



Solar Integrated Roofing Corporation

QUARTERLY REPORT
FOR THE PERIOD ENDED JUNE 30, 2022

**ADDRESS OF PRINCIPAL
EXECUTIVE OFFICES**

2831 St. Rose Pkwy, Suite 200
Henderson, NV 89052

TELEPHONE NUMBER

(858) 437-5330

REPORT FORMAT

OTC PINK BASIC DISCLOSURE
GUIDELINES (CURRENT, 2019)

ALL INFORMATION CONTAINED HEREIN HAS BEEN PREPARED FROM THE BOOKS AND RECORDS OF SOLAR INTEGRATED ROOFING CORPORATION, (THE "COMPANY") IN ACCORDANCE WITH RULE 15C2-11 AND 10B-5 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 144(C)(2) UNDER THE SECURITIES ACT.

DELIVERY OF THIS INFORMATION DOES NOT IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF THIS REPORT.

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN IN CONNECTION WITH THE COMPANY. ANY REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN MADE OR AUTHORIZED BY THE COMPANY.

INFORMATION CONTAINED IN THIS REPORT MAY CONTAIN FORWARD-LOOKING STATEMENTS, WHICH INVOLVE A NUMBER OF RISKS AND UNCERTAINTIES THAT COULD CAUSE OUR ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE REFLECTED IN THE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY USE OF WORDS "EXPECT", "PROJECT", "MIGHT", "POTENTIAL", AND SIMILAR TERMS. THE COMPANY CAUTIONS READERS THAT ANY FORWARD-LOOKING INFORMATION IS NOT A GUARANTEE OF FUTURE PERFORMANCE AND THAT ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING INFORMATION. FORWARD-LOOKING STATEMENTS INVOLVE A NUMBER OF RISKS, UNCERTAINTIES OR OTHER FACTORS BEYOND THE COMPANY'S CONTROL. THESE FACTORS INCLUDE, BUT ARE NOT LIMITED TO, OUR ABILITY TO IMPLEMENT OUR STRATEGIC INITIATIVES, ECONOMIC, POLITICAL AND MARKET CONDITIONS AND PRICE FLUCTUATIONS, GOVERNMENT AND INDUSTRY REGULATION, U.S. AND GLOBAL COMPETITION AND OTHER FACTORS. THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENT, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

SOLAR INTEGRATED ROOFING CORPORATION

A Nevada Corporation

2831 St. Rose Pkwy, Suite 200

Henderson, NV 89052

(858) 437-5330

www.solarintegratedroofingcorp.com

Primary SIC Code: 1700

Quarterly Report

For the Period Ending: June 30, 2022

As of June 30, 2022, the number of shares outstanding of our Common Stock was: 529,726,720

As of March 31, 2022, the number of shares outstanding of our Common Stock was: 481,223,590

As of December 31, 2021, the number of shares outstanding of our Common Stock was: 453,498,555

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

Yes: ☐

No: ☒

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

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control ¹ 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, please also provide any names used by predecessor entities in the past five years and the dates of the name changes:

Sterling Oil and Gas Company (Inception – February 21, 2014); Landstar Development Group, Inc. (February 22, 2014 – November 9, 2015); Solar Integrated Roofing Corporation (November 10, 2015 – Present Date).

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 2007 in the State of Nevada and is currently active and in good standing.

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:

Stock Split: *None*

Stock Dividend: *None*

Recapitalization: *None*

Merger: *None*

Acquisitions: *Balance Authority, LLC, Kinetic Investments, Inc. dba Future Home Power, USA Solar Network LLC, SunUp Solar LLC and Renovation Roofing, Inc.*

Spin-Offs: *None*

Reorganization: *None*

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

2831 St. Rose Pkwy, Suite 200
Henderson, NV 89052

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 ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐

No: ☒

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

N/A

2) Security Information

Trading symbol:	SIRC	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	51509w108	
Par or stated value:	.00001	
Total shares authorized:	650,000,000	as of date: 8/1/2022
Total shares outstanding:	529,726,720	as of date: 6/30/2022
Number of shares in the Public Float ² :	379,104,575	as of date: 6/30/2022
Total number of shareholders of record:	190	as of date: 6/30/2022

Additional class of securities (if any):

Trading symbol:	SIRC	
Exact title and class of securities outstanding:	Preferred Stock – Class A	
CUSIP:	N/A	
Par or stated value:	.00001	
Total shares authorized:	5,000,000	as of date: 6/30/2022
Total shares outstanding:	2,500,000	as of date: 6/30/2022

Trading symbol:	SIRC	
Exact title and class of securities outstanding:	Preferred Stock – Class B	
CUSIP:	N/A	
Par or stated value:	.00001	
Total shares authorized:	20,000,000	as of date: 6/30/2022
Total shares outstanding:	8,000,000	as of date: 6/30/2022

Trading symbol:	SIRC	
Exact title and class of securities outstanding:	Preferred Stock – Class C	
CUSIP:	N/A	
Par or stated value:	.00001	
Total shares authorized:	1	as of date: 6/30/2022
Total shares outstanding:	1	as of date: 6/30/2022

Trading symbol:	SIRC	
Exact title and class of securities outstanding:	Preferred Stock – Class D	
CUSIP:	N/A	
Par or stated value:	.00001	
Total shares authorized:	40	as of date: 6/30/2022
Total shares outstanding:	40	as of date: 6/30/2022

Transfer Agent

Name: Colonial Stock Transfer Co., Inc.
Phone: (801) 355-5740
Email: shareholders@colonialstock.com
Address: 7840 S 700 E
Sandy, UT 84070

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No:

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

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.

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.

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: ☐

Number of Shares outstanding as of: <u>January 1,</u> <u>2020</u>	<u>Opening Balance:</u> Common: 150,603,723 Preferred A: 5,000,000	*Right-click the rows below and select "Insert" to add rows as needed.
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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 (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
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<u>2/14/2020</u>	<u>New Issue</u>	<u>3,500,000</u>	<u>Common shares</u>	<u>0.0100</u>	<u>NO</u>	<u>World Market Ventures</u> <u>*Chad Curtis</u>	<u>Cash</u>	<u>Unrestricted</u>	<u>Reg-A</u>
<u>2/29/2020</u>	<u>Cancellation</u>	<u>(1,370,383)</u>	<u>Common shares</u>	<u>Cancellation</u>	<u>NO</u>	<u>N/A</u>	<u>N/A</u>	<u>Restricted</u>	<u>144</u>
<u>2/26/2020</u>	<u>New Issue</u>	<u>3,000,000</u>	<u>Preferred B</u>	<u>0.025</u>	<u>NO</u>	<u>Robert Jones</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>2/26/2020</u>	<u>New Issue</u>	<u>5,000,000</u>	<u>Preferred B</u>	<u>0.025</u>	<u>NO</u>	<u>Dave Massey</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>3/4/2020</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.012</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>3/5/2020</u>	<u>New Issue</u>	<u>3,500,000</u>	<u>Preferred B</u>	<u>3.45</u>	<u>NO</u>	<u>Brian Milholland</u>	<u>Acquisition</u>	<u>Unrestricted</u>	<u>144</u>
<u>4/2/2020</u>	<u>Cancellation</u>	<u>(1,000,000)</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>N/A</u>	<u>Restricted</u>	<u>144</u>
<u>6/17/2020</u>	<u>New Issue</u>	<u>1,500,000</u>	<u>Preferred B</u>	<u>0.025</u>	<u>NO</u>	<u>David Massey</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>6/29/2020</u>	<u>Cancellation</u>	<u>(1,000,000)</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Lorena E. Martinez Rivera</u>	<u>N/A</u>	<u>Restricted</u>	<u>144</u>
<u>6/29/2020</u>	<u>New issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.026</u>	<u>NO</u>	<u>Angela Smoley</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>7/23/2020</u>	<u>New issue</u>	<u>7,791,547</u>	<u>Common Shares</u>	<u>0.01</u>	<u>NO</u>	<u>Oscleta Partners</u> <u>*Steve Hicks</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>7/23/2020</u>	<u>New issue</u>	<u>3,798,411</u>	<u>Common Shares</u>	<u>0.01</u>	<u>NO</u>	<u>Livingston Asset Management *Linda Carlson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>7/24/2020</u>	<u>New issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.0195</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>7/30/2020</u>	<u>New issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.0155</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>8/6/2020</u>	<u>New issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.0185</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>8/12/2020</u>	<u>New issue</u>	<u>1,246,536</u>	<u>Common Shares</u>	<u>0.018</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>8/12/2020</u>	<u>New issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.025</u>	<u>NO</u>	<u>Dan Smiley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>8/31/2020</u>	<u>New issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.025</u>	<u>NO</u>	<u>James Cash</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>9/1/2020</u>	<u>Cancellation</u>	<u>(5,000,000)</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Trillium Partners, LP</u> <u>*Steve Hicks</u>	<u>N/A</u>	<u>Unrestricted</u>	<u>Reg-A</u>
<u>9/10/2020</u>	<u>New Issue</u>	<u>7,583,980</u>	<u>Common Shares</u>	<u>0.01155</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>9/17/2020</u>	<u>New Issue</u>	<u>3,646,229</u>	<u>Common Shares</u>	<u>0.0175</u>	<u>NO</u>	<u>Mammoth Corporation</u> <u>*Brad Hare</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>9/29/2020</u>	<u>Cancellation</u>	<u>(20,000,000)</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Brian Milholland</u>	<u>N/A</u>	<u>Restricted</u>	<u>144</u>
<u>10/27/2020</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.00</u>	<u>NO</u>	<u>Kingdom Building, Inc.</u> <u>*Edward Haberfield</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>

<u>10/27/2020</u>	<u>New Issue</u>	<u>2,502,476</u>	<u>Common Shares</u>	<u>0.00</u>	<u>NO</u>	<u>Jefferson Street Capital LLC</u> <u>*Brian Goldberg</u>	<u>Debt Conversion/ Warrant Exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>10/30/2020</u>	<u>New Issue</u>	<u>2,592,000</u>	<u>Common Shares</u>	<u>0.0117</u>	<u>NO</u>	<u>Rock Bay Partners</u> <u>*Jamie Nelson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>11/13/2020</u>	<u>New Issue</u>	<u>6,181,800</u>	<u>Common Shares</u>	<u>0.011</u>	<u>NO</u>	<u>Rock Bay Partners</u> <u>*Jamie Nelson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/2/2020</u>	<u>New Issue</u>	<u>2,538,900</u>	<u>Common Shares</u>	<u>0.0122</u>	<u>NO</u>	<u>Rock Bay Partners</u> <u>*Jamie Nelson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/3/2020</u>	<u>New Issue</u>	<u>7,000,000</u>	<u>Common Shares</u>	<u>0.015</u>	<u>NO</u>	<u>Rafael Murdakhaiev</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>12/4/2020</u>	<u>New Issue</u>	<u>1,387,780</u>	<u>Common Shares</u>	<u>0.02</u>	<u>NO</u>	<u>Rock Bay Partners</u> <u>*Jamie Nelson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/14/2020</u>	<u>New Issue</u>	<u>2,755,316</u>	<u>Common Shares</u>	<u>0.01543</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/23/2020</u>	<u>New Issue</u>	<u>3,753,469</u>	<u>Common Shares</u>	<u>0.02205</u>	<u>NO</u>	<u>Mammoth Corporation</u> <u>*Brad Hare</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/30/2020</u>	<u>New Issue</u>	<u>9,138,122</u>	<u>Common Shares</u>	<u>0.0033</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>10,233,334</u>	<u>Common Shares</u>	<u>0.03</u>	<u>NO</u>	<u>ToolBox Os, Inc.</u> <u>Gaydon Leavitt</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>50,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Craig Scott Widdes</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Marlene Lebrun</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Glory Phillips-Pakkianathon</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Nicholas Massey</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>200,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Silvia Charafeddine</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Arturo Cuevas</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Dan Miller</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Chad Ledbetter</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Larry Gist</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Omar Baha</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Maja Cvijic</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Randy Stuart</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>David Valencia</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Bryan Dayne Milholland</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/31/2020</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.275</u>	<u>NO</u>	<u>Andrew Milholland</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>1/6/2021</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.15</u>	<u>NO</u>	<u>Robert Rinaldi</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>1/21/2021</u>	<u>New Issue</u>	<u>5,650,000</u>	<u>Common Shares</u>	<u>0.0135</u>	<u>NO</u>	<u>Large Investment Group, Inc.</u> <u>*Jim DiPrima</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>1/29/2021</u>	<u>New Issue</u>	<u>10,113,247</u>	<u>Common Shares</u>	<u>0.006614</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>2/3/2021</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.56</u>	<u>NO</u>	<u>Jeffrey Turner</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>2/3/2021</u>	<u>New Issue</u>	<u>1,500,000</u>	<u>Common Shares</u>	<u>0.56</u>	<u>NO</u>	<u>Craig Scott Widdes</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>2/3/2021</u>	<u>New Issue</u>	<u>13,800,000</u>	<u>Common Shares</u>	<u>0.001</u>	<u>NO</u>	<u>RB Capital Partners, Inc.</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>

						<u>*Brett Rosen</u>			
<u>2/8/2021</u>	<u>New Issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.03</u>	<u>NO</u>	<u>Daniel Smiley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>2/10/2021</u>	<u>New Issue</u>	<u>306,148</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Oscaleta Partners</u> <u>*Steve Hicks</u>	<u>Warrant exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>2/10/2021</u>	<u>New Issue</u>	<u>2,160,000</u>	<u>Common Shares</u>	<u>0.0825</u>	<u>NO</u>	<u>Rock Bay Partners</u> <u>*Jamie Nelson</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>2/24/2021</u>	<u>New Issue</u>	<u>5,140,000</u>	<u>Common Shares</u>	<u>0.006615</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>3/2/2021</u>	<u>New Issue</u>	<u>627,778</u>	<u>Common Shares</u>	<u>0.0135</u>	<u>NO</u>	<u>Large Investment Group, Inc.</u> <u>*Jim DiPrima</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.81</u>	<u>NO</u>	<u>Antonio Gonzales</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.81</u>	<u>NO</u>	<u>Marie Millenne Henderson</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.22</u>	<u>NO</u>	<u>Lucosky Brookman, LLP</u> <u>*Joseph Lucosky</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>45,000,000</u>	<u>Common Shares</u>	<u>0.81</u>	<u>NO</u>	<u>K. Hunter Ballew</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.1</u>	<u>NO</u>	<u>Daniel G. Smiley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>3/5/2021</u>	<u>New Issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.05</u>	<u>NO</u>	<u>Multiple Club, LLC</u> <u>*Brent Buscay</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>3/19/2021</u>	<u>New Issue</u>	<u>9,902,000</u>	<u>Common Shares</u>	<u>0.008</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>4/1/2021</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.0108</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>4/29/2021</u>	<u>New Issue</u>	<u>409,000</u>	<u>Common Shares</u>	<u>0.55</u>	<u>NO</u>	<u>Large Investment Group, Inc.</u> <u>*Jim DiPrima</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>5/14/2021</u>	<u>New Issue</u>	<u>409,090</u>	<u>Common Shares</u>	<u>0.55</u>	<u>NO</u>	<u>Thomas J. Beener</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>6/2/2021</u>	<u>New Issue</u>	<u>4,367,355</u>	<u>Common Shares</u>	<u>0.0225</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>6/2/2021</u>	<u>New Issue</u>	<u>12,500,000</u>	<u>Common Shares</u>	<u>0.0225</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>6/2/2021</u>	<u>New Issue</u>	<u>5,000,000</u>	<u>Common Shares</u>	<u>0.0225</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>6/2/2021</u>	<u>New Issue</u>	<u>8,988,846</u>	<u>Common Shares</u>	<u>0.0225</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>6/14/2021</u>	<u>New Issue</u>	<u>16,479,546</u>	<u>Common Shares</u>	<u>0.001</u>	<u>NO</u>	<u>Jefferson Street Capital LLC</u> <u>*Brian Goldberg</u>	<u>Warrant exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>3,133,334</u>	<u>Common Shares</u>	<u>0.695</u>	<u>NO</u>	<u>Troy Clymer</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>3,133,333</u>	<u>Common Shares</u>	<u>0.695</u>	<u>NO</u>	<u>Eric Helper</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>3,133,333</u>	<u>Common Shares</u>	<u>0.695</u>	<u>NO</u>	<u>Josh Roseboom</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>300,000</u>	<u>Common Shares</u>	<u>0.695</u>	<u>NO</u>	<u>Zech Manring</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>300,000</u>	<u>Common Shares</u>	<u>0.695</u>	<u>NO</u>	<u>John Dye</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>22,000,000</u>	<u>Common Shares</u>	<u>0.5155</u>	<u>NO</u>	<u>Jason Newby</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>5,500,000</u>	<u>Common Shares</u>	<u>0.487</u>	<u>NO</u>	<u>T3 Investing LLC</u> <u>*Trent Crane</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/1/2021</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Preferred B</u>	<u>6.95</u>	<u>NO</u>	<u>T3 Investing LLC</u> <u>*Trent Crane</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>

<u>7/6/2021</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.56</u>	<u>NO</u>	<u>Jeffrey turner</u>	<u>Service</u>	<u>Restricted</u>	<u>144</u>
<u>7/14/2021</u>	<u>New Issue</u>	<u>1</u>	<u>Preferred C</u>	<u>N/A</u>	<u>NO</u>	<u>T3 Investing LLC</u> <u>*Trent Crane</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/14/2021</u>	<u>New Issue</u>	<u>40</u>	<u>Preferred D</u>	<u>N/A</u>	<u>NO</u>	<u>Jason Newby</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>7/22/2021</u>	<u>Cancellation</u>	<u>(5,000,000)</u>	<u>Preferred B</u>	<u>2.00</u>	<u>NO</u>	<u>Brian Milholland</u>	<u>N/A</u>	<u>N/A</u>	<u>144</u>
<u>8/11/2021</u>	<u>New Issue</u>	<u>324,460</u>	<u>Common Shares</u>	<u>0.592</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>9/3/2021</u>	<u>New Issue</u>	<u>9,059,322</u>	<u>Common Shares</u>	<u>0.01575</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>9/3/2021</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.01575</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>9/14/2021</u>	<u>Cancellation</u>	<u>(200,000)</u>	<u>Common Shares</u>	<u>0.5</u>	<u>NO</u>	<u>Rafael Murdakhiev</u>	<u>N/A</u>	<u>N/A</u>	<u>144</u>
<u>10/11/2021</u>	<u>New Issue</u>	<u>2,604,167</u>	<u>Common Shares</u>	<u>0.048</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Warrant exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>10/13/2021</u>	<u>New Issue</u>	<u>19,962,623</u>	<u>Common Shares</u>	<u>0.08</u>	<u>NO</u>	<u>Jefferson Street Capital LLC</u> <u>*Brian Goldberg</u>	<u>Warrant exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>10/20/2021</u>	<u>New Issue</u>	<u>1,680,000</u>	<u>Common Shares</u>	<u>0.048</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>10/23/2021</u>	<u>New Issue</u>	<u>5,813,953</u>	<u>Common Shares</u>	<u>0.344</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>11/5/2021</u>	<u>New Issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.5045</u>	<u>NO</u>	<u>Ray Mosley</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>11/5/2021</u>	<u>New Issue</u>	<u>12,000,000</u>	<u>Common Shares</u>	<u>0.5045</u>	<u>NO</u>	<u>Pablo Diaz</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>11/5/2021</u>	<u>New Issue</u>	<u>200,000</u>	<u>Common Shares</u>	<u>0.5045</u>	<u>NO</u>	<u>Elijah Chaffino</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>11/17/2021</u>	<u>Cancellation</u>	<u>(1,000,000)</u>	<u>Preferred B</u>	<u>2.00</u>	<u>NO</u>	<u>David Massey</u>	<u>N/A</u>	<u>N/A</u>	<u>144</u>
<u>11/24/2021</u>	<u>New Issue</u>	<u>3,492,397</u>	<u>Common Shares</u>	<u>0.08</u>	<u>NO</u>	<u>Jefferson Street Capital LLC</u> <u>*Brian Goldberg</u>	<u>Warrant exercise</u>	<u>Unrestricted</u>	<u>144</u>
<u>12/1/2021</u>	<u>New Issue</u>	<u>5,000</u>	<u>Common Shares</u>	<u>0.415</u>	<u>NO</u>	<u>Hector Pena</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/1/2021</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.415</u>	<u>NO</u>	<u>Randy Stewart</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/1/2021</u>	<u>New Issue</u>	<u>3,000,000</u>	<u>Common Shares</u>	<u>0.415</u>	<u>NO</u>	<u>Wanda Witoslawski</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>12/27/2021</u>	<u>Cancellation</u>	<u>(2,500,000)</u>	<u>Preferred A</u>	<u>N/A</u>	<u>NO</u>	<u>Brian Milholland</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>1/6/2022</u>	<u>New Issue</u>	<u>150,000</u>	<u>Common Shares</u>	<u>N/A</u>	<u>NO</u>	<u>Mammoth Corporation</u> <u>*Brad Hare</u>	<u>Compensation</u>	<u>Restricted</u>	<u>144</u>
<u>2/25/2022</u>	<u>New Issue</u>	<u>27,075,035</u>	<u>Common Shares</u>	<u>0.001</u>	<u>NO</u>	<u>Granite Global Value Investments LTD</u> <u>*Tony Toffolon</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>2/28/2022</u>	<u>New Issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.3558</u>	<u>NO</u>	<u>International Monetary</u> <u>*Blaine Riley</u>	<u>Services</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>100,000</u>	<u>Common Shares</u>	<u>0.381</u>	<u>NO</u>	<u>Benjamin Baize</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>250,000</u>	<u>Common Shares</u>	<u>0.4447</u>	<u>NO</u>	<u>Hal Angus</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>50,000</u>	<u>Common Shares</u>	<u>0.453</u>	<u>NO</u>	<u>Philip Yin</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>

<u>4/25/2022</u>	<u>New Issue</u>	<u>300,000</u>	<u>Common Shares</u>	<u>0.3499</u>	<u>NO</u>	<u>Gregory Craig</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>400,000</u>	<u>Common Shares</u>	<u>0.5854</u>	<u>NO</u>	<u>Michael Fallquist</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>30,000</u>	<u>Common Shares</u>	<u>0.4185</u>	<u>NO</u>	<u>Hector Pena</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>1,674,603</u>	<u>Common Shares</u>	<u>0.3151</u>	<u>NO</u>	<u>C. Scott Widdes</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>4/25/2022</u>	<u>New Issue</u>	<u>500,000</u>	<u>Common Shares</u>	<u>0.3473</u>	<u>NO</u>	<u>International Monetary</u>	<u>Services</u>	<u>Restricted</u>	<u>144</u>
<u>4/27/2022</u>	<u>New Issue</u>	<u>9,000,000</u>	<u>Common Shares</u>	<u>0.3151</u>	<u>NO</u>	<u>Future Home Power</u> <u>*Jason Newby</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>4/27/2022</u>	<u>New Issue</u>	<u>7,559,285</u>	<u>Common Shares</u>	<u>0.14</u>	<u>NO</u>	<u>RB Capital Partners, Inc.</u> <u>*Brett Rosen</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>144</u>
<u>5/27/2022</u>	<u>New Issue</u>	<u>20,000,000</u>	<u>Common Shares</u>	<u>0.3151</u>	<u>NO</u>	<u>Jason Newby</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
<u>6/22/2022</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.7495</u>	<u>NO</u>	<u>Don Lewis</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>6/22/2022</u>	<u>New Issue</u>	<u>1,000,000</u>	<u>Common Shares</u>	<u>0.1631</u>	<u>NO</u>	<u>RB Capital Partners, Inc.</u> <u>*Brett Rosen</u>	<u>Compensation</u>	<u>Restricted</u>	<u>144</u>
<u>6/22/2022</u>	<u>New Issue</u>	<u>300,000</u>	<u>Common Shares</u>	<u>0.23</u>	<u>NO</u>	<u>Conrad Smith</u>	<u>Share based compensation</u>	<u>Restricted</u>	<u>144</u>
<u>6/23/2022</u>	<u>New Issue</u>	<u>6,339,242</u>	<u>Common Shares</u>	<u>0.33</u>	<u>NO</u>	<u>Future Home Power</u> <u>*Jason Newby</u>	<u>Acquisition</u>	<u>Restricted</u>	<u>144</u>
Shares Outstanding on <u>June 30, 2022</u>	<u>Ending Balance:</u> Common: <u>529,726,720</u> Preferred A: <u>2,500,000</u> Preferred B: <u>8,000,000</u> Preferred C: <u>1</u> Preferred D: <u>40</u>								

*Control Person

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018, pursuant to the tabular format above.

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

- None

B. Debt Securities, Including Promissory and Convertible Notes

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

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Outstanding Interest (\$)	Interest Rate (%)	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.)
2/18/2021	3,500,000	3,500,000	241,597	5	2/18/2022	Fixed price of \$3.00 per share	<u>RB Capital Partners, Inc.</u> *Brett Rosen	Loan
2/26/2021	4,500,000	4,500,000	305,625	5	2/26/2022	Fixed price of \$3.00 per share	<u>RB Capital Partners, Inc.</u> *Brett Rosen	Loan
10/5/2021	1,500,000	1,500,000	111,667	10	10/5/2022	Fixed price of \$6.75 per share	Jefferson Street Capital *Brian Goldberg	Loan
11/8/2021	500,000	500,000	15,556	5	1/15/2022	Fixed price of \$6.75 per share	Jefferson Street Capital *Brian Goldberg	Loan
1/19/2022	600,000	600,000	0	0	4/19/2022	Fixed price of \$0.50 per share	Mammoth Corporation *Brad Hare	Loan
3/1/2022	500,000	500,000	23,528	14	12/1/2022	Fixed price of \$6.00 per share	Jefferson Street Capital *Brian Goldberg	Loan
4/22/2022	800,000	800,000	10,111	5	4/22/2023	Fixed price of \$3.00 per share	<u>RB Capital Partners, Inc.</u> *Brett Rosen	Loan
6/23/2022	14,000,000	14,000,000	0	0	6/23/2023	Non-convertible	Granite Global *Tony Toffolon	Loan

4) Financial Statements

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

☒ U.S. GAAP

☐ IFRS

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

Name: Wanda Witoslawski
Title: CFO
Relationship to Issuer: CFO

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. Financial notes; and
- G. 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.

See Attached (Pages: F-1 to F-5)

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

5) Issuer's Business, Products and Services

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

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

The Company is an integrated solar and roofing installation company specializing in commercial and residential properties.

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

- **Parent: Solar Integrated Roofing Corporation**
- **Subsidiary: Secure Roofing & Solar Inc.**
- **Subsidiary: Narrate, LLC**
- **Subsidiary: McKay Roofing Company, Inc.**
- **Subsidiary: Milholland Electric, Inc**
- **Subsidiary: Montross Companies, Inc.**
- **Subsidiary: Approved Home Pros LLC**
- **Subsidiary: Enerev LLC**
- **Subsidiary: Pacific Lighting Management, Inc.**
- **Subsidiary: Balance Authority, LLC**
- **Subsidiary: Kinetic Investments, Inc. dba Future Home Power**
- **Subsidiary: USA Solar Network LLC**
- **Subsidiary: SunUp Solar LLC**
- **Subsidiary: Renovation Roofing, Inc.**

C. Describe the issuers' principal products or services.

Principal products or services, and their markets; residential roofing, weather proofing roof coatings, and solar systems installation.

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.

- **Refer to Note 14**

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

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

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding
David Massey	CEO, Director, Beneficial Shareholder	Henderson, NV	2,500,000	Preferred A	100.0%
			4,500,000	Preferred B	56.0%
Brian Milholland	Beneficial Shareholder	El Cajon, CA	1,500,000	Preferred B	19.0%
Pablo Diaz	Beneficial Shareholder	Scottsdale, AZ	1,000,000	Preferred B	12.5%
T3 Investing LLC Trent Crane-Manager	Beneficial Shareholder	Oceanside, CA	1,000,000	Preferred B	12.5%
Troy Clymer	COO	Indianapolis, IN	3,600,024	Common	0.7%
Craig Scott Widdes	VP, Director	El Cajon, CA	3,224,603	Common	0.6%
Jason Newby	Beneficial Shareholder	San Diego, CA	42,000,000	Common	7.9%
Wanda Witoslawski	CFO	Henderson, NV	3,000,000	Common	0.6%

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.

- **Refer to Note 16**

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

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**
Address 1: **JDT Legal, PLLC**
897 Baxter Dr.
South Jordan, UT 84095
Phone: **(801) 810-4465**
Email: **jeff@jdt-legal.com**

Accountant or Auditor

Name: **Pinnacle Accountancy Group of Utah**
Address 1: **North 1438 U.S.89 Alternate**
Suite 120
Farmington, UT 84025
Phone: **(801) 447-9572**
Email: **natalie@pinnepas.com**

Investor Relations

Name: **Lucas A. Zimmerman**
MZ North America
Address 1: **1001 Avenue of the Americas**
Suite 411
New York, NY 10018
Phone: **(949) 259-4987**
Email: [**sirc@mzgroup.us**](mailto:sirc@mzgroup.us)

Other Service Providers

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

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 titlesbut having the same responsibilities).

The certifications shall follow the format below:

I, David Massey, CEO certify that:

- 1. I have reviewed this Quarterly Report of Solar Integrated Roofing Corporation,
- 2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material factnecessary 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 disclosurestatement, 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.

August 22, 2022

/s/ David Massey Name: David, Massey

Title: Principal Executive Officer

Principal Financial Officer:

I, Wanda Witoslawski, certify that:

- 1. I have reviewed this Quarterly Report of Solar Integrated Roofing Corporation,
- 2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material factnecessary 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 disclosurestatement, 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.

August 22, 2022

/s/ Wanda Witoslawski

Name: Wanda Witoslawski

Title: Principal Financial Officer

SOLAR INTEGRATED ROOFING CORPORATION

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2) Unaudited Consolidated Statements of Operations for the three and six months ended June 30, 2022 and 2021	F-2
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SOLAR INTEGRATED ROOFING CORPORATION
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 504,183	\$ 1,124,533
Accounts receivable, net	3,912,599	3,652,176
Work in progress receivable, net	68,531,372	33,242,296
Note receivable	4,200,000	4,200,000
Prepaid and other current assets	191,084	736,548
Inventory	131,187	142,955
Total Current Assets	<u>77,470,425</u>	<u>43,098,508</u>
Operating lease right-of-use assets	1,756,941	1,646,049
Property and equipment, net of accumulated depreciation	1,067,520	1,122,057
Goodwill	61,093,800	58,401,851
Other assets	126,319	265,071
TOTAL ASSETS	\$ 141,515,005	\$ 104,533,536
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 7,772,934	\$ 7,984,710
Accrued interest	1,182,523	1,157,113
Due to related parties	11,371,561	11,510,413
Operating lease liabilities, current portion	300,362	115,623
Notes payable	23,541,813	5,112,773
Debenture payable	2,400,000	2,400,000
Convertible notes payable, net of unamortized discounts	11,900,000	23,688,886
Derivative liabilities	-	10,049
Total Current Liabilities	<u>58,469,192</u>	<u>51,979,567</u>
Note payable, long-term	463,445	2,426,698
Operating lease liabilities - non-current portion	1,456,580	1,530,426
TOTAL LIABILITIES	<u>60,389,218</u>	<u>55,936,691</u>
Stockholders' Equity		
Preferred stock, \$0.00001 par value; authorized 25,000,041 shares		
Series A Preferred stock, \$0.00001 par value, 5,000,000 shares authorized, 2,500,000 shares issued and outstanding	25	25
Series B Preferred stock, \$0.00001 par value, 20,000,000 shares authorized, 8,000,000 shares issued and outstanding	80	80
Series C Preferred stock, \$0.00001 par value, 1 share authorized, 1 share issued and outstanding	-	-
Series D Preferred stock, \$0.00001 par value, 40 shares authorized, 40 shares issued and outstanding		
Common stock, \$0.00001 par value, 650,000,000 shares authorized; 529,726,720 and 453,498,555 shares issued and outstanding, respectively	5,297	4,535
Stock payable	4,986,727	11,790,200
Stock receivable	(36,450,000)	(36,450,000)
Additional paid-in capital	88,860,160	74,087,246
Non-controlling interest	(83,471)	(60,487)
Retained earnings (accumulated deficit)	23,806,969	(774,754)
Total Stockholders' Equity	<u>81,125,787</u>	<u>48,596,845</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 141,515,005	\$ 104,533,536

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

SOLAR INTEGRATED ROOFING CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenue	\$ 66,278,819	\$ 7,996,866	\$ 93,274,075	\$ 11,450,048
Cost of Sales	35,743,712	7,134,883	51,486,732	11,066,466
Gross Profit	30,535,107	861,983	41,787,343	383,582
Operating expenses				
Salaries and wages	6,176,445	1,689,992	8,448,073	2,624,309
Professional fees	1,551,264	1,867,827	3,098,924	2,888,740
Depreciation expense	115,084	54,039	207,794	81,369
Marketing	146,942	247,739	259,735	345,779
General and administrative	1,427,234	1,357,313	2,588,560	1,861,235
Total operating expenses	9,416,969	5,216,910	14,603,086	7,801,432
Net income (loss) from operations	21,118,138	(4,354,927)	27,184,257	(7,417,851)
Other income (expense)				
Interest expense	(2,079,325)	(232,517)	(2,381,860)	(362,816)
Other income (expense)	(145,836)	(3,211)	(253,707)	199,282
PPP loans forgiveness	-	90,800	-	997,300
Change in fair value of derivative liabilities	931	1,113,753	10,049	926,666
Total other income (expense)	(2,224,230)	968,825	(2,625,518)	1,760,432
Income (loss) from operations	18,893,908	(3,386,102)	24,558,739	(5,657,419)
Provision for income taxes	-	-	-	-
Net income (loss)	18,893,908	(3,386,102)	24,558,739	(5,657,419)
Net income (loss) attributable to non-controlling interest	(6,074)	27,377	22,984	16,182
Net income (loss) attributable to the Company	\$ 18,887,834	(3,358,726)	\$ 24,581,723	(5,641,237)
Basic income per Common Share	\$ 0.04	\$ (0.01)	\$ 0.05	\$ (0.02)
Diluted income (loss) per Common Share	\$ 0.04	\$ (0.01)	\$ 0.05	\$ (0.01)
Basic weighted average number of common shares outstanding	492,387,528	335,497,164	483,826,191	321,087,437
Diluted weighted average number of common shares outstanding	545,202,620	554,598,181	536,641,283	540,188,454

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

SOLAR INTEGRATED ROOFING CORPORATION
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the Three and Six Months Ended June 30, 2022 and 2021
(UNAUDITED)

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Common Stock		Paid in	Stock	Stock	Non	Accumulated	
	Shares Outstanding	Amount	Shares Outstanding	Amount	Shares Outstanding	Amount	Shares Outstanding	Amount	Shares Outstanding	Amount	Capital	Receivable	Payable	controlling Interest	Deficit	Total
Balance, December 31, 2020	5,000,000	\$ 50	13,000,000	\$ 130	-	\$ -	-	\$ -	209,003,623	\$ 2,090	11,808,329	\$ -	\$ -	\$ -	(14,835,507)	(3,024,908)
Common stock issued for services	-	-	-	-	-	-	-	-	500,000	5	54,995	-	-	-	-	55,000
Common stock issued for conversion of debt and interest	-	-	-	-	-	-	-	-	49,393,025	494	617,192	-	-	-	-	617,686
Common stock issued for cash	-	-	-	-	-	-	-	-	2,000,000	20	139,980	-	-	-	-	140,000
Common stock issued for compensation	-	-	-	-	-	-	-	-	1,850,000	18	283,482	-	-	-	-	283,500
Common stock issued for warrant exercise	-	-	-	-	-	-	-	-	306,148	3	(3)	-	-	-	-	-
Common stock issued for acquisition	-	-	-	-	-	-	-	-	45,000,000	450	39,128,050	-	-	-	-	39,128,500
Series B stock to be issued for acquisition	-	-	-	-	-	-	-	-	-	-	4,870,000	-	-	-	-	4,870,000
Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	11,195	-	11,195
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,282,511)	(2,282,511)
Balance, March 31, 2021	5,000,000	\$ 50	13,000,000	\$ 130	-	\$ -	-	\$ -	308,052,796	\$ 3,080	56,902,025	\$ -	\$ -	\$ 11,195	(17,118,018)	39,798,462
Common stock issued for services	-	-	-	-	-	-	-	-	818,090	8	449,992	-	-	-	-	450,000
Common stock issued for conversion of debt and interest	-	-	-	-	-	-	-	-	30,856,201	309	693,957	-	-	-	-	694,266
Common stock issued for warrant exercise	-	-	-	-	-	-	-	-	16,479,564	165	16,315	-	-	-	-	16,480
Common stock issued for acquisition	-	-	-	-	-	-	-	-	-	-	24,403,900	-	-	-	-	24,403,900
Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	(27,376)	-	(27,376)
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,358,726)	(3,358,726)
Balance, June 30, 2021	5,000,000	\$ 50	13,000,000	\$ 130	-	\$ -	-	\$ -	356,206,651	\$ 3,562	82,466,189	\$ -	\$ -	\$ (16,181)	(20,476,744)	61,977,004
Balance, December 31, 2021	2,500,000	\$ 25	8,000,000	\$ 80	1	\$ -	40	\$ -	453,498,555	\$ 4,535	74,087,246	(36,450,000)	11,790,200	(60,487)	(774,754)	48,596,845
Common stock issued for services	-	-	-	-	-	-	-	-	500,000	5	177,895	-	-	-	-	177,900
Common stock issued for conversion of debt and interest	-	-	-	-	-	-	-	-	27,075,035	271	26,804	-	-	-	-	27,075
Common stock payable	-	-	-	-	-	-	-	-	-	-	-	514,040	-	-	-	514,040
Common stock issued for compensation	-	-	-	-	-	-	-	-	150,000	1	74,024	-	-	-	-	74,025
Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	(29,058)	-	(29,058)
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,693,889	5,693,889
Balance, March 31, 2022	2,500,000	\$ 25	8,000,000	\$ 80	1	\$ -	40	\$ -	481,223,590	\$ 4,812	74,365,969	(36,450,000)	12,304,240	(89,545)	4,919,135	55,054,716
Common stock issued for services	-	-	-	-	-	-	-	-	1,500,000	15	336,735	-	-	-	-	336,750
Common stock issued for conversion of debt and interest	-	-	-	-	-	-	-	-	7,559,285	76	1,058,224	-	-	-	-	1,058,300
Common stock payable	-	-	-	-	-	-	-	-	-	-	-	(7,317,513)	-	-	-	(7,317,513)
Common stock issued for compensation	-	-	-	-	-	-	-	-	4,104,603	41	1,869,736	-	-	-	-	1,869,777
Common stock issued for acquisition	-	-	-	-	-	-	-	-	35,339,242	353	11,229,496	-	-	-	-	11,229,849
Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	6,074	-	6,074
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,887,834	18,887,834
Balance, June 30, 2022	2,500,000	\$ 25	8,000,000	\$ 80	1	\$ -	40	\$ -	529,726,720	\$ 5,297	88,860,160	(36,450,000)	4,986,727	(83,471)	23,806,969	81,125,787

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

SOLAR INTEGRATED ROOFING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Six Months Ended	
	June 30, 2022	June 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 24,558,739	\$ (5,657,419)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	2,458,452	788,950
Amortization of debt discount	-	118,300
Stock issued for warrant exercise	-	16,480
Change in fair value of derivative liabilities	(10,049)	(926,666)
Depreciation	207,795	81,369
PPP loans forgiveness	-	997,300
Changes in operating assets and liabilities:		
Accounts and work in progress receivable	(35,336,725)	25,611
Prepaid expenses and other assets	789,410	(1,151,569)
Inventory	11,768	140,507
Accounts payables and accrued liabilities	4,872,012	2,976
Due to related parties	(138,852)	98,627
Net Cash Used in Operating Activities	(2,587,450)	(5,456,704)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash paid in acquisition of subsidiaries	(600,000)	(8,700,000)
Purchase of property and equipment	(258,453)	(738,260)
Net Cash Used in Investing Activities	(858,453)	(9,438,260)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	2,855,000	6,374,014
Repayments of notes payable	(616,410)	(217,408)
Proceeds from convertible notes payable	1,100,000	19,515,610
Repayments of convertible notes payable	(1,027,075)	-
Proceeds received from common stock payable	514,040	140,000
Net Cash Provided by Financing Activities	2,825,555	25,813,216
Net change in cash and cash equivalents	(620,349)	10,909,252
Cash and cash equivalents, beginning of period	1,124,533	710,091
Cash and cash equivalents, end of period	\$ 504,183	\$ 11,619,343
Supplemental cash flow information		
Cash paid for interest	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -
Non-cash investing and financing transactions:		
Issuance of common stock for conversion of debt and accrued interest	\$ 1,027,075	\$ 1,311,952
Common stock issued for acquisition of subsidiary	\$ -	\$ 36,450,000
Acquisition of subsidiary via common stock payable	\$ -	\$ 2,678,500
Acquisition of subsidiary via preferred B, C, and D stock payable	\$ -	\$ 4,870,000
Assets acquired from financing	\$ -	\$ 54,807
Net assets acquired in acquisitions	\$ -	\$ 866,000

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

SOLAR INTEGRATED ROOFING CORPORATION
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
For the Three and Six Months Ended June 30, 2022

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Solar Integrated Roofing Corporation (“SIRC” or the “Company”) is an integrated, single-source solar power and roofing systems installation company specializing in commercial and residential properties in the Southern California market. Each subsidiary contributes to providing services to solar customers. The highly complementary solar and roofing businesses provide significant cross selling opportunities across solar, battery backup, EV charging, roofing and related HVAC/electrical contracting work. Major areas of operations include delivery of installation services, battery storage solutions, electric vehicle charging solutions, and roofing services.

The Company was incorporated under the laws of the state of Nevada on May 1, 2007 as Sterling Oil & Gas Company. The name was changed on February 14, 2014 to Landstar Development Group. On November 9, 2015 the Board approved a name change to Solar Integrated Roofing Corporation.

On February 11, 2016, the Company acquired the issued and outstanding shares of Secure Roofing and Solar Inc. (“SRS”) whereby the shareholders of SIRC became the controlling shareholders of the combined entity. David Massey held 100% share ownership in SRS and was issued 10,000,000 common shares of SIRC for 100% of the issued and outstanding shares of SRS.

Impacts of COVID-19 on Our Business

The COVID-19 pandemic and the resulting impact on the U.S. economy have accelerated many of our operational initiatives to deliver best-in-class customer value and to reduce costs. The COVID-19 pandemic has had an unprecedented impact on the U.S. economy, resulting in governments and organizations implementing public health measures in an effort to contain the virus, including physical distancing, work from home, supply chain logistical changes and closure of non-essential businesses. With vaccine administration and adoption rising, governments and organizations have responded by adjusting such restrictions and guidelines accordingly. We are monitoring this fluid situation and will continue to follow official regulations to protect our employees and customers.

The ultimate impact of the COVID-19 pandemic (and virus variants, such as Delta and Omicron) is still highly uncertain and subject to change, and we do not yet know the full extent of potential delays or impacts on our business, operations or the global economy as a whole. We will continue to monitor developments affecting our workforce, our customers, and our business operations generally and will take actions that we determine are necessary in order to mitigate these impacts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Effective December 31, 2021, the Company changed its fiscal year from February 28 to December 31, which has been reflected in the accompanying consolidated financial statements.

Basis of Consolidation

The consolidated financial statements for December 31, 2021 are comprised of the financial statements of Solar Integrated Roofing Corporation and its wholly-owned subsidiaries: Secure Roofing and Solar Inc., Narrate LLC, McKay Roofing Company, Inc., Milholland Electric, Inc., Montross Companies, Inc. and Approved Home Pros, LLC, Enerev LLC, Cornerstone Construction Team, LLC, Balance Authority, LLC, Kinetic Investments Inc. dba Future Home power, USA Solar Network LLC, SunUp Solar LLC and Renovation Roofing, Inc., which are included in the financial statements of the Company as of their respective acquisition dates. Pacific Lighting Management, Inc. was the only subsidiary acquired at 60% so the Company includes non-controlling interest in its consolidated financial statements. During the six months ended June 30, 2022, the Company did not acquire any entities. During the six months ended June 30, 2021, the Company acquired Enerev LLC, Cornerstone Construction Team LLC, 60% of Pacific Lighting Management, Inc., Balance Authority, LLC, Kinetic Investments, Inc. dba Future Home Power, USA Solar Network LLC and SunUp Solar LLC.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment, allowance for doubtful accounts, impairment of long-lived assets, and the valuation of debt and equity transactions. Actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts, the balances of which at times may exceed federally insured limits. The Company continually monitors its banking relationships and consequently has not experienced any losses in its accounts. As of June 30, 2022 and December 31, 2021, management believes the Company is not exposed to any significant credit risk on cash.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents were \$504,183 as of June 30, 2022 and \$1,124,533 as of December 31, 2021.

Accounts Receivable

Management reviews accounts receivable periodically to determine if any receivables will potentially be uncollectible. Management's evaluation includes several factors including the aging of the account balances, a review of significant past due accounts, economic conditions, and our historical write-off experience, net of recoveries. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. The Company's allowance for doubtful accounts was \$40,874 and \$253,652 as of June 30, 2022 and December 31, 2021, respectively, and no individual customer owed in excess of 10% of the trade accounts receivable balances of \$3,912,599 or \$3,652,176, respectively.

Property and Equipment

Property and equipment are carried at cost less amortization and depreciation. Major betterments that extend the useful lives of assets are also capitalized. Normal maintenance and repairs are charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operations. Property and equipment consist of Vehicles, Computer Equipment, Machinery and Equipment, Furniture and Equipment which are depreciated on a straight-line basis over their expected useful lives as follows.

Vehicles	5 years
Computer Equipment	5 years
Machinery and Equipment	5 years
Furniture & Equipment	5 years

Leases

Effective March 1, 2019, the Company adopted the Financial Accounting Standards Board's (the "FASB") Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842) ("ASU 2016-02"), and additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, the "new leases standard"), which modifies lease accounting for lessees to increase transparency and comparability by recording lease assets and liabilities for operating leases and disclosing key information about leasing arrangements. The Company adopted the new leases standard utilizing the modified retrospective transition method, under which amounts in prior periods presented were not restated. For contracts existing at the time of adoption, the Company elected to not reassess (i) whether any are or contain leases, (ii) lease classification, and (iii) initial direct costs.

Advertising

The Company conducts advertising for the promotion of its services. In accordance with ASC 720-35, advertising costs are charged to operations when incurred. The Company incurred \$259,736 in marketing and advertising expenses during the six months ended June 30, 2022 and \$345,779 during the six months ended June 30, 2021.

Fair Value of Financial Instruments

The Company follows ASC 825, *Financial Instruments*, for disclosures about fair value of its financial instruments, and ASC 820, *Fair Value Measurement*, to measure the fair value of its financial instruments. ASC 820 establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by ASC 820 are described below:

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

The derivative liabilities as of June 30, 2022 are Level 3 instruments. The carrying amount of the Company's financial assets and liabilities, such as cash, accounts receivable, prepaid expenses, accounts payable and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's notes payable approximates the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at June 30, 2022 and December 31, 2021.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers*, when satisfying the performance obligation of the associated contract that reflects the consideration expected to be received based on the terms of the contract.

Solar Integrated Roofing Corporation has chosen to utilize the "Output Method" of ASC 606 as a means of recognizing revenue in accordance with performance obligation milestones within their executed contracts. The Output Method as defined in ASC 606 are incremental goods or services that are instrumental and necessary to fulfill the complete project that have been verified to be completed. These outputs are the result of processes applied to inputs in a business. In other words, the Output Method measures results achieved and

value that is passed on to the customer in relation to the contract as a whole. In implementation, the Company has determined the incremental milestones of a project ranging from contract inception to project completion, with each progressing milestone providing additional services to the end client. Per the guidelines of ASC 606, the Company then tracks the progress toward completion of the contract by measuring outputs to date relative to total estimated outputs needed to satisfy the performance obligation.

As the different subsidiaries of the Company encompass many different business models, there exists different metrics for each of the subsidiaries in regard to intervals/milestones qualifying a specific level of revenue recognition. The business types are as follows:

- Roofing Companies
- Sales Organizations
- Claims Management Companies
- Solar Installation Companies
- Alternative Energy Companies
- Service Organizations

ASC 606 has five general components which formulate the basis of the revenue process. In observation of the Output Method, the five components and brief explanations as to how each applies to the revenue recognition model the Company has adopted are as follows:

(i) Identify the contract, or contracts, with a customer.

A contract is an agreement or purchase order between two or more parties that creates enforceable rights and obligations. In evaluating the contract, the Company analyzes the customer's intent and ability to pay the amount of promised consideration (credit risk) and considers the probability of collecting substantially all of the consideration.

(ii) Identify the performance obligations in the contract.

At a contract's inception, the Company assesses the goods or services promised in a contract with a customer and identifies the performance obligations. The main performance obligations are the provisions of the following:

- Project Specifics
 - Site Visit
 - Engineering Design
 - Permitting
 - Utility Interconnection, if applicable
 - Project Installation
 - Project Completion

(iii) Determine the transaction price

The transaction price is the amount of consideration to which the Company is entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. When a contract provides a customer with payment terms of more than a year, the Company considers whether those terms create variability in the transaction price and whether a significant financing component exists. As of June 30, 2022, the Company has not provided payment terms of more than a year.

(iv) Allocate the transaction price to the performance obligations in the contract.

The Company performs an allocation of the transaction price to each separate performance obligation, known as milestones. The allocated milestone payments are based upon multiple factors:

- Hard costs for materials needed to fulfill the current milestone.
- Soft costs upon the milestone being achieved (sales commissions, labor costs)
- Overhead and incidentals to be allocated at the specific milestones of a project.

(v) Recognize revenue when, or as, the Company satisfies a performance obligation.

The Company recognizes revenue incrementally upon its fulfillment of each specific performance obligation milestone as outlined in the underlying contract utilizing the Output Method.

During the six months ended June 30, 2022 and 2021, the Company derived its revenues from the following:

- residential solar panels sales and installation (approximately \$54.0 million and \$5.0 million, respectively)
- commercial solar (approximately \$32.8 million and \$0, respectively)
- roofing constructions (approximately \$3.3 million and \$5.5 million, respectively)
- EV charging stations (approximately \$1.9 million and \$0.2 million, respectively)
- supplemental revenue (approximately 1.3 million and \$0.7 million, respectively)

The Company analyses whether gross sales as the principal, or net sales as the agent, should be recorded. Since the Company assumes all risk of loss, has control over establishing price, and has control over the related costs associated with earning revenues, the Company is the principal, and as such has recorded all revenues at the gross price.

Concentration of Revenue by Customer

During the six months ended June 30, 2022, and 2021, no individual customers comprised above 10% of total revenue recognized.

Concentration of Revenue by Segment during the six months ended June 30, 2022 and 2021:

- residential solar sales and installation: (approximately 58% and 44%, respectively)
- commercial solar: (approximately 35% and 0%, respectively)
- roofing construction: (approximately 4% and 48%, respectively)
- EV charging stations: (approximately 2% and 2%, respectively)
- supplemental: (approximately 1% and 6%, respectively)

Segments and Disaggregated Revenue

The Company is a single source solar power and roofing system installation company operating and specializing in commercial and residential properties across the United States. The Company's operations are conducted in specific reportable segments: solar residential, solar commercial, roofing construction and electric vehicle (EV) charging. The Company defines its segments by those that operations are distinctly different from other areas within the Company as the Company has roofing contracts, solar installations and sales as well as EV charging installations and maintenance. The Company's Chief Operating Officer regularly reviews these segments to align resources and analyze performance.

All of the Company's segments operate within the United States as the Company does not have any foreign sales or operations at this time. The Company's solar residential segment serves the installation of solar systems within residential properties selling directly to consumers. The Company's solar commercial segments sells to larger renewal energy companies and to corporations seeking solar installations to offset utility expenses (i.e. urban housing, commercial properties, apartment buildings, etc.). The Company's roofing segment is dedicated to services and products serving roofing construction, design and maintenance. Construction of roofing projects and the design of roofing installations as well as the construction of the roofing projects all fall under this segment. The Company's EV charging services are centered around providing solutions for EV charging platforms through the planning, sourcing and installation of these platforms for businesses and other agencies.

The Company measures the results of the segments by the following among other attributes: gross margin, operating income (which includes overhead corporate expense allocations), costs of sales and revenue. The Company revises the measurement of the reporting segments operating income, gross margin and corporate overhead allocations from time to time as these metrics are regularly reviewed by the Chief Operating Officer. Information on the Company's operating segments, including the reconciliation to income is provided in the following table.

	Solar Residential	Solar Commercial	Roofing Construction	EV Charging	Supplemental	Consolidated
June 30, 2021						
Revenue	\$ 4,976,377	\$ -	\$ 5,541,132	\$ 211,877	\$ 720,662	\$ 11,450,048
Cost of sales	4,567,495	-	6,351,993	144,783	2,195	11,066,466
Gross margin	408,882	-	(810,861)	67,094	718,467	383,582
Operating (loss)	(2,503,130)	-	(4,731,124)	(111,188)	(72,409)	(7,417,851)
June 30, 2022						
Revenue	\$ 54,053,236	\$ 32,789,189	\$ 3,275,750	\$ 1,892,716	\$ 1,263,184	\$ 93,274,075
Cost of sales	29,133,057	18,308,707	2,811,529	1,231,180	2,259	51,486,732
Gross margin	24,920,179	14,480,482	464,221	661,536	1,260,925	41,787,343
Operating Income (loss)	21,983,993	6,860,137	(1,167,985)	(175,767)	(316,121)	27,184,257

As of June 30, 2022, approximately \$114.5 million of revenue is expected to be recognized from remaining performance obligations for solar commercial contracts. The Company expects to recognize revenue on these remaining performance obligations over the next 12 months. The Company has elected to accrue installation and construction activities until the customer obtains control of the solar commercial project. Accordingly, the Company will accrue all related construction and installation costs (*Work in progress accounts payable*) and recognize Work in progress accounts receivable as revenue and Work in progress accounts payable as cost of sales once the project has been completed. The Company generally has payment terms with its customers of one year or less and has elected the practical expedient applicable to such contracts not to consider the time value of money over a longer period of time.

Cost of Revenue

Cost of revenue consists primarily of costs related to raw materials, freight and delivery, product warranty, and personnel costs (salaries, bonuses, benefits, and stock-based compensation). Personnel costs in cost of revenue includes both direct labor costs as well as costs attributable to any individuals whose activities relate to the procurement, installment and delivery of the finished product and services. Deferred cost of revenue results from the timing differences between the costs incurred in advance of the satisfaction of all revenue

recognition criteria consistent with our revenue recognition policy.

During the six months ended June 30, 2022 and 2021, the Company incurred cost of revenue of \$51,486,732 and \$11,066,466, respectively, of which \$36,145,590 and \$0 were included in work in progress payable at June 30, 2022 and 2021, respectively.

Work in progress receivable is recorded when the Company has transferred services to the customers prior to receiving consideration and when the payment of consideration is contingent upon milestones performance obligation. The Company recognizes also the cost associated with reaching specific milestone in form of work in progress payable. As of June 30, 2022, the work in progress receivable was \$104,676,962 and work in progress payable was \$36,145,590, which were netted together as a contract asset work in progress receivable on the consolidated balance sheets in the amount of \$68,531,372.

Income Taxes

The Company follows ASC 740, *Income Taxes*, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Operations in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification (“Section 740-10-25”) with regards to uncertainty in income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Stock-based Compensation

The Company accounts for employee and non-employee stock-based compensation in accordance with ASC 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees and non-employees, including grants of stock options, to be recognized in the financial statements based on the grant date fair values of the equity instruments issued, which is charged directly to compensation expense over the requisite service or vesting period.

Net Income (Loss) per Common Share

Net income (loss) per common share is computed pursuant to ASC 260, *Earnings Per Share*. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period.

The Company’s diluted profit per share is \$0.05 and the basic profit per share is \$0.05 for the six months ended June 30, 2022.

The Company’s diluted loss per share is the same as the basic loss per share for the six months ended June 30, 2021, as the inclusion of any potential shares would have had an anti-dilutive effect due to the Company generating a loss.

As of June 30, 2022 and 2021, the Company’s potentially-dilutive instruments include convertible notes and associated accrued interest. The total amount of “if-converted” shares of 52,815,092 and 219,101,017, respectively, are comprised of the following:

- convertible notes with interest– 5,588,156 and 6,834,227, respectively
- common shares to be received – (45,000,000) and 0, respectively
- common shares to be issued – 12,226,936 and 59,700,000, respectively
- warrants – 0 and 22,566,790, respectively
- preferred shares Class B – 80,000,000 and 130,000,000, respectively

Diluted income (loss) per share is computed as follows:

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Numerator:		
Net income (loss)	\$ 24,558,738	\$ (5,657,419)
Gain on change in fair value of derivatives	(10,049)	(926,666)
Interest on convertible debt	231,332	161,389

Net income (loss) - diluted	\$ 24,780,021	\$ (6,422,696)
Denominator:		
Weighted average common shares outstanding	483,826,191	321,087,437
Effect of dilutive shares	52,815,092	219,101,017
Diluted	536,641,283	540,188,454
Net income (loss) per common share:		
Basic	\$ 0.05	\$ (0.02)
Diluted	\$ 0.05	\$ (0.01)

Business Combinations

In accordance with ASC 805, *Business Combinations*, the Company accounts for all business combinations using the acquisition method of accounting. Under this method, assets and liabilities, including any remaining non-controlling interests, are recognized at fair value at the date of acquisition. The excess of the purchase price over the fair value of assets acquired, net of liabilities assumed, and non-controlling interests is recognized as goodwill. Certain adjustments to the assessed fair values of the assets, liabilities, or non-controlling interests made subsequent to the acquisition date, but within the measurement period, which is up to one year, are recorded as adjustments to goodwill. Any adjustments subsequent to the measurement period are recorded in income. Any cost or equity method interest that the Company holds in the acquired company prior to the acquisition is re-measured to fair value at acquisition with a resulting gain or loss recognized in income for the difference between fair value and the existing book value. Results of operations of the acquired entity are included in the Company's results from the date of the acquisition onward and include amortization expense arising from acquired tangible and intangible assets.

Goodwill

The Company allocates goodwill to reporting units based on the reporting unit expected to benefit from the business combination. We evaluate our reporting units on an annual basis and, if necessary, reassign goodwill using a relative fair value allocation approach. Goodwill is tested for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, or sale or disposition of a significant portion of a reporting unit.

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated primarily using a discounted cash flow methodology. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital.

The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results, market conditions, and other factors. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for each reporting unit.

During the six months ended June 30, 2022 and 2021, there was no goodwill impairment recorded.

Impairment of Long-Lived Assets

Tangible and intangible assets (excluding goodwill) are assessed at each reporting date for indications that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. The asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or a group of assets exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the group of assets.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks. The Company evaluates all of its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, the Company uses the Black Scholes valuation model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet

as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, ASC Subtopic 470-20 “Debt—Debt with “Conversion and Other Options” and ASC subtopic 815-40 “Hedging—Contracts in Entity’s Own Equity”. The standard reduced the number of accounting models for convertible debt instruments and convertible preferred stock. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting; and, (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. The amendments in this update are effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company adopted this standard on January 1, 2021, but there was no resulting material impact on the financial statements.

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

NOTE 3 – GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has retained earnings of \$23,806,969 at June 30, 2022, and accumulated deficit of \$774,754 at December 31, 2021. The Company had a net income of \$24,558,738 for the six months ended June 30, 2022 and net loss of \$5,657,419 for the six months ended June 30, 2021. Net cash used in operating activities for the six months ended June 30, 2022 was \$2,587,450 and \$5,465,704 for the six months ended June 30, 2021. These factors among others present substantial doubt about the Company’s ability to continue as going concern. The Company’s ability to continue as a going concern is dependent upon its ability to repay or settle its current indebtedness, generate positive cash flow from an operating company, and/or raise capital through equity and debt financing or other means on desirable terms. If the Company is unable to obtain additional funds when they are required or if the funds cannot be obtained on favorable terms, management may be required to restructure the Company or cease operations. The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment stated at cost, less accumulated depreciation consisted of the following:

	June 30, 2022	December 31, 2021
Vehicles	\$ 2,427,093	\$ 2,660,504
Land	250,000	-
Computer Equipment	3,518	3,518
Machinery and Equipment	191,566	224,807
Leasehold Improvements	13,473	36,646
Office Equipment	146,391	146,391
Furniture and Equipment	134,456	137,231
	3,166,497	3,209,097
Less: accumulated depreciation	(2,098,977)	(2,087,040)
Property and equipment, net	\$ 1,067,520	\$ 1,122,057

Depreciation expense for fixed assets was \$146,469 (\$61,326 depreciation expense for ROU assets totaling \$207,795) and \$27,069, respectively, for the six months ended June 30, 2022 and 2021. Depreciation expense for June 30, 2022 is offset by the elimination of Cornerstone Construction Team LLC assets and accumulated depreciation of \$132,795 which netted \$13,673. During the six months ended June 30, 2022, there was a purchase of a Genie Scissorlift in the amount of \$8,453 and there was an initial deposit of \$250,000 towards purchase of a land from Opal Investments, Inc. (total purchase price \$13,000,000) and write off Cornerstone assets valued \$301,053. During the six months ended June 30, 2021, there were purchases in the amount of \$738,260 and assets acquired through acquisitions in the amount of \$178,749.

NOTE 5 – OTHER ASSETS

- prepaid expenses and current assets – the balance as of June 30, 2022 was \$191,084 and it includes prepaid D&O, general liability and workers’ compensation insurance in the amount of \$81,651 and accrued interest receivable of \$109,433.
- Non-current assets – the balance as of June 30, 2022 was \$126,319 and it includes trade mark, brand asset and website valued \$123,194 and security deposits of \$3,125.

NOTE 6 – NOTE RECEIVABLE

On October 5, 2021, the Company invested \$4,200,000 in Arbiter Capital LLC pursuant to a promissory note receivable that carries 3.5% interest payable in full (principal and accrued interest) on the maturity date on September 30, 2022. The accrued interest receivable of \$109,433 as of June 30, 2022 is included in prepaid and other current assets on the balance sheet.

NOTE 7 – RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2022 and December 31, 2021, amounts owed to related parties totaled \$11,371,561 and \$11,510,413, respectively. As of June 30, 2022 the amounts owed to related parties consisted of \$7,000,000 owed to prior management, \$819,769 for the Balance Authority acquisition, \$2,860,000 for acquisitions of Future Home Power and USA Solar Networks LLC and \$691,792 to management for cash advances. The amounts due are non-interest bearing and are payable upon demand.

As of June 30, 2021 amounts owed to related parties consisted of \$583,797 to management for cash advances. The amounts due are non-interest bearing and are payable upon demand.

During the six months ended June 30, 2022 and 2021, the Company recognized new obligations to related parties of \$680,500 and \$98,627, respectively and repaid \$541, respectively, of amounts owed to related parties, respectively, for net decrease in Due to related parties of \$138,852 and net increase of \$98,627, respectively. Amounts owed consist of funds owed for acquisitions and cash advances used in operations.

During the six months ended June 30, 2022 and 2021, the Company issued 2,404,603 and 1,500,000 shares of common stock to directors and officers for compensation valued at \$879,352 and \$840,000, respectively and 20,000,000 and 0 shares to officer for acquisitions valued at \$6,302,000 and \$0, respectively.

As of December 31, 2021 balances, \$7,000,000 owed to prior management, \$855,769, 3,000,000 for acquisitions and \$654,644 to management. The amounts due are non-interest bearing and are payable upon demand.

The Company also has operating leases with related parties as disclosed in Note 14 – Leases.

NOTE 8 – COMMON STOCK

The Company is authorized to issue 650,000,000 shares of common stock par value \$0.00001. Effective August 1, 2022, the Company increased its authorized shares from 560,000,00 to 650,000,000. Following is a detail of Common Stock transactions during the six months ended June 30, 2022 and 2021:

Six months ended June 30, 2022

- Issued 2,000,000 shares of common stock for services of \$514,650.
- Issued 34,634,320 shares of common stock for debt conversion of \$1,085,375.
- Issued 4,254,603 shares of common stock for compensation of \$1,943,802.
- Issued 35,339,242 shares of common stock for prior acquisition valued \$11,229,850.
- Received \$514,040 cash for common stock subscriptions payable. The accompanying shares have been issued on August 2, 2022.

Six months ended June 30, 2021

- Issued 1,318,090 shares of common stock for services of \$504,950.
- Issued 80,249,226 shares of common stock for debt conversion of \$1,038,128.
- Issued 306,148 shares of common stock for cashless warrant exercise with fixed exercise price of \$0.048 per share and 16,479,564 share for exercise of warrant of \$16,480 at fixed price of \$0.01 per share.
- Issued 2,000,000 shares of common stock for total cash proceeds of \$140,000.
- Issued 1,850,000 shares of common stock for compensation of \$283,500.
- Issued 45,000,000 shares of common stock for acquisitions valued at \$36,450,000.

Warrants

During the six months ending June 30, 2022 and as of December 31, 2021, the Company did not issue or have any warrants outstanding.

As of June 30, 2021, the Company determined that the warrants qualify for derivative accounting as a result of the reset feature, which led to no explicit limit to the number of shares to be delivered upon future settlement of the conversion options. However, all warrants have been issued since that period end.

The following summarizes the Company's warrant activity:

Date	Number of shares	Weighted average exercise price
Outstanding - 12/31/2020	42,844,881	0.0747
Exercised	(16,785,712)	\$ 0.08
Outstanding - 6/30/2021	26,059,169	0.075
Exercised	(26,059,169)	0.075
Outstanding - 12/31/2021	-	-
Outstanding - 6/30/2022	-	-

The Company used the Black-Scholes pricing model to calculate the fair value of warrants on the grant date. The Black-Scholes model requires basic data inputs: the exercise or strike price, time to expiration, the current stock price and the estimated volatility of the stock price in the future. Changes to these inputs could produce a significantly higher or lower fair value measurement. The fair value of each warrant is estimated using the Black Scholes valuation model.

NOTE 9 – PREFERRED STOCK

The Company is authorized to issue up to 5,000,000 shares of Class A preferred stock, Par value \$0.00001, 20,000,000 shares of Class B preferred stock, par value \$0.00001, 1 share of Class C preferred stock, par value \$0.00001, and 40 shares of Class D preferred stock, par value \$0.00001. As of June 30, 2022 and December 31, 2021, there are 2,500,000 shares of Class A preferred stock issued and outstanding. As of June 30, 2022 and December 31, 2021, there are 8,000,000 shares of Class B preferred stock issued and outstanding. As of June 30, 2022 and December 31, 2021, there is 1 share of Class C and 40 shares of Class D preferred stock issued and outstanding.

Class A preferred shares:

- Each share of Class A preferred stock has voting rights equal to 10,000 shares of common stock.
- No conversion is permitted.
- Holders are entitled, in the event of any voluntary liquidation or dissolution, to receive payment or distribution of preferential amount before any payments or distributions are received by any class of common stock.
- Holders are not entitled to receive dividends.

Class B preferred shares:

- If the Board of Directors declares a dividend payable, these shares are entitled to receive cumulative dividends.
- In the event of liquidation, holders are entitled to receive a distributive share of the Company's assets and funds.
- One share of Series B preferred stock is convertible into 10 shares of common stock.

Class C preferred share:

- Holders are entitled to receive dividends in the amount of 49% of net annual profit of Enerev LLC paid annually 60 days closing year end.
- In case of liquidation of Enerev, LLC, the holders of Series C shares are entitled to receive their share of 49% of the net proceeds.
- Holders have no voting rights.

Class D preferred shares:

- Holders are entitled to receive dividends in the amount of 40% of net annual profit of Kinetic Investments, Inc. dba Future Home Power paid annually 60 days closing year end.
- In case of liquidation of Kinetic Investments, Inc. dba Future Home Power, the holders of shares Series D are entitled to receive their share of 40% of the net proceeds.
- Holders have no voting rights.

The Class B, C, and D preferred stocks issued during the year ended December 31, 2021 were valued by an independent valuation specialist using a market approach.

There were no preferred shares issued during the six months ended June 30, 2022 and 2021, respectively.

NOTE 10 – DERIVATIVE LIABILITY

The Company analyzed the conversion option for derivative accounting consideration under ASC 815, “*Derivatives and Hedging*,” and determined that the convertible notes should be classified as a liability since the conversion option becomes effective at issuance resulting in there being no explicit limit to the number of shares to be delivered upon settlement of the above conversion options.

The Company determined our derivative liabilities to be a Level 3 fair value measurement and used the Black-Scholes pricing model to calculate the fair value as of June 30, 2022 and December 31, 2021. The Black-Scholes model requires six basic data inputs: the exercise or strike price, time to expiration, the risk-free interest rate, the current stock price, the estimated volatility of the stock price in the future, and the dividend rate. Changes to these inputs could produce a significantly higher or lower fair value measurement. The fair value of each derivative is estimated using the Black-Scholes valuation model.

The following table summarizes the derivative liabilities included in the balance sheet at June 30, 2022 and December 31, 2021 and their activity for the six months ended June 30, 2022 and 2021:

Fair Value Measurements Using Significant Observable Inputs (Level 3)	
Balance – December 31, 2020	\$ 1,560,851
Reduction of new derivative liabilities from payoff of convertible notes and conversion of convertible notes to common shares	(280,740)
Addition of new derivative liabilities	162,610
Amortization of debt discount on convertible debt	118,130
Gain on change in fair value of derivative liability	(926,666)
Balance – June 30, 2021	\$ 634,185
Balance - December 31, 2021	\$ 10,049
Gain on change in fair value of the derivative liabilities	(10,049)
Balance – June 30, 2022	\$ -

The table below shows the Black-Scholes option-pricing model inputs used by the Company to value the derivative liability at each measurement date:

	Six months ended June 30, 2022	Six months ended June 30, 2021
Expected term	n/a	0.56 years
Expected average volatility	n/a	177%
Expected dividend yield	n/a	-
Risk-free interest rate	n/a	0.06

NOTE 11 – DEBENTURE PAYABLE

In January 2020, the Company received \$2,400,000 for the issuance of a senior secured redeemable debenture. The debenture bears interest at 16% and matures 24 months after issuance. As of June 30, 2022 and December 31, 2021, no principal has been repaid, and accrued interest totals \$544,978 and \$363,318, respectively. The Company has not been able to make any payments on this debenture as investor’s bank account has been closed and there is no contact information available.

NOTE 12 – CONVERTIBLE NOTES

Convertible notes as of June 30, 2022:

<u>Noteholder</u>	<u>Issuance Date</u>	<u>Maturity Date</u>	<u>Conversion Price</u>	<u>Interest Rate</u>	<u>Outstanding Principal Balance</u>
RB Capital Partners, Inc.	2/18/2021	2/18/2022	\$3.00	5%	\$3,500,000
RB Capital Partners, Inc.	2/26/2021	2/26/2022	\$3.00	5%	\$4,500,000
Jefferson Street Capital	10/5/2021	10/5/2022	\$6.75	10%	\$1,500,000
Jefferson Street Capital	11/18/2021	1/5/2022	\$6.75	5%	\$500,000
Mammoth Corporation	1/19/2022	4/19/2022	\$0.50	0%	\$600,000
Jefferson Street Capital	3/1/2022	12/1/2022	\$6.00	14%	\$500,000
RB Capital Partners, Inc.	4/22/2022	4/22/2023	\$3.00	5%	\$800,000

TOTAL	\$11,900,000
UNAMORTIZED DEBT DISCOUNT	-
NET CONVERTIBLE NOTES	\$11,900,000

During the six months ended June 30, 2022, \$1,027,075 in principal and \$58,300 in interest was converted to 34,634,320 shares of common stock. On June 23, 2022, the Company entered into Buyout Agreement with Granite Global Value Investments LTD, where the Company agreed to pay \$14,000,000 for all Redeemable Notes between the parties (the "Settlement Amount") upon the Company receiving funding from third parties or investors or until they have the funds available to pay the Settlement Amount. The amount purchased from the new promissory note from convertible notes was \$12,668,535, plus accrued interest.

Currently most of above convertible notes are in default but there are no penalties initiated or associated with the notes in default.

Convertible notes as of December 31, 2021:

<u>Noteholder</u>	<u>Issuance Date</u>	<u>Maturity Date</u>	<u>Conversion Price</u>	<u>Interest Rate</u>	<u>Outstanding Principal Balance</u>
Granite Global Value	1/19/2021	1/19/2022	*	1%	\$162,610
Granite Global Value	1/27/2021	1/27/2022	\$2.70	1%	\$1,035,250
RB Capital Partners, Inc.	2/8/2021	2/8/2022	\$3.00	5%	\$1,000,000
RB Capital Partners, Inc.	2/18/2021	2/18/2022	\$3.00	5%	\$3,500,000
Granite Global Value	2/23/2021	2/23/2022	\$6.75	1%	\$1,035,250
RB Capital Partners, Inc.	2/26/2021	2/26/2022	\$3.00	5%	\$4,500,000
Granite Global Value	3/18/2021	3/18/2022	\$5.45	1%	\$3,282,500
Granite Global Value	6/1/2021	6/1/2022	\$2.50	10%	\$5,500,000
Granite Global Value	8/30/2021	8/30/2022	\$0.35	5%	\$1,680,000
Jefferson Street Capital	10/5/2021	10/5/2022	\$6.75	10%	\$1,500,000
Jefferson Street Capital	11/18/2021	1/15/2022	\$6.75	5%	\$500,000
TOTAL					\$23,695,610
UNAMORTIZED DEBT DISCOUNT					(6,724)
NET CONVERTIBLE NOTES					\$23,688,886

*Conversion price based on volume weighted average price during previous trading day.

The Company recognized amortization expense related to the debt discount of \$0 and \$118,130 for the six months ended June 30, 2022 and 2021, respectively, which is included in interest expense in the statements of operations. Interest expense on convertible notes totaled \$231,332 and \$161,389 for the six months ended June 30, 2022 and 2021, respectively.

During the six months ended June 31, 2022 and 2021, the Company received proceeds of \$1,100,000 and \$19,515,610, respectively.

NOTE 13 – NOTES PAYABLE

As of June 30, 2022, the Company owed notes payable totaling \$24,005,258 as follows:

- \$1,448,611 loan from TVT2.0 LLC with a 36-week term and weekly payments of \$60,278.
- \$149,497 SBA loan with 3.75% interest rate and payable by May 16, 2050 and \$197,512 line of credit with 5% interest.
- \$269,616 in loans from On-Deck with 52 weekly payments of \$11,413.
- \$468,580 vehicle financings from prior years with total monthly payment of \$17,628, 2-3% interest, 2024 maturity dates. Current portion at June 30, 2022 totals \$154,631, with remaining payments due through 2024 of \$313,949.

- \$6,375,014 in PPP loans. All PPP loans were received in May 2021 payable within 2 years and bearing interest rate of 1% annually.
- \$500,000 bridge loan from RB Capital Partners, Inc. with 10% interest payable by July 10, 2022.
- \$275,000 promissory note with Large Investment Group, Inc. with 10% interest and payable by August 10, 2022.
- \$150,000 loan from Stephanie Hooper with 0% interest rate and 150,000 shares of common stock as commitment price payable within 12 months.
- \$14,000,000 note with Granite Global Value Investments LTD payable upon the Company receiving funding.
- \$171,429 loan from EZ Fund with weekly payments of \$30,857. The loan was paid off on July 15, 2022.

Current portion of the notes at June 30, 2022 was \$23,541,813 and non-current portion is \$463,445.

During the six months ended June 30, 2022, the Company entered into a \$1,550,000 loan with TVT 2.0 LLC, \$430,000 loan from On-Deck Capital, \$500,000 from RB Capital Partners, Inc., \$150,000 from Stephanie Hooper and \$275,000 from Large Investment Group, Inc. The Company made repayments to TVT 2.0 LLC of \$777,778 to repay existing loan and made payment on new loan of \$101,389, on LOC \$17,363, On-Deck Capital of \$160,384, vehicle leases of \$240,103 and write off TR Bank loan of \$136,915 and PPP loan of \$81,110 due to separation from Cornerstone Construction Team LLC.

As of December 31, 2021, the Company owed notes payable totaling \$7,539,471 as follows:

- \$156,883 in SBA loan with 3.75% interest rate and payable by May 16, 2050.
- \$653,750 vehicle financings from prior years with total monthly payment of \$11,612, 2-3%, 2023 maturity dates. Current portion as of December 31, 2021 was \$110,088
- \$272,714 revolving line of credit with a 5% interest rate and no maturity date.
- \$6,456,124 in PPP loans. All PPP loans were received in May 2021 payable within 2 years and bearing interest rate of 1% annually.

Current portion of the notes at December 31, 2020 was \$5,112,773.

During the year ended December 31, 2021, the Company entered into \$554,617 in vehicle leases and received proceeds of \$6,456,124 in PPP loans and \$881,019 in SBA loans. The Company also made repayments of \$165,000 for acquisitions, \$99,958 to Eco Investment, \$41,102 to On-Deck Capital, \$118,830 Silverline Services and \$558,473 in vehicle leases. \$906,500 of PPP loans were forgiven during the year ended December 31, 2021.

NOTE 14 – LEASES

The Company has several operating leases. As of June 30, 2022, the Company reported Right-of-Use (“ROU”) assets under operating leases for three office premises. During the six months ended June 30, 2022 and 2021, the Company recorded \$104,085 and \$27,970, respectively, of lease expense. The Company recognized depreciation expense of \$61,326 and \$27,970 as of June 30, 2022 and 2021, respectively. The Company reported Right-of-Use (“ROU”) assets under operating leases for three office premises and operating lease liabilities as follows:

	As of June 30, 2022	As of December 31, 2021
Operating lease ROU assets	\$ 1,756,941	\$ 1,646,049
Current portion of operating lease liabilities	187,051	115,623
Noncurrent portion of operating lease liabilities	1,569,890	1,530,426
Total operating lease liabilities	\$ 1,756,941	\$ 1,646,049

Information associated with the measurement of our remaining operating lease obligations as of June 30, 2022 is as follows:

Weighted-average remaining lease term	7.62 years
Weighted-average discount rate	4%

The Company has the following lease obligations for the years ended December 31:

2022 (remaining six months)	\$ 121,516
2023	245,196
2024	249,152
2025	218,899
2026	188,005
Thereafter	1,071,790
Total lease payments	2,094,558
Less: imputed interest	(337,617)

The leases were signed with P&B Investments (owner Brian Milholland, former president of the Company). Brian Milholland resigned from the Company as of May 2021 but he is still beneficial shareholder with 1,500,000 shares of Class B preferred stock.

NOTE 15 – ACQUISITIONS

During the six months ended June 30, 2022, the Company did not acquire any companies.

During the six months ended June 30, 2021, the Company acquired 100% of the membership units of Enerev LLC, Cornerstone Construction Team LLC, 60% of Pacific Lighting Management, Inc., Balance Authority LLC, Kinetic Investments, Inc., USA Solar Networks LLC and SunUp Solar LLC as follows:

Enerev LLC

On April 28, 2021, the Company completed the acquisition, effective January 21, 2021, of 100% of the membership interest in Enerev LLC (“Enerev”). As of this date Enerev became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the “Company”). Enerev is a solar energy solutions provider to residential and commercial properties in Southern California with capabilities of installing solar panels. As a result of the acquisition of Enerev the Company is expected to expand installation efforts as well as expansion through known marketing and sales channels of Enerev.

The acquired business contributed revenue of \$612,279 and a net loss from operations of \$199,152 to the Company from the period from January 21, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire Enerev and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$200,000
Common shares:	\$2,678,500
Series B preferred shares	<u>\$4,870,000</u>
Total	<u>\$7,748,500</u>

The 1,000,000 shares of series B preferred shares issued had a total fair value of \$4,870,000 and the 1 share of series B preferred stock issued had a value of \$0, both of which valuations were based on an independent expert valuation and price allocation using a market approach. The 5,500,000 shares of common stock issued had a fair value of \$2,678,500 based on the January 21, 2021 acquisition date stock price.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	\$40,384
Liabilities:	None
Goodwill:	<u>\$7,708,116</u>

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise from the acquisition of the installation and sales force of Enerev. The goodwill is not deductible for tax purposes. All Enerev’s goodwill was recorded in the Company’s intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company’s goodwill is reviewed annually for impairment by management of the Company.

Cornerstone Construction Team LLC

On March 1, 2021 the Company completed the acquisition of 100% of the membership interest in Cornerstone Construction Team LLC (“Cornerstone”). As of this date Cornerstone Construction Team LLC became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the “Company”). Cornerstone is a general construction company operating in the United States, particularly within the Midwest and East Coast. As a result of the acquisition the Company is expected to expand the Company’s solar efforts into these other regions of the United States.

The acquired business contributed revenue of \$9,369,861 and a net loss from operations of \$1,378,302 to the Company from the period from March 1, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire Cornerstone and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$3,000,000
Common Shares:	<u>\$36,450,000</u>

Total	\$39,450,000
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The Company issued 45,000,000 amount of common shares that had a total fair value of \$36,900,000 based on the closing market price of \$0.81 per share on April 1, 2021, the acquisition date.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	\$3,262,134
Liabilities:	\$2,649,165
Goodwill:	<u>\$38,837,031</u>

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the Company's acquisition of Cornerstone. The goodwill is not deductible for tax purposes. All of Cornerstone's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company and was impaired at 100% at December 31, 2021 due to pending lawsuit that effected termination of the agreement between both parties effective May 31, 2022. The Company is to receive the previously issued 45,000,000 shares of common stock issued in connection with the merger to the entity's previous ownership group. The Company also issued in settlement of the pending legal proceedings 8,000,000 in common stock valued at \$1,748,000 from the stock price on the day of legal settlement.

Pacific Lighting Management, Inc.

On March 16, 2021, the Company acquired Pacific Lighting Management, Inc., which is a provider of energy & water conservation and renewable energy design, consulting and installation services to businesses of all sizes throughout the US. The overall purchase price of 60% of PlemCo was \$1,500,000 in cash. In consolidation the overall net assets of the Company amounted to \$273,000, with approximately \$1.2 million assigned to Goodwill.

Fair value of consideration transferred:

Cash:	\$1,500,000
Total	\$1,500,000

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise from the acquisition of the installation and sales force of PlemCo. The goodwill is not deductible for tax purposes. All PlemCo's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company.

Balance Authority LLC

On April 28, 2021, the Company completed the acquisition of 100% of the membership interest in Balance Authority LLC ("Balance"). As of this date Balance Authority LLC became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the "Company"). Balance is a business consulting management company that provides supplemental organizational and managerial services to companies in the scientific, management and technical services industry. As a result of the acquisition the Company is expected to centralize administrative and supplemental services throughout Solar Integrated Roofing Corporation and its' subsidiaries.

The acquired business contributed revenue of \$2,547,483 and earnings of \$278,327 to the Company from the period from April 28, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire Balance and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$2,700,000
Common Shares:	\$6,950,000
Total	\$9,650,000

The Company issued 10,000,000 shares of common shares that had a total fair value of \$6,950,000 based on the closing market price of \$0.69 per share on April 28, 2021, the acquisition date. \$1,500,000 cash was paid at the closing. Two additional payments of \$600,000 each were due six and twelve months from acquisition date. During the year ended December 31, 2021, \$362,231 was paid towards the first \$600,000 payment due. The remaining balance together with second payment of \$600,000 totaling \$837,769 is outstanding in the form of related party note payable.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	\$238,923
Liabilities:	<u>\$677,235</u>

Goodwill:	<u>\$10,088,312</u>
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The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the Company's acquisition of Balance. The goodwill is not deductible for tax purposes. All of Balance's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company.

Kinetic Investments, Inc. dba Future Home Power

On June 1, 2021, the Company completed the acquisition of 100% of the membership interest in Future Home Power ("FHP"). As of this date FHP became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the "Company"). FHP specializes in the sales of residential solar panels, roofing repair and construction as well as battery storage – partnering with local installers to finalize on-site installation. As a result of the acquisition of FHP the Company is expected to expand efforts in sales and increase the sales force and outreach of the Company through the numerous sales associates FHP employs.

The acquired business contributed revenue of \$13,953,952 and earnings of \$5,635,142 to the Company from the period from June 1, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire FHP and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$5,200,000
Common Shares:	<u>\$20,236,900</u>
Total	\$25,436,900

The Company also issued 40 shares of preferred stock class D, valued at \$0 in the acquisition of FHP. The 51,000,000 shares of common shares had a total fair value of \$20,236,900 based on the closing market price of \$0.40 per share on June 1, 2021, the acquisition date. Additionally, performance payments are based on solar contract amounts as 1 share of common stock per \$1 of generated contracts volume. The shares are issued to the manager and sales agents. As of December 31, 2021, 29,000,000 of the 51,000,000 shares of common stock had not yet been issued, and have been included in stock payable in the amount of \$9,137,900. Out of \$5,200,000 cash, \$3,200,000 was paid and \$2,000,000 is accrued as related party transaction.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	None
Liabilities:	<u>\$560,573</u>
Goodwill:	<u>\$25,997,473</u>

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the Company's acquisition of FHP. The goodwill is not deductible for tax purposes. All of FHP's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company.

Performance payments are based on solar contract amounts as 1 share of common stock per \$1 of generated contracts volume.

USA Solar Networks LLC

On June 30, 2021, the Company completed the acquisition of 60% of the membership interest in USA Solar Networks LLC ("USA Solar") and additional 40% on October 6, 2021. As of this date USA Solar became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the "Company"). USA Solar helps customers install the best available solar energy or Electric Vehicle ("EV") charging system by comparing local installers and financing options. USA Solar also works on large scale solar fields, micro-grids, commercial solar systems and renewable energy solutions. As a result of the acquisition of USA Solar the Company is expected to expand within the commercial solar space and increase sales from EV installations and other renewable energy opportunities.

The acquired business contributed revenue of \$34,533,185 and earnings of \$25,850,895 to the Company from the period from June 30, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire USA Solar and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$1,200,000
Common Shares:	<u>\$8,706,300</u>
Total	\$9,906,300

The Company issued 12,000,000 shares of common shares that had a total fair value of \$6,054,000 based on the closing market price of \$0.5045 per share on the June 30, 2021 acquisition date. As of December 31, 2021, 7,000,000 shares to be issued for additional 40% of USA Solar were included in stock payable in the amount of \$2,652,300 based on closing market price of \$0.38 per share on October 6, 2021. The Company paid \$200,000 cash at closing, \$140,000 in 2022 and \$860,000 is due and posted as related party transaction.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	None
Liabilities:	\$53,131
Goodwill:	<u>\$9,959,431</u>

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the Company's acquisition of USA Solar. The goodwill is not deductible for tax purposes. All of USA Solar's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company.

SunUp Solar LLC

On June 30, 2021, the Company completed the acquisition of 100% of the membership interest in SunUp Solar LLC ("SunUp"). As of this date SunUp became a wholly owned subsidiary of the Company and became a consolidated entity under Solar Integrated Roofing Corporation (the "Company"). SunUp offers solar education and resources for consumers looking to invest in solar powered energy for the homes and vehicles. As a result of the acquisition of SunUp the Company is expected to expand selling efforts and increase the sales force and outreach of the Company through the numerous sales associates SunUp employs.

The acquired business contributed revenue of \$351,912 and a net loss from operations of \$83,181 to the Company from the period from June 30, 2021 through December 31, 2021.

The Following table summarizes the consideration transferred to acquire SunUp and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:

Cash:	\$200,000
Common Shares:	<u>\$100,900</u>
Total	\$300,900

The Company issued 200,000 shares of common shares had a total fair value of \$100,900 based on the closing market price of \$0.51 per share on June 30, 2021, the acquisition date.

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:	None
Liabilities:	None
Goodwill:	<u>\$300,900</u>

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the Company's acquisition of SunUp. The goodwill is not deductible for tax purposes. All of SunUp's goodwill was recorded in the Company's intangible assets as a non-current asset and recorded on the balance sheet of the Company. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company.

NOTE 16 – LEGAL MATTERS

- 1 **SinglePoint Inc., et al. vs. SIRC, et al.** – This is a pending lawsuit in the US District of Arizona against SIRC, Dave Massey, Pablo Diaz, and US Solar Networks, LLC. SIRC/Massey have filed motions to dismiss them from the case entirely, which are still pending with the district court. In or around August 2021, the district court rejected SinglePoint's attempt to enjoin SIRC, Massey, Diaz, US Solar, and others from working in the solar industry due to the fact that SinglePoint claims were unlikely to succeed on the merits. Diaz/US Solar have filed counterclaims against SinglePoint and its directors and officers for, among other things, securities fraud. The lawsuit is in the discovery phase and the outcome is not determinable as of the filing date of this registration statement.
- 2 **SIRC vs. ContractorCoachPro, LLC, et al.** – This is an arbitration proceeding that was initiated with the American Arbitration Association in late 2021. SIRC has brought the action against ContractorCoachPro and American Contractor, LLC for, among other things, their breach of a joint venture agreement and misappropriation of trade secrets. The matter is in early pleading stages, and the outcome is not determinable as of the filing date of this registration statement.
- 3 **Heather Griffin, et al. vs. SIRC, et al.** – This was a lawsuit filed in the Superior Court of California, County of Orange, against SIRC, Massey, and Narrate, LLC. All claims have been dismissed for improper venue.

- 4 **David Savarese vs. SIRC, et al.** - This is a pending lawsuit in the Superior Court of California, County of San Diego Northern Division, between former SIRC officer, David Savarese, and former SIRC CFO, James DiPrima. Savarese has recently amended his complaint to include claims against SIRC for, among other things, breach of contract. The parties reached preliminary settlement terms on May 18, 2022. On August 5, 2022, James DiPrima was issued 361,936 shares of common stock as a settlement consideration. The shares were valued \$72,387 based on stock price on May 18, 2022. These shares were subsequently issued in settlement of the lawsuit, see Note 17 below.

NOTE 17 - SUBSEQUENT EVENTS

In accordance with ASC 855-10 management has performed an evaluation of subsequent events through August 22, 2022, the date that the financial statements were available to be issued, and noted the following:

In August 2022, the Company issued 30,301,221 shares of common stock as follows:

- 350,000 shares of common stock for consideration for zero interest on promissory notes valued \$133,965.
- 3,315,000 shares of common stock for cash of \$594,540.
- 361,936 shares of common stock for settlement of lawsuit valued \$72,387.
- 1,200,000 shares of common stock for employee's compensation valued \$252,000.
- 25,074,285 shares of common stock for consideration for convertible debt valued \$1,755,200.

On July 29, 2022, the Company received a loan from Agile Capital Funding LLC for \$700,000 to be repaid with weekly payments of \$36,000 each.