grow Solutions Holdings, Inc. (formerly known as LightTouch Vein & Laser, Inc. and Strachan, Inc.) (the “Company” or “GRSO”) was organized under the laws of the State of Nevada on May 1, 1981. The Company provided indoor and outdoor gardening supplies to the rapidly growing garden industry.

The Merger

Effective April 28, 2015, the Company entered into an Acquisition Agreement and Plan of Merger (the “the Merger”) with Grow Solutions, Inc., a Delaware corporation (“Grow Solutions”) and LightTouch Vein & Laser Acquisition Corporation, a Delaware corporation and a wholly owned subsidiary of the Company (“LightTouch Acquisition”). Under the terms of the Merger, Grow Solutions merged with LightTouch Acquisition and became a wholly owned subsidiary of the Company. The Grow Solutions’ shareholders and certain creditors of the Company received 44,005,000 shares of the Company’s common stock in exchange for all of the issued and outstanding shares of Grow Solutions. Following the closing of the Grow Solutions Agreement, Grow Solutions’ business became the primary focus of the Company and Grow Solutions management assumed control of the management of the Company with the former director of the Company resigning upon closing of the Agreement. Shareholders maintained 1,886,612 shares as part of the recapitalization.

As a result of the Merger, the Company discontinued its pre-Merger business. The Merger was accounted for as a “reverse merger,” and Grow Solutions, was deemed to be the accounting acquirer in the reverse merger. Consequently, the assets and liabilities and the historical operations that are reflected in the financial statements prior to the Merger are those of Grow Solutions and recorded at the historical cost basis and the consolidated financial statements after completion of the Merger include the assets and liabilities of Grow Solutions, historical operations of the Company, and operations of the Company and its subsidiaries from the closing date of the Merger. As a result of the issuance of the shares of the Company’s Common Stock pursuant to the Merger, a change in control of the Company occurred as of the date of consummation of the Merger. The Merger is intended to be treated as a tax-free exchange under Section 368(a) of the Internal Revenue Code of 1986, as amended. All historical share amounts of the accounting acquirer were retrospectively recast to reflect the share exchange.

Reverse Merger and Recapitalization

On March 5, 2019, the Company entered into a securities exchange agreement with the shareholders of Pure Roots Holding, Ltd., representing 100% of the outstanding shares thereof (collectively the “Seller”), and Pure Roots Holding, Ltd., a Wyoming corporation (“PRH”), whereby the Company purchased from the Seller, 100% of the issued and outstanding restricted common stock of PRH in exchange for 85,000 restricted shares of the Company’s newly created Series B Preferred Stock (the “Series B Preferred Stock”). The Seller subsequently distributed the Series B Preferred Stock of the Company to the shareholders of PRH.

The shares of Series B Preferred Stock have a par value of \$0.001 and a liquidation value of \$1,000 per share (the “Series B Liquidation Value”) and each share is convertible into 2,833 shares of common stock (the “Conversion Ratio”). The holders of shares of the Series B Preferred Stock shall be entitled to receive dividends out of any assets legally available, to the extent permitted by Nevada law, at an annual rate equal to 8% of the Series B Liquidation Value of such shares of Series B Preferred Stock, and shall accrue from the date of issuance of such shares of Series B Preferred Stock, payable quarterly in common stock valued at the closing trade price per share on the last trading day of the calendar quarter. The Series B shareholders have agreed to defer dividend rights until the Company earns sufficient revenues.

The holders of Series B Preferred Stock rank senior to the Company’s common stock and Series A preferred Stock and will vote together with the holders of the Company’s common stock on an as-converted basis on each matter submitted to a vote of holders of common stock (whether at a meeting of shareholders or by written consent). In any such vote, the number of votes that may be cast by a holder shall be equal to one (1) vote for each share of common stock into which such holder’s outstanding shares of Series B Preferred Stock may be converted. Each holder shall be entitled to notice of all shareholder meetings (or requests for written consent) in accordance with the Company’s bylaws. As a result of the issuance of the Series B Preferred Stock, there was a change in control of the Company as of the date of consummation of the Merger

On March 5, 2019, Chad Fischl, acquired control of 51 shares of the Series A Preferred Stock of the Company, representing 100% of the Company's total issued and outstanding Series A Preferred Stock, from TCA Share Holdings, LLC a Limited Liability Company, in exchange for agreeing to become the President, Chief Executive Officer (CEO) and a Director.

The common stockholders of GRSO before the Merger ("Predecessor") retained 92,497,617 shares of common stock, par value \$0.001 per share. Upon the effectiveness of the Merger, the holders of the Predecessor's Series A Preferred Stock tendered all 51 shares of the issued and outstanding Series A Preferred Stock to Chad Fischl. The Series A Preferred Stock has voting rights such that the 51 shares equated to 96,268,926 voting shares which represented 51% of the common voting rights, therefore the tender of the Series A Preferred Stock pursuant to the Merger, coupled with the issuance of the Series B Preferred Stock provides for the CEO to have had majority control over the Company as of the date of consummation of the Merger.

On March 5, 2019, in connection with the Chief Financial Officer Resignation, the Board appointed Mr. Wayne Hansen as Chief Financial Officer, effective March 5, 2019, and as a Director of the Company. Mr. Hansen resigned from both roles on November 15, 2019.

The Merger is being accounted for as a "Reverse Business Combination," and PRH is deemed to be the accounting acquirer in the merger. Consequently, the assets and liabilities and the historical operations that will be reflected in the financial statements prior to the Merger will be those of PRH, and the consolidated financial statements after completion of the Merger will include the assets and liabilities of GRSO, historical operations of PRH and combined operations of PRH and GRSO from the Closing Date of the Merger.

The Merger will be treated as a recapitalization of the Company for financial accounting purposes. The historical financial statements of GRSO before the Merger will be replaced with the historical financial statements of PRH before the Merger in all future filings.

The financial condition and operating results of the combined entities since March 5, 2019, are included in the condensed consolidated financial statements.

The Company's new businesses are based on design, development, manufacture, sales and distribution of licensed technologically advanced systems for organic and other agricultural products farming "AeroPods". The AeroPod offers a high efficiency grow solution having scalable, secure and low carbon footprint characteristics. The new business commenced operations during the year ended December 31, 2019. The Company has completed analysis on the designing, manufacturing and eventual sales and distribution of AeroPods for the farming and agriculture sectors. The proposed business structure would eventually offer high efficiency grow solutions that are scalable and secure with a low carbon footprint.

Note 2 — Going Concern and Management's Plan

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business. For the year ended December 31, 2021, the Company has incurred a net loss of \$634,711. The working capital deficit, stockholders' deficit and accumulated deficit was \$7,650,696, \$7,650,696, and \$16,746,621, respectively, at December 31, 2021. The Company received a default notice on its payment obligations under the senior secured credit facility agreement (see Note 4), defaulted on its other pre-merger debt and has received demands for payment of past due amounts from creditors, consultants and service providers. It is management's opinion that these matters raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the issuance date of this report. The ability of the Company to continue as a going concern is dependent upon management's ability to implement a new business plan, raise additional capital as needed from the sales of stock or debt or find a partner to merge with. The Company has been implementing cost containment measures and restructuring or setting up payment plans with vendors and is working to restructure its secured obligations. The accompanying consolidated financial statements do not include any adjustments that might be required should the Company be unable to continue as a going concern.

Note 3 — Summary of Significant Accounting Policies and Basis of Presentation

The Company's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Pure Roots Holding Corp. All significant intercompany accounts and transactions have been eliminated in consolidation.

Fair value of financial instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, "*Fair Value Measurements and Disclosures*," approximates the carrying amounts represented in the balance sheet, primarily due to their short-term nature.

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the allowance for bad debt on accounts receivable, reserves on inventory, valuation of goodwill and intangible assets for impairment analysis, valuation of the legal settlement reserve, valuation of stock-based compensation, the valuation of derivative liabilities and the valuation allowance on deferred tax assets.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of cash accounts in a financial institution which, at times, may exceed the Federal and/or Canadian depository insurance coverage of \$250,000 and CDN\$100,000, respectively. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. As of December 31, 2021, the Company had cash of \$596,653.

Debt Discount and Debt Issuance Costs

Debt discounts and debt issuance costs incurred in connection with the issuance of debt are capitalized and amortized to interest expense based on the related debt agreements using the straight-line method. Unamortized discounts are netted against the related debt instruments.

Convertible Notes with Fixed Rate Conversion Options

The Company may enter into convertible notes, some of which contain, predominantly, fixed rate conversion features, whereby the outstanding principal and accrued interest may be converted by the holder, into common shares at a fixed discount to the market price of the common stock at the time of conversion. This results in a fair value of the convertible note being equal to a fixed monetary amount. The Company records the convertible note liability at its fixed monetary amount by measuring and recording a premium, as applicable, on the note date with a charge to interest expense in accordance with ASC 480 - "Distinguishing Liabilities from Equity".

Derivative Liabilities

The Company has certain financial instruments that are derivatives or contain embedded derivatives. The Company evaluates all its financial instruments to determine if those contracts or any potential embedded components of those contracts qualify as derivatives to be separately accounted for in accordance with ASC 810-10-05-4 and 815-40. This accounting treatment requires that the carrying amount of any derivatives be recorded at fair value at issuance and marked-to-market at each balance sheet date. In the event that the fair value is recorded as a liability, as is the case with the Company, the change in the fair value during the period is recorded as either other income or expense. Upon conversion, exercise or repayment, the respective derivative liability is marked to fair value at the conversion, repayment or exercise date and then the related fair value amount is reclassified to other income or expense as part of gain or loss on extinguishment.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the balance sheet date.

The Company utilizes a binomial option pricing model to compute the fair value of the derivative and to mark to market the fair value of the derivative at each balance sheet date. The Company records the change in the fair value of the derivative as other income or expense in the consolidated statements of operations.

Revenue Recognition

Effective October 1, 2018, the predecessor company adopted Accounting Standards Codification (“ASC”) 606, Revenue From Contracts With Customers, which is effective for public business entities with annual reporting periods beginning after December 15, 2017. This new revenue recognition standard (new guidance) has a five-step process: a) Determine whether a contract exists; b) Identify the performance obligations; c) Determine the transaction price; d) Allocate the transaction price; and e) Recognize revenue when (or as) performance obligations are satisfied. The Company’s initial application of ASC 606 did not have a material impact on its financial statements and disclosures and there was no cumulative effect of the adoption of ASC 606.

Stock-based compensation

Stock-based compensation is accounted for based on the requirements of ASC 718 – “*Compensation – Stock Compensation*“, which requires recognition in the financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award. The Company utilizes the Black-Sholes option pricing model and uses the simplified method to determine expected term because of lack of sufficient exercise history. Additionally, effective October 1, 2016, the Company adopted the Accounting Standards Update No. 2016-09 (“ASU 2016-09”), *Improvements to Employee Share-Based Payment Accounting*. Among other changes, ASU 2016-09 permits the election of an accounting policy for forfeitures of share-based payment awards, either to recognize forfeitures as they occur or estimate forfeitures over the vesting period of the award. The Company has elected to recognize forfeitures as they occur, and the cumulative impact of this change did not have any effect on the Company’s consolidated financial statements and related disclosures.

Loss Per Share

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net loss per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, which is the case for the year ended December 31, 2021 and 2020 presented in these consolidated financial statements, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive. Convertible note principal and accrued interest outstanding at December 31, 2021, totaled \$3,193,806. Based on the conversion terms of the aforementioned notes, the Company had 12,507,643,156, potentially dilutive shares as of December 31, 2021. The Company has 10,000,000,000 authorized (see note below) and 9,416,983,199 issued and outstanding common shares at December 31, 2021.

The Company had the following common stock equivalents at December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
Convertible notes payable	12,507,643,156	2,370,001,445
Settlement obligation under 3(a)(10)	-	2,241,590,968
Totals	12,507,643,156	4,611,592,413

Note: The Nevada Secretary of State authorized the increase in authorized shares to 20,000,000,000 on January 14, 2022.

Income Taxes

The Company accounts for income taxes under ASC Topic 740 “*Income Taxes*” (“ASC 740”). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements and prescribes

a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements.

The Company's policy for recording interest and penalties associated with audits is to record such expense as a component of income tax expense. Management is currently unaware of any issues under review that could result in significant payments, accruals or material deviations from its position.

Foreign Currency Translation

The Company follows Section 830-10-45 of the FASB Accounting Standards Codification ("Section 830-10-45") for foreign currency translation to translate the financial statements of the foreign subsidiary from the functional currency, generally the local currency, into U.S. Dollars. Section 830-10-45 sets out the guidance relating to how a reporting entity determines the functional currency of a foreign entity (including of a foreign entity in a highly inflationary economy), re-measures the books of record (if necessary), and characterizes transaction gains and losses. Pursuant to Section 830-10-45, the assets, liabilities, and operations of a foreign entity shall be measured using the functional currency of that entity. An entity's functional currency is the currency of the primary economic environment in which the entity operates; normally, that is the currency of the environment, or local currency, in which an entity primarily generates and expends cash.

The functional currency of each foreign subsidiary is determined based on management's judgment and involves consideration of all relevant economic facts and circumstances affecting the subsidiary. Generally, the currency in which the subsidiary transacts a majority of its transactions, including billings, financing, payroll and other expenditures, would be considered the functional currency, but any dependency upon the parent and the nature of the subsidiary's operations must also be considered. If a subsidiary's functional currency is deemed to be the local currency, then any gain or loss associated with the translation of that subsidiary's financial statements is included in accumulated other comprehensive income. However, if the functional currency is deemed to be the U.S. Dollar, then any gain or loss associated with the re-measurement of these financial statements from the local currency to the functional currency would be included in the condensed consolidated statements of income and comprehensive income (loss). If the Company disposes of foreign subsidiaries, then any cumulative translation gains or losses would be recorded into the condensed consolidated statements of income and comprehensive income (loss). If the Company determines that there has been a change in the functional currency of a subsidiary to the U.S. Dollar, any translation gains or losses arising after the date of change would be included within the statement of income and comprehensive income (loss).

Based on an assessment of the factors discussed above, the management of the Company determined its subsidiary's local currency (i.e. the Canadian dollar) to be the functional currency for its foreign subsidiary.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company has evaluated events that occurred subsequent to December 31, 2021 and through the date the financial statements were issued.

Recent Accounting Pronouncements

There are no recently issued accounting pronouncements the Company has not yet adopted that will materially impact the Company's consolidated financial statements.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

Note 4 – Settlement Reserves

The settlement reserve balance of \$3,606,903, as of December 31, 2021, includes an estimate for default penalties under the terms of convertible notes payable issued by the predecessor company prior to December 31, 2018. Also included are other accrued expenses, principal amount amortizing notes, the net amount recognized as liabilities of the Company's subsidiary and amounts reclassified from the 3(a)(10) settlement that was terminated during the year ended December 31, 2021.

**Settlement
Reserves**

Balance at December 31, 2020	\$ 958,245
Increase for settlement of Pure Roots Holding Corporation liabilities	225,000
Decreases for payments related to Pure Roots Holding Corporation liabilities	(167,420)
Reclassifications from 3(a)(10) liabilities and premiums	2,600,843
Balance at December 31, 2021	<u>\$ 3,616,668</u>

Note 5 — Convertible Notes

Since February 2019, the Company has been working with advisors and creditors to restructure outstanding debt issued prior to December 31, 2018, including amounts outstanding with L2 (all L2 liabilities have been assigned to Oasis Capital – “Oasis”) among other creditors. Management believes that amounts recorded as debt and settlement reserves related to notes are adequate to cover the expected settlements.

All convertible notes issued before March 2019, were reevaluated in light of ASC 480, which allows for treating certain convertible notes as stock settled debt. This treatment does not require the bifurcation of the embedded derivative, nor does it require a periodic revaluation of the fair market values. So long as the discount to the share price used for conversion remains constant a premium is calculated and charged to interest expense at the issuance date of the note and recognized as a liability which is added to note face amount net of any original issue discounts (OID). The derivative liability for each qualifying note was reclassified as put premium and allocated to each note based on the note conversion stock price discount.

Refer to the table at the end of the section of this note covering notes issued prior to December 2018 for current balance of principal, accrued interest and put premiums.

Debt Purchase Agreement

On February 15, 2017, the Company entered into a Debt Purchase Agreement (the “Debt Purchase Agreement”) by and among the Company, TCA, and L2 Capital, LLC, a Kansas limited liability company (the “Assignee”). Pursuant to the Debt Purchase Agreement, on February 15, 2017, TCA sold and assigned to Assignee, TCA’s right, title and interest in and to the monetary obligations evidenced under Replacement Note A thereby reducing the TCA outstanding principal indebtedness. Assignee shall subsequently purchase from TCA the remaining debt evidenced by First Replacement Note B in purchase tranches. The indebtedness underlying the Replacement Notes are evidenced by a newly issued 10% Senior Replacement Convertible Promissory Note.

Total assignments to Oasis were \$600,000 before the arrangement was terminated.

Issuance of 10% Senior Replacement Convertible Promissory Note

On February 15, 2017, the Company issued a 10% Senior Replacement Convertible Promissory Note (the “Oasis Note”) to the Assignee in the principal amount of \$1,201,441.25. The initial principal amount under the Oasis Note is \$325,000, representing the first tranche purchased by Assignee under First Replacement Note A and such amounts shall increase in tranches upon the purchase of such tranches by the Assignee from TCA pursuant to the Debt Purchase Agreement. The maturity date for each tranche shall be Nine months from that date of the purchase of that tranche and the Company shall pay interest to the Assignee on the aggregate unconverted and then outstanding principal amount of the Oasis Note at the rate of 10% per annum.

The Oasis Note is convertible at any time, in whole or in part, at the option of the holder into shares of common stock of the Company at a conversion price equal to 62.5% of the lowest closing bid price of the common stock in the prior twenty (20) trading days, which is subject to adjustment for stock dividends, stock splits, combinations or similar events.

Additionally, the terms under the Oasis Note include make-whole rights whereby upon liquidation by the Assignee of the shares converted under the Oasis Note, provided that the Assignee realizes a net amount from such liquidation equal to less than the conversion amount specified in the relevant conversion notice (such net realized amount, the “Realized Amount”), the Company shall issue to the Assignee additional shares, as defined.

The first tranche principal of \$325,000 was fully converted into common stock in prior periods.

On March 23, 2017, the Company issued a second tranche note to Oasis (Oasis-2) for principal amount of \$300,000. Of which \$129,330 was converted into common stock in prior periods.

Private Placement - Debt Offering 2016

During the year ended December 31, 2016, the Company entered into an agreement for the issuance of convertible notes to third party lenders for aggregate proceeds of \$1,117,000. The notes accrue interest at 12% per annum maturing two years from issuance. The notes are convertible into shares of common stock at a conversion price of \$0.80. These notes were analyzed, and no derivative liability has been recognized due to the fixed conversion price. One investor has assigned \$277,788, of their note to third parties and the assigned notes were restated as described below under note changes. The total balance under the 2016 Debt Offering was \$839,212, at December 31, 2021.

Carebourn Capital Debt Refinancing

On July 14, 2017, the Company, refinanced a loan with Carebourn by issuing a Convertible Promissory Note, dated July 14, 2017, (the "Note"). The principal amount of the Note is \$262,877.42, the Purchase Price is \$228,589.06, and the Company received \$50,000 in proceeds from the Purchaser. The Maturity Date of the Note was July 14, 2018. The balance of the prior note was rolled into the new note for a total note payable balance of \$262,877 and original debt discount of \$34,288 was recorded and was fully recognized as interest expense as during prior periods due to the termination of former operations.

The Note terms remain the same as the original note above. The note conversion terms satisfy the conditions for treatment as stock settled debt in accordance with ASC 480, as such a put premium of \$277,088 has been recorded and was included in convertible notes payable with a reclassification adjustment to derivative liabilities. In June and August 2021, Carebourn converted \$103,867 of principal and \$10,724 of interest into 551,531,936 shares of the Company's common stock. The note principal balance at December 31, 2021 is \$159,010.

The JSJ Investments Inc. Debt Financing

On January 30, 2017, the Company issued a 10% Convertible Promissory Note (the "JSJ Note") in the principal amount of \$100,000 in favor of JSJ Investments Inc. ("JSJ"). On or about January 30, 2017, the Company received \$98,000 in net proceeds after deducting fees and expenses.

The JSJ Note, currently in default, bears a default interest rate of 18% per annum on the aggregate unconverted outstanding principal. The JSJ Note is convertible in whole or in part, at the option of JSJ into shares of common stock of the Company at a conversion price equal to 60% of the lowest closing bid price of the common stock in the prior ten (10) trading days, which is subject to adjustment for stock dividends, stock splits, combinations or similar events.

The note was partially converted during the year ended December 31, 2020 and the principal balance at December 31, 2021 and December 31, 2020, was \$79,000.

The Cicero Consulting Group, Inc. Debt Financing

On February 8, 2017, the Company, entered into a Securities Purchase Agreement with Cicero Consulting Group, LLC ("Cicero") pursuant to which the Company sold \$50,000 in principal amount of a Convertible Promissory Note (the "Cicero Note"), which the Company received in cash.

The Cicero Note, currently in default, bears a default interest rate of 18% per annum on the outstanding principal. The Cicero Note is convertible at any time, in whole or in part, at the option of Cicero, into shares of common stock of the Company at a conversion price equal to 70% of the lowest closing bid price of the common stock in the prior five (5) trading days, which is subject to adjustment for stock dividends, stock splits, combinations or similar events. The note was partially converted during the years ended December 31, 2020 and the balance at December 31, 2021 and December 31, 2020, was \$23,000.

Promissory Note

On May 25, 2017, the Company, issued a Promissory Note to Brandi Blank (an individual investor) in the principal amount of \$100,000 (the "note"). The Company received \$100,000 in net proceeds from the sale of the note. The note is due on demand. Payment by the Company to Lender under the terms of the note may be made in either cash or common stock of the Company, at the option of the Lender. In the event the Company repays the note in common stock, such common stock will be issued at a price equal to the closing price of the Company's common stock on November 21, 2017. The note bears interest at a rate of fifteen percent (15%) per annum. Interest may be paid in cash or common stock of the Company at the option of the Lender. Additionally, the Company will issue the Lender shares of common stock in an amount equal to thirty three percent (33%) of the outstanding balance of principal and interest

under the note within 10 days of the issuance date. The obligation to issue stock was treated as a warrant for 494,012 shares of stock with an exercise price of \$.0668, having a fair market value of \$19,530 which was credited to additional paid in capital with a corresponding charge to debt discount and subsequently charged to interest expense due to the termination of operations during the year ended December 31, 2017. Subsequent changes to fair market value will be recognized on each reporting date. The value of the warrant was remeasured on December 31, 2021 and was not material for adjustment.

Below is summary of notes with conversion features issued prior to December 31, 2018, and are currently in default:

Name of Note holder	Original Note Amount	Principal	Put Premium	Accrued Interest
		December 31, 2021	December 31, 2021	December 31, 2021
Oasis	625,000	170,670	120,755	82,856
Carebourn	262,877	159,010	75,214	-
JSJ	100,000	79,000	52,667	78,811
Cicero	50,000	23,000	9,857	16,794
Blank	100,000	100,000	-	69,085
Luckosky (see below)	426,694	426,694	252,307	-
2016 Debt Offering	\$1,117,000	839,212	-	557,071
		Total Principal and Premium	\$2,308,386	
			Total Interest Accrued	\$666,591

The notes listed above have current principal following conversions and restructuring totaling \$1,797,586, and related put premiums (as calculated by the Company) of \$685,679. The note above for \$426,694 was previously classified as 3(a)(10) liabilities, was issued prior to December 31, 2018, to Luckosky Bookman LLP for legal services. The Company will recognize interest for the Luckosky note commencing January 1, 2022. The Company believes that claims for default penalties may arise in future periods and has taken those contingent liabilities into consideration in establishing settlement reserves as discussed at Note 4.

Pre-merger notes (see table above):	December 31, 2021	December 31, 2020
Principal	\$1,797,586	\$1,474,759
Put premiums on stock settled debt	510,800	373,639
Total pre-merger notes, net	2,308,386	1,848,398
Post-merger (see descriptions below):		
Principal new issues	457,730	331,644
Put premiums on stock settled debt	86,728	55,372
Debt discount (OID and derivative liabilities)	(271)	(560)
Total post-merger notes, net	639,801	3,830,921
Total convertible notes, net	\$2,953,187	\$5,679,320

Issuance Convertible Notes Since Merger

On March 12, 2019, the Company issued a convertible note payable to Ralph Aiello for \$55,000. The note has \$5,000 original issue discount (OID), 10% annual interest and matured on March 31, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated at issuance to be \$175,012, of which \$125,012 was charged to derivative expense and \$50,000 to debt discount. Debt discount was amortized to interest expense over the term of the note. At December 31, 2021, the derivative liability is \$69,557 and the principal balance is \$55,000.

On June 6, 2019, the Company issued a convertible note payable to Ralph Aiello for \$35,000. The note has: \$5,000 original issue discount (OID), 10% annual interest and matured on June 5, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$63,182, with \$33,182 charged to derivative expense and \$30,000 charged to debt discount. The fair market value was \$47,014 and the principal balance was \$35,000 at December 31, 2021.

On June 27, 2019, the Company issued a convertible note payable to Ralph Aiello for \$35,000. The note has: \$5,000 original issue

discount (OID), 10% annual interest and matured on June 17, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$62,648, with \$32,648 charged to derivative expense and \$30,000 charged to debt discount. The fair market value was \$49,193 and the principal balance was \$35,000 at December 31, 2021.

On July 15, 2019, the Company issued a convertible note payable to Ralph Aiello for \$35,000. The note has: \$5,000 original issue discount (OID), 10% annual interest and matured on July 14, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$98,917 with \$68,917 charged to derivative expense and \$30,000 to debt discount to be amortized to interest expense over the life of the note. The derivative liability is revalued to fair market value each reporting date and the change is recognized in fair market value changes on the statement of operations. The fair market value was \$35,024 and the principal balance was \$35,000 at December 31, 2021.

On August 27, 2019, the Company issued a convertible note payable to Ralph Aiello for \$30,000. The note has: \$5,000 original issue discount (OID), 10% annual interest and matured on August 26, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID will be amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$59,834 with \$34,834 charged to derivative expense and \$25,000 to debt discount to be amortized to interest expense over the life of the note. The derivative liability is revalued to fair market value each reporting date and the change is recognized in fair market value changes on the statement of operations. The fair market value was \$41,018 and the principal balance was \$30,000 at December 31, 2021.

On October 3, 2019, the Company issued a convertible note payable to Tri-Bridge Ventures LLC, for \$22,644. The note bears interest at 10%, matured on October 3, 2020 and can be converted into shares of common stock. The conversion price is calculated as 50% of the lowest traded price during the day prior to conversion. The principal balance was \$22,644 at December 31, 2021 and 2020.

On October 9, 2019, the Company issued a convertible note payable to Ralph Aiello for \$27,500. The note has: \$2,500 original issue discount (OID), 10% annual interest and matured on October 8, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID will be amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$63,795 with \$38,795, charged to derivative expense and \$25,000 to debt discount to be amortized to interest expense over the life of the note. The derivative liability is revalued to fair market value each reporting date and the change is recognized in fair market value changes on the statement of operations. The fair market value was \$30,034 and the principal balance was \$27,500 at December 31, 2021.

On November 27, 2019, the Company issued a convertible note payable to Ralph Aiello for \$30,000. The note has: \$3,000 original issue discount (OID), 10% annual interest and matures on November 30, 2020. The interest rate rose to 24% by remaining unpaid after the maturity date. The OID will be amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50% of the lowest closing bid price in the 20 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$65,792 with \$35,792, charged to derivative expense and \$30,000 to debt discount to be amortized to interest expense over the life of the note. The derivative liability is revalued to fair market value each reporting date and the change is recognized in fair market value changes on the statement of operations. The fair market value was \$30,035 and the principal balance was \$30,000 at December 31, 2021.

On January 30, 2020, the Company issued a convertible note payable to Trillium LP for \$30,000. The Company received \$25,000, in cash and an additional \$1,500 was paid by Trillium directly to a third party on behalf of the Company. The note has \$3,500, original issue discount (OID), 12% annual interest and matured on July 31, 2020. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50%, of the lowest closing bid price in the 30 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value of \$71,510, with \$26,500 charged to debt discount to be amortized over the life of the note and \$41,010 was charged to derivative expense. The derivative liability will be revalued to fair market value each reporting date and the change is

recognized in fair market value changes on the statement of operations. The Company repaid \$25,000 during the years ended December 31, 2020. As a result of the repayment the Company recognized a gain on debt extinguishment of \$56,810. The fair market value was \$7,342 and the principal balance was \$5,000 at December 31, 2021.

On June 4, 2020, the Company issued a convertible note payable to Carebourn Capital in exchange for \$40,000 in cash. The note has 8% interest and matures on June 1, 2021. The note can be converted into the Company's common stock at a discount equal to 55% of the average of the three lowest trading prices during the twenty days prior to the conversion. Due to the fixed percentage discount the conversion feature is treated as stock settled debt under ASC 480. Accordingly, a put premium was calculated to be \$32,727 and was charged to interest expense on the date the note was effective. The balance of \$40,000 remains unpaid at December 31, 2021.

On August 4, 2020, the Company issued a convertible note payable to Trillium LP for \$8,500. Trillium paid expenses of \$8,032 for the Company and an additional \$468 was charged as OID. The note bears interest at 12%, and matures on May 12, 2021. The OID was amortized to interest expense over the life of the note. The note and accrued interest can be converted into common stock and at the lower of: \$.01 or 50%, of the lowest closing bid price in the 30 trading days prior to conversion. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$911, which was charged to debt discount to be amortized over the life of the note. The derivative liability will be revalued to fair market value each reporting date and the change is recognized in fair market value changes on the statement of operations. The derivative liability balance remains at \$911 and the principal was reduced to \$2,200 at December 31, 2021.

On January 19, 2021, the Company issued a 0% interest rate convertible promissory note in the principal amount of \$53,000 in favor of Carebourn Capital, L.P. The note matures on January 19, 2022 and is convertible into shares of common stock of the Company at a conversion price equal to 55% of the lowest closing bid price in the prior twenty-five (25) trading days, the note will be treated as stock settled debt in accordance with ASC 480. Accordingly, a put premium was calculated to be \$43,364 and was charged to interest expense on the date the note was effective.

On March 17, 2021, the Company issued a 0% interest rate convertible promissory note in the principal amount of \$53,000 in favor of Carebourn Capital, L.P. The note matures on March 17, 2022 and is convertible into shares of common stock of the Company at a conversion price equal to 55% of the lowest closing bid price in the prior twenty-five (25) trading days, the note will be treated as stock settled debt in accordance with ASC 480. Accordingly, a put premium was calculated to be \$43,364 and was charged to interest expense on the date the note was effective.

The Company entered into an agreement for accounting and reporting services effective October 1, 2021 and three monthly (October 1, November 1 and December 1 were the issuance dates) fee notes were issued totaling \$45,000. The notes bear interest at 10%, are convertible into common stock at 50% of lowest bid price in the twenty days prior to conversion and the notes mature in nine months from issuance date. The notes were treated as stock settled debt in accordance with ASC 480 and \$45,000 of premium was recognized and charged to interest expense on the issuance dates.

Note Assignments

On October 7, 2019, Ralph Aiello, sold and assigned \$30,000 principal and accrued interest from the April 16, 2016 convertible note for \$300,000 held, bringing a principal balance of \$59,712. Trillium Partners LP acquired the principal and accrued interest and the note was restated. The note conversion terms state the principal and interest accrued can be converted into common stock at the lower of: \$.01 or 50% of the lowest closing bid during the 20 trading days preceding the conversion notice. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$52,066 with a corresponding charge to derivative expense. During the year ended December 31, 2019, the related fair market value net changes of \$12,348 were credited to fair market value changes, leaving a derivative liability of \$39,718. The note was fully converted during the years ended December 31, 2020 and derivative liability balance of \$39,718 was recognized as gain on extinguishment of debt.

On April 1, 2020, Ralph Aiello, sold and assigned \$7,500 principal and accrued interest from the April 16, 2016 convertible note for \$300,000 held, bringing a principal balance of \$52,212. Trillium Partners LP acquired the principal and accrued interest and the note was restated. The note conversion terms state the principal and interest accrued can be converted into common stock at the lower of: \$.01 or 50% of the lowest closing bid during the 20 trading days preceding the conversion notice. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$16,667 with a corresponding charge to derivative expense. The note was fully converted during the years ended December 31, 2020 and derivative liability balance of \$16,667 was recognized as gain on extinguishment of debt.

On June 1, 2020, Ralph Aiello, sold and assigned \$15,000 principal and accrued interest from the April 16, 2016 convertible note for \$300,000 held, bringing a principal balance of \$37,212. Trillium Partners LP acquired the principal and accrued interest and the note

was restated. The note conversion terms state the principal and interest accrued can be converted into common stock at the lower of: \$.01 or 50% of the lowest closing bid during the 20 trading days preceding the conversion notice. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$37,500 with a corresponding charge to derivative expense. The note was fully converted during the years ended December 31, 2020 and derivative liability balance of \$37,500 was recognized as gain on extinguishment of debt.

On July 1, 2020, Ralph Aiello, sold and assigned \$15,000 principal and accrued interest from the April 16, 2016 convertible note for \$300,000 held, bringing a principal balance of \$22,212. Trillium Partners LP acquired the principal and accrued interest and the note was restated. The note conversion terms state the principal and interest accrued can be converted into common stock at the lower of: \$.01 or 50% of the lowest closing bid during the 20 trading days preceding the conversion notice. Due to the variable conversion pricing feature the note is considered to include a derivative for which a fair market value was calculated to be \$15,819 with a corresponding charge to derivative expense. The note was fully converted during the years ended December 31, 2020 and derivative liability balance of \$15,819 was recognized as gain on extinguishment of debt.

During the year ended December 31, 2021, the Company reclassified \$426,694, from the 3(a)(10) liability to convertible notes payable. The original note payable was due to Lucosky Bookman, LLP for legal services rendered prior to October 2017. The original terms of the note include 18% interest and a conversion feature allowing for 40% discount to the three-day average of the lowest stock price in the prior ten days. The fixed rate discount qualifies as stock settled debt and a put premium of \$252,307 was allocated to put premium for the Luckosky note.

Court Approved Settlement of Various Liabilities Under SEC section 3(a)(10)

On September 13, 2019 the Company entered into a settlement agreement and stipulation (“Settlement Agreement”) with Livingston Asset Management, LLC (“LAM”) in connection with the settlement of \$3,998,152 of bona fide obligations the Company owed to certain of its creditors. The Settlement Agreement was subject to fairness hearing, and on November 15, 2019 a Federal court in the District of Maryland held a fairness hearing and granted approval of the Settlement Agreement. If the Settlement Agreement is satisfied in full, the Company shall reduce the Company’s debt obligations equal to \$1,506,568 in exchange for the issuance of settlement shares of Company’s common stock pursuant to the terms of section 3(a)(10) of the Securities Act of 1933, in multiple tranches, at a price equal to the lowest closing bid price for the common stock for the twenty trading days immediately preceding the delivery of such tranche. At no time may LAM beneficially own more than 9.99% of the Company’s outstanding common stock.

The 3(a)(10) settlement includes the following liabilities:

- TCA senior note and capitalized interest - \$729,874;
- Otis claims for amounts due for services provided (reclassified from settlement reserve) - \$350,000; and
- Attorney fees (note for \$378,461 and \$48,233 in fees and accrued interest) - \$426,694.

On December 23, 2019 the Company entered into a settlement agreement and stipulation (“Settlement Agreement”) with Livingston Asset Management, LLC (“LAM”) in connection with the settlement of \$335,664 of bona fide obligations the Company owed to certain of its creditors. The Settlement Agreement was subject to fairness hearing, and on June 2, 2020 a Federal court in the District of Maryland held a fairness hearing and granted approval of the Settlement Agreement. If the Settlement Agreement is satisfied in full, the Company shall reduce the Company’s debt obligations equal to \$335,664 in exchange for the issuance of settlement shares of Company’s common stock pursuant to the terms of section 3(a)(10) of the Securities Act of 1933, in multiple tranches, at a price equal to the lowest closing bid price for the common stock for the twenty trading days immediately preceding the delivery of such tranche. At no time may LAM beneficially own more than 9.99% of the Company’s outstanding common stock.

The 3(a)(10) settlement includes the following liabilities:

- Trillium convertible note and capitalized interest - \$82,590;
- Oscleta Partners LLC convertible note and capitalized interest - \$19,059;
- Victor Wexler’s claims as guarantor on liabilities arising from the Company’s purchases of inventory and the Company’s written agreement to indemnify Mr. Wexler against such claims by third parties - \$154,515; and
- Attorney fees (current securities counsel) - \$79,500.

The settlement including the stock issue price discount qualifies as stock settled debt under ASC 480. Included in the convertible notes balance sheet amount is \$335,665, classified as principal and \$335,664, of put premium related to the 3(a)(10) settlement at December 31, 2020. The amounts covered in the settlement were reclassified from settlement reserves, convertible notes payable, accrued interest and accrued other expenses, along with related derivative liabilities related to the original notes payable. A gain realized upon

the effective date of the 3(a)(10) settlement was not recognized as it was credited to settlement reserves.

As of December 31, 2021, both 3(a)(10)s were terminated. Following payments to former creditors, the obligation had been reduced to \$1,722,233 and the related put premium was \$1,722,233. The Company reclassified aggregate principal and premiums of \$2,416,691 to settlement reserves and \$426,694 to convertible notes payable principal, along with \$252,307 of put premiums. The Company recognized a gain on debt extinguishment of \$174,387.

Note 6 — Notes

On August 26, 2021, the Company issued a note payable to Trillium LP for \$50,000. The Company received \$45,000, in cash. The note has a \$5,000, original issue discount (OID), 10% annual interest and matures on March 31, 2022. The OID is being amortized to interest expense over the life of the note. The Company repaid \$45,000 on September 16, 2021. The principal balance was \$5,000 at December 31, 2021, net of unamortized discount of \$4,194, yielding a net balance of \$804.

Note 7 — Derivative Liabilities

During the year ended December 31, 2019, ten notes were issued and one note was partially assigned to third parties and the conversion terms were restated. All of these notes contain conversion terms which are variable and therefore the notes included embedded derivatives that were valued a fair market and revalued as of each subsequent reporting date. During the years ended December 31, 2020, three new notes was issued one of which has variable and the conversion terms were treated as an embedded derivative. The Company does not revalue embedded derivatives once the host instrument has matured, all of the convertible notes with embedded derivatives were matured as of December 31, 2020.

Level 3 Financial Liabilities – Derivative convertible note and warrant liabilities

The following are the major categories of assets and liabilities that were measured at fair value during the year ended December 31, 2021 using quoted prices in active markets for identical assets (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3):

Description	At December 31, 2021			At December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Embedded conversion feature	-	-	324,143	-	-	324,143
Derivative Liability	-	-	\$ 324,143	-	-	\$ 324,143

The fair value of the embedded conversion feature of the convertible notes on the balance sheet date were calculated using a binomial option model valued with the following weighted average assumptions during the period ended:

	December 31, 2021	December 31, 2020
Risk free interest rate	-	1.77%
Dividend yield	-	-
Expected volatility	-	215%
Remaining term	-	.25 - 1 year

Risk-free interest rate: The Company uses the risk-free interest rate of a U.S. Treasury Note with a similar term on the date of the grant.

Dividend yield: The Company uses a 0% expected dividend yield as the Company has not paid dividends to date and does not anticipate declaring dividends in the near future.

Volatility: The Company calculates the expected volatility of the stock price based on the corresponding volatility of the Company's peer group stock price for a period consistent with the underlying instrument's expected term.

Remaining term: The Company's remaining term is based on the remaining contractual maturity of the instruments.

Note 8 — Stockholders' Deficit

Preferred Stock

The Company is authorized to issue 25,000,000 shares of preferred stock, \$.001 par value, with such rights, preferences, variations and such other designations for each class or series within a class as determined by the Board of Directors.

Series A Preferred Stock

The preferred stock is not convertible into common stock, does not contain any cumulative voting privileges, and does not have any preemptive rights. 51 shares of preferred stock have been designated as Series A Preferred Stock and issued to an entity controlled by the CEO and the Company's Board of Directors. The following describes the Series A Preferred Stock designation:

Each one (1) share of the Series A Preferred Stock shall have voting rights equal to (x) 0.019607 *multiplied by* the total issued and outstanding shares of common stock of the Company eligible to vote at the time of the respective vote (the "Numerator"), *divided by* (y) 0.49, *minus* (z) the Numerator. For purposes of illustration only, if the total issued and outstanding shares of common stock of the Company eligible to vote at the time of the respective vote is 5,000,000, the voting rights of one share of the Series A Preferred Stock shall be equal to $102,036 (0.019607 \times 5,000,000) / 0.49 - (0.019607 \times 5,000,000) = 102,036$.

On May 25, 2017 fifty-one (51) shares of Series A Preferred Stock were issued to Grow Solutions Holdings, LLC, a Colorado limited liability company (the "LLC") controlled equally by each member of the Board of Directors of the Company (the "Board").

The Series A Preferred Stock has no dividend rights, no liquidation rights and no redemption rights, and was created primarily to be able to obtain a quorum and conduct business at shareholder meetings. All shares of the Series A Preferred Stock shall rank (i) senior to the Company's common stock and any other class or series of capital stock of the Company hereafter created, (ii) *pari passu* with any class or series of capital stock of the Company hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Company hereafter created specifically ranking, by its terms, senior to the Series A Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

On March 5, 2019, Chad Fischl, acquired control of 51 shares of the Series A Preferred Stock of the Company, representing 100% of the Company's total issued and outstanding Series A Preferred Stock, in exchange for agreeing to become the President, and Chief Executive Officer.

Series B Preferred Stock

On March 5, 2019, the Secretary of State of the State of Nevada delivered confirmation of the effective filing of the Company's Certificate of Amendment to its Certificate of Incorporation (the "Amendment to Certificate"), which established 100,000 shares of the Company's Series B Preferred Stock, having such designations, rights and preferences as set forth therein, as determined by the Company's Board of Directors in its sole discretion, in accordance with the Company's Certificate of Incorporation and bylaws. The shares were distributed as outlined below. There were 100,000 and 85,000 shares outstanding at December 31, 2020 and December 31, 2021.

The shares of Series B Preferred Stock, par value of \$.001 and have a liquidation value of \$1,000 per share (the "Series B Liquidation Value") and are convertible into 2,833 shares of common stock (the "Conversion Ratio"), subject to a limitation per beneficial owner of 9.9% of the outstanding common shares. The holders of shares of the Series B Preferred Stock shall be entitled to receive dividends out of any assets legally available, to the extent permitted by Nevada law, at an annual rate equal to 8% of the Series B Liquidation Value of such shares of Series B Preferred Stock, and shall accrue from the date of issuance of such shares of Series B Preferred Stock, payable quarterly in common stock valued at the closing trade price per share on the last trading day of the calendar quarter.

The holders of Series B Preferred Stock rank senior to the Company's common stock and Series A preferred Stock and will vote together with the holders of the Company's common stock on an as-converted basis on each matter submitted to a vote of holders of common stock (whether at a meeting of shareholders or by written consent). In any such vote, the number of votes that may be cast by a holder shall be equal to one (1) vote for each share of common stock into which such holder's outstanding shares of Series B Preferred Stock may be converted. Each holder shall be entitled to notice of all shareholder meetings (or requests for written consent) in accordance with the Company's bylaws.

On March 11, 2019, the former shareholders of PRH, acquired control of 85,000 shares of the Series B Preferred Stock of the Company, representing 85% of the Company's total issued and outstanding Series B Preferred Stock, in exchange for 100% of the

issued and outstanding shares of PRH, per the terms of a Securities Exchange Agreement by and between the Company and PRH. The Series B Preferred shareholders have mutually agreed to defer dividends through December 31, 2021.

The Company issued Series B Preferred Shares to the following individuals in the amounts indicated:

Chad Fischl, CEO of the Company, - 4,746 Series B Preferred Shares;
Bailey Fischl - 4,746 Series B Preferred Shares;
Clara Fischl - 9,421 Series B Preferred Shares;
Carla Blampin - 9,421 Series B Preferred Shares;
Sharon Branconnier - 9,420 Series B Preferred Shares;
Jolene Branconnier - 9,421 Series B Preferred Shares;
Norman James Payton - 9,421 Series B Preferred Shares;
Ismail Abdul Fattah - 7,084 Series B Preferred Shares;
Ahmad Abdel Latif Yassine - 7,083 Series B Preferred Shares;
Adrian LaChance - 9,887 Series B Preferred Shares;
Emily LaChance - 2,175 Series B Preferred Shares; and
Carly LaChance - 2,175 Series B Preferred Shares.

On May 31, 2019, the Company issued 15,000 shares of Series B Preferred restricted shares at par value to Trillium Partners, LP for services.

During the year ended December 31, 2021, Trillium Partners, LP, converted 15,000 shares of the Series B Preferred stock into 3,312,094,451 shares of the Company's common stock. The preferred stock converted was cancelled.

Common Stock

The Company is authorized to issue 10,000,000,000 common shares with a par value of \$0.001 per share. The Nevada Secretary of State approved the increase on July 15, 2020. As of December 31, 2021, and December 31, 2020, there were 9,416,983,199 and 1,875,799,430, shares of common stock issued and outstanding, respectively.

Regulation A Offerings

On October 29, 2019, the Company filed Form 1-A to register an offering of its common stock. The final amendment was filed on January 9, 2020, increasing the total number of shares offered to 2,000,000,000 at a price per share of \$0.0015 in order to raise up to \$3,000,000 in capital for the Company. The offering became qualified by the Securities Exchange Commission, on February 20, 2020, with the filing of the Notification of Qualification.

On July 29, 2020 a final post-effective amendment to the offering statement made effective on February 20, 2020. The amendment increased the number of shares offered to 6,000,000,000 and changed the offering price to \$.0005. The post-effective amendment was qualified on August 6, 2020.

On June 21, 2021, the Company filed Form 1-A to register an offering of its common stock. The final amendment was filed on August 5, 2021. The total number of shares offered was 4,000,000,000 at a price per share of \$0.0003 in order to raise up to \$1,200,000 in capital for the Company. The offering became qualified by the Securities Exchange Commission, on September 3, 2021, with the filing of the Notification of Qualification.

Common Stock Issued Under Regulation A Offerings

During the year ended December 31, 2021 the Company issued shares as outlined below:

Between January 19, and February 9, 2021, the Company issued 228,124,884 shares of common stock to an investor at \$.0005 per share for total proceeds of \$114,063.

Since September 2021, the Company issued 2,757,559,448 shares of common stock to investors at \$.0003 per share for total proceeds of \$827,269.

Common Stock Issued for Convertible Series B Preferred Stock

During the year ended December 31, 2021, Trillium Partners, LP, converted 15000 shares of the Series B Preferred stock into 3,312,094,451 shares of the Company's common stock.

Common Stock Issued for Conversion of Notes Payable

During the year ended December 31, 2021, the Company issued 540,000,000 shares of common stock in settlement of \$345,625 of interest related to the February 16, 2017 replacement convertible note first issued to L2 and subsequently assigned to Oasis Capital, LLC.

During the year ended December 31, 2021, the Company issued 667,977,0755 shares of common stock to Carebourn Capital, in settlement of \$286,624 of interest and principal on convertible notes.

Cancellation of Common Stock

On June 30, 2021, the Company cancelled 9,572,089 shares of common stock that were erroneously recorded as issued in prior periods. There was no effect on equity with common being reduced at its par value and additional paid-in capital being increased the same amount.

Note 9 — Related Party Transactions

The Company subleases office and development facilities at an affiliated company. The terms are month to month until the Company fully occupies the planned space.

Note 10 – Income Taxes

The difference between the expected income tax expense (benefit) and the actual tax expense (benefit) computed by using the Federal statutory rate of 21% is as follows:

	<u>2020</u>	<u>2019</u>
Expected income tax benefit at statutory rate of 21%	\$ 133,000	\$ 266,696
Expected state tax benefit at statutory rate	-	-
Change in valuation allowance	(133,000)	(266,696)
Income tax expense (benefit)	<u>\$ -</u>	<u>\$ -</u>

At December 31, 2021 the deferred tax valuation allowance increased by \$133,000. The realization of the tax benefits is subject to the sufficiency of taxable income in future years. The deferred tax assets represent the amounts expected to be realized before expiration. The Company periodically assesses the likelihood that it will be able to recover its deferred tax assets. The Company considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible profits.

Deferred tax assets and liabilities are provided for significant income and expense items recognized in different years for tax and financial reporting purposes. Temporary differences, which give rise to a net deferred tax asset, are as follows:

	<u>2020</u>	<u>2019</u>
Deferred tax assets:		
Tax benefit of net operating loss carry-forward	\$ 3,463,337	\$ 3,034,337
Less: valuation allowance	(3,463,337)	(3,034,337)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards of approximately \$13,503,000 for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in future years.

For the years ended December 31, 2021 and 2020, no amounts have been recognized for uncertain tax positions and no amounts have been recognized related to interest or penalties related to uncertain tax positions. The Company has determined that it is not reasonably likely for the amounts of unrecognized tax benefits to significantly increase or decrease within the next twelve months. The Company

is currently subject to a three-year statute of limitations by major tax jurisdictions.

Note 11 — Commitments and Contingencies

Settlement Agreement- Consulting Agreement Termination

On or about January 6, 2017, the Company terminated the Consulting Agreement with Cimarron Capital Ltd., a Nevada corporation controlled by Peter Aiello Sr. (“Cimarron”) pursuant to that certain Consulting Agreement by and between the Company and Cimarron, dated January 1, 2015 (the “Cimarron Termination”).

In connection with the Cimarron Termination, the Company and Cimarron entered into a Settlement and Release Agreement dated February 28, 2017 (the “Cimarron Settlement Agreement”). Under the Cimarron Settlement Agreement, the Company and Cimarron agreed to a mutual release of all claims in connection with the Cimarron Consulting Agreement and the Cimarron Termination for payment by the Company to Cimarron in the amount of \$5,000 per month for a period of 14 months. Additionally, Cimarron agreed to certain lockup and leak-out provisions with respect to the sale of its shares of common stock of the Company. The Company has not made timely payments in accordance with the Settlement Agreement. The Company has recognized the liability of \$70,000 in the settlement reserves.

Ralph Aiello Complaint and Settlement Agreement

The Company was involved in litigation against Ralph Aiello (the “Plaintiff” and together with the Company, the “Parties”). On January 19, 2017, the Plaintiff filed a complaint in the Supreme Court of the State of New York County of Nassau (the “Court”), alleging claims including breach of contract in connection with certain loans made by Plaintiff to the Company in the amount of \$500,000 plus interest (the “Dispute”). On March 15, 2017, the Parties filed a Settlement Agreement (the “Settlement Agreement”) with the Court whereby the Company agreed to pay the Defendant \$550,000 by September 15, 2018. The Company has not made timely payments in accordance with the Settlement Agreement. The Company is working to establish a payment plan for the Plaintiff and expedite the settlement of the Dispute. The Plaintiff has sold and assigned \$277,788, of the notes in dispute as of June 30, 2021, and an additional \$222,212, principal remains recognized on the balance sheet under convertible notes payable plus accrued interest.

Settlement - Summary Judgement in Favor of Vendor and Advisor/Investor

On October 5, 2018, Sunlight Supply, Inc. presented a motion seeking summary judgement for \$219,104, representing unpaid product invoices, interest accrued between October 11, 2017 and October 26, 2018, and attorneys’ fees against One Love Garden Supply, LLC and an individual guarantor. On January 11, 2019, the court granted summary judgement in the favor of the plaintiff. The guarantor has settled the judgement in favor of the creditor in conjunction with the Company’s participation in the 3(a)(10) court approved settlement that includes payment to the guarantor for amounts owed to him by the Company. (See note 5).

On June 3, 2019, the Company entered into a settlement agreement with an individual and affiliated unincorporated entity for a maximum amount of \$350,000. The individuals and the affiliated entities separately provided personal guarantees on certain liabilities of the Company and provided advisory services. The liability has been incorporated in the settlement reserve.

Settlement Agreement- Chad Fischl

On November 16, 2020, the Company entered into a Settlement Agreement (“Agreement”) with its former CEO; wherein, it has agreed to pay a portion of the back wages to Mr. Fischl, as well as working out agreements with the former employees of the Company. The Agreement states that the Company will pay back wages of approximately \$175,000 (CDN) to the employees, \$211,776 (CDN) to Chad Fischl and Bailey Fischl (“Fischl Amount”), and that the Company assumes any liability for any unpaid taxes, in as much as is legally possible. The Agreement authorizes the Company to make 15 monthly payments of \$14,118.40 (CDN) or until the Fischl Amount has been paid in full. In return Mr. Fischl agrees to return his Series A Preferred shares and Series B Preferred Shares (the “Shares”) that he and his family members’ control. The Company also agrees to \$10,000 liquidated damages for any payment that is more than three days late, with each late payment also then accruing interest at a rate of 10% per annum on any payments that are not made, until they are paid in full with the then outstanding interest. The Agreement states that the Shares will not be returned until the entire Fischl Amount is paid. As of this filing \$62,494 in payments have been made on the Agreement. The remaining balance is recorded in settlement reserves at December 31, 2021.

COVID-19 Pandemic

The COVID-19 pandemic had a significant adverse impact on the Company’s business, results of operations, financial condition and

cash flows from operations during the years ended December 31, 2021 and 2020 have had an adverse impact on its performance.

Given the uncertainties surrounding the ongoing effects of the COVID-19 pandemic on the Company's future financial condition and results of operations, the Company took certain actions to preserve its liquidity and strengthen its financial flexibility. The Company took certain actions starting in March 2020, some of which are ongoing, to (i) reduce payroll costs, through temporary furloughs, salary and incentive compensation reductions, decreased working hours and hiring freezes, (ii) eliminate or reduce expenses in all discretionary spending categories, (iii) defer capital expenditures.

Operating Lease

The Company subleases facilities on a month-to-month basis. The agreement requires monthly payments of \$2,700.

Litigation

In the normal course of business, the Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance.

Except as disclosed below, the Company is unaware of any action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our Company, our common stock, any of our subsidiaries or of our Company's or our Company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Bronstein Complaint and Settlement Agreement

The Company was involved in litigation against Tal Bronstein, Kathleen Bronstein, and Milehigh Wholesale Inc. (the "Plaintiffs" and together with the Company, the "Parties"). On May 4, 2017, the Plaintiffs filed a complaint in the District Court, City and County of Denver (the "Court"), alleging claims including breach of contract in connection with the acquisition of Milehigh Wholesale Inc. and the employment of Mr. Bronstein in connection with such acquisition (the "Dispute"). On or about June 14, 2017, the Parties entered into a settlement agreement and release of all claims whereby upon payment by the Company of \$16,000 to Plaintiffs by July 14, 2017, Plaintiffs would dismiss with prejudice their claims against the Company and release the Company from any and all claims, known or unknown, on conditions of such payment. On June 23, 2017, counsel for the Plaintiffs filed with the Court a Notice of Settlement with respect to the Dispute. On June 27, 2017, the Court ordered that the Parties file a Stipulated Dismissal within 35 days of the Order (August 1, 2017).

On or about July 10, 2017, the Company notified the Plaintiffs that it would not be able to pay the \$16,000 by July 14, 2017 and renegotiated the Settlement Agreement and Release of All Claims (the "Agreement") as follows: (i) on or before July 14, 2017, Company shall deliver to the office of Plaintiffs' counsel a Certified check in the amount of \$5,000 (ii) on or before August 14, 2017, Company shall deliver to the office of Plaintiffs' counsel a certified check in the amount of \$13,500 (iii) the parties intend that the total amount paid from Company to Plaintiffs will be \$18,500 (iv) if Company fail to pay the \$13,500 by August 14, 2017, they will pay \$100 per day thereafter as an additional penalty payment for each and every day that the \$13,500 is not paid until the full amount of \$13,500 is paid, or until August 31, 2017 (v) no later than July 17, 2017, Counsel for the parties filed an unopposed Motion to Extend the time by which they have to file the Stipulated Motion to Dismiss to and including August 31, 2017 (vi) if the Company fails to pay the \$13,500 by August 31, 2017, they agree that Plaintiffs may then seek a default judgment to enter against the Company in the amount of \$21,700, without decrease for the \$5,000 which was to be paid on or before July 14, 2017. Further, all attorney fees and costs of collection thereafter shall be paid for by Company. The Company has fully recognized the liability of \$21,700 in the settlement reserve as of December 31, 2021.

Settlement Reserves

The Company has provided reserves covering the contingencies included in this footnote. Management reviews claims as asserted and may increase or decrease the amounts reserved periodically. Based on information known as of December 31, 2021, the Company believes the settlement reserves presented in the balance sheet are adequate in all material respects.

Contingent Consulting Fees

The Company entered into consultation agreements with Sanclair Holdings Corp and Omni Data Capital Corp. for financial advisory, marketing, sales, manufacturing service procurement and logistics on March 5, 2019. The agreements as amended provide for

compensation at monthly rates of CDN 30,000 (Sanclair) and CDN 25,000 (Omni) payable upon achievement of specified sales and other results. During the year ended December 31, 2019, the specified results were not achieved, however the Company has potential liabilities of approximately \$990,000, provided the benchmark results are achieved during future periods. The specified sales and other results have not been achieved as of December 31, 2021 and the Company believes that any settlement will be covered with reserves as recorded.

Note 12 — Subsequent Events

Increase in authorized shares

The Nevada Secretary of State authorized the increase in authorized common shares to 20,000,000,000 on January 14, 2022.

Other Subsequent Events

From January 1, to April 1, 2022, the Company issued 4 monthly convertible notes payable to its accounting and reporting consultant totaling \$60,000. In May 2022, the Company redeemed the notes for cash payment of \$96,144, including accrued interest and redemption premiums.

In April 2022, the Company received \$41,412 in payments from the attorney credited against the due from attorney line item on balance sheet reducing the amount owed to the Company to \$82,266.

The Company evaluated subsequent events after the balance sheet date through the date the financial statements were issued. The Company did not identify any additional material events or transactions occurring during this subsequent event reporting period that required further recognition or disclosure in these financial statements.