

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

### **MC Endeavors, Inc.**

6 Journey Suite 100

Aliso Viejo, CA 92656

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Telephone 949-448-0074

Website: [www.CbdLiquidLabs.com](http://www.CbdLiquidLabs.com)

Email: [info@cbdLiquidLabs.com](mailto:info@cbdLiquidLabs.com)

SIC code: 3999

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

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

606,791,689

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

606,791,689

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

588,402,952

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

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

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

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

No name changes in the past five years.

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):

MC Endeavors, Inc. was originally incorporated on May 22, 2001 as Mees Masonry Corporation.  
On October 18, 2010 the Company changed names to MC Endeavors, Inc.  
Current Standing in Nevada is Active

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

None

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

None

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

6 Journey Suite 100  
Aliso Viejo CA 92656

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

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

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

Yes: ☐ No: ☒

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

N/A

**2) Security Information**

Trading symbol: MSMY  
Exact title and class of securities outstanding: Common  
CUSIP: 552681108  
Par or stated value: \$0.001

Total shares authorized: 1,000,000,000 as of date: December 31, 2021  
Total shares outstanding: 606,791,689 as of date: December 31, 2021

Number of shares in the Public Float<sup>2</sup>: 488,801,618 as of date: December 31, 2021  
Total number of shareholders of record: 55 as of date: December 31, 2021

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

Trading symbol: N/A  
Exact title and class of securities outstanding: Preferred Stock  
CUSIP: N/A  
Par or stated value: \_\_\_\_\_  
Total shares authorized: 30,000,001 as of date: December 31, 2021  
Total shares outstanding: 20,000,001 as of date: December 31, 2021

#### Transfer Agent

Name: Action Stock Transfer  
Phone: 801-274-1088  
Email: action@actionstocktransfer.com  
Address: 2469 E Fort Union Blvd #214, Salt Lake City, UT 84121

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

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

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

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

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2018</u> Common: <u>510,739,837</u> Preferred: <u>20,000,001</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

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

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

<u>03/11/2019</u>	<u>New Issuance</u>	<u>1,500,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$2,625 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>03/18/2019</u>	<u>New Issuance</u>	<u>10,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$17,500 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>03/21/2019</u>	<u>New Issuance</u>	<u>20,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$35,000 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>04/02/2019</u>	<u>New Issuance</u>	<u>33,500,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$58,625 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>05/30/2019</u>	<u>New Issuance</u>	<u>24,000,000</u>	<u>Common</u>	<u>\$0.0026</u>	<u>No</u>	<u>Mountaintop Investments Intl. - controlled by Mike L Orlando</u>	<u>Shares issued for consulting services</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>06/21/2019</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$61,250 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>07/24/2019</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$61,250 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>08/20/2019</u>	<u>Cancellation</u>	<u>31,336,885</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>08/20/2019</u>	<u>Cancellation</u>	<u>20,000,000</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>08/20/2019</u>	<u>Cancellation</u>	<u>20,000,000</u>	<u>Preferred</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>08/27/2019</u>	<u>New Issuance</u>	<u>10,000,000</u>	<u>Preferred</u>	<u>\$0.04</u>	<u>No</u>	<u>Steven Mazurek</u>	<u>51% of Equity of Eclipse Liquids, LLC</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>09/12/2019</u>	<u>Cancellation</u>	<u>45,000,000</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>11/20/2019</u>	<u>New Issuance</u>	<u>45,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>Continuation Capital Inc. - controlled by Paul Winkle</u>	<u>\$78,750 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>11/22/2019</u>	<u>New Issuance</u>	<u>25,000,000</u>	<u>Common</u>	<u>\$0.00175</u>	<u>No</u>	<u>GPI Ventures LLC -</u>	<u>\$43,750 cash received on issuance</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>02/05/2020</u>	<u>New Issuance</u>	<u>10,000,000</u>	<u>Preferred</u>	<u>\$0.02</u>	<u>No</u>	<u>Steven Mazurek</u>	<u>49% of Equity of Eclipse Liquids, LLC</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>

<u>02/12/2020</u>	<u>Cancellation</u>	<u>10,000,000</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>02/12/2020</u>	<u>Cancellation</u>	<u>10,000,000</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>02/12/2020</u>	<u>Cancellation</u>	<u>35,000,000</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
<u>8/4/2021</u>	<u>New Issuance</u>	<u>12,781,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>Yes</u>	<u>Carey W. Cooley</u>	<u>Debt Conversion</u>	<u>Unrestricted</u>	<u>Sections 3(a)(9) &amp; 4(a)(1) of 1933 Act</u>
<u>8/5/2021</u>	<u>New Issuance</u>	<u>1,666,667</u>	<u>Common</u>	<u>\$0.015</u>	<u>Yes</u>	<u>Steven Mazurek</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/5/2021</u>	<u>New Issuance</u>	<u>1,333,333</u>	<u>Common</u>	<u>\$0.015</u>	<u>Yes</u>	<u>Ashley Mazurek</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/5/2021</u>	<u>New Issuance</u>	<u>1,000,000</u>	<u>Common</u>	<u>\$0.015</u>	<u>Yes</u>	<u>Luke Vanderbloomen</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/5/2021</u>	<u>New Issuance</u>	<u>1,000,000</u>	<u>Common</u>	<u>\$0.015</u>	<u>Yes</u>	<u>Andrew Sitar</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/5/2021</u>	<u>New Issuance</u>	<u>1,000,000</u>	<u>Common</u>	<u>\$0.015</u>	<u>Yes</u>	<u>Eric Vanderbloomen</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/6/2021</u>	<u>New Issuance</u>	<u>121,875</u>	<u>Common</u>	<u>\$0.016</u>	<u>Yes</u>	<u>Adriana Angulo</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/6/2021</u>	<u>New Issuance</u>	<u>21,875</u>	<u>Common</u>	<u>\$0.016</u>	<u>Yes</u>	<u>Esteban Mercado</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/6/2021</u>	<u>New Issuance</u>	<u>88,235</u>	<u>Common</u>	<u>\$0.170</u>	<u>Yes</u>	<u>D'Undre Byrd</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/6/2021</u>	<u>New Issuance</u>	<u>22,024</u>	<u>Common</u>	<u>\$0.170</u>	<u>Yes</u>	<u>David Hedden</u>	<u>Employee Compensation (ESOP)</u>	<u>Restricted</u>	<u>Section 4(a) (2)</u>
<u>8/11/2021</u>	<u>Cancellation</u>	<u>-646,272</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>Shares cancelled and returned to treasury stock</u>	<u>N/A</u>	<u>N/A</u>
Shares Outstanding on Date of This Report:									
<u>Ending Balance</u>									
<u>Ending Balance:</u>									
Date <u>12/31/2021</u> Common: <u>606,791,689</u>									
Preferred: <u>20,000,001</u>									

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

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

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

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
<u>09/19/17</u>	<u>25.250</u>	<u>25.250</u>	<u>0</u>	<u>09/18/18</u>	<u>The Holder may convert Promissory note at \$1 per share with Company achieving a \$20,000,000 market Cap.</u>	<u>International Venture Society, LLC</u>	<u>Loan</u>
<u>11/22/17</u>	<u>15.000</u>	<u>15.000</u>	<u>5.108</u>	<u>02/20/18</u>	<u>The lender may convert the Promissory note at a discount rate of 50% based on the weighted 5 days average of market price prior to closing of this agreement.</u>	<u>Travis Riley</u>	<u>Loan</u>
<u>03/23/18</u>	<u>16.000</u>	<u>16.000</u>	<u>4.502</u>	<u>09/23/18</u>	<u>The holder may convert Promissory note of the Company's common stock of at \$0.0065 per share.</u>	<u>Slingshot Marketing Solutions</u>	<u>Loan</u>
<u>05/21/18</u>	<u>15.000</u>	<u>25.000</u>	<u>3.812</u>	<u>11/17/18</u>	<u>The holder may convert Promissory note at the maturity date at a discount rate of 50% to the previous five day average closing bid price per share with a maximum conversion price of \$5 per share.</u>	<u>Joan Pedicini</u>	<u>Loan</u>
<u>09/19/18</u>	<u>25.000</u>	<u>25.000</u>	<u>2.704</u>	<u>09/19/19</u>	<u>The holder may convert the Promissory note, 365 days from the date of execution of this Promissory Note, into shares of the Company's common stock at a 50% discount to the previous five days average closing bid price per share with a minimum floor rate of \$0.00303 per share.</u>	<u>Nancy Linko</u>	<u>Loan</u>
<u>11/01/19</u>	<u>50.000</u>	<u>50.000</u>	<u>5,000</u>	<u>11/01/21</u>	<u>The holder may convert the Promissory note, into shares of the Company's common stock at a 20% discount to the previous thirty days average closing bid price per share.</u>	<u>Greg Mazurek</u>	<u>Loan</u>

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

#### 4) Financial Statements

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

- ☒ U.S. GAAP  
☐ IFRS

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

Name: **Steven Mazurek**  
Title: **Chief Executive Officer**  
Relationship to Issuer: **Executive Director**

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

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

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

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

**The unaudited consolidated financial statements as of and for the year ended December 31, 2021 are included at the end of this annual report on pages 11 through 24.**

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")

MC Endeavors dba Eclipse Liquids LLC is located in Aliso Viejo, California and is the parent company of CBD Liquid Labs. Eclipse Liquids provides clients with turnkey CBD product production services including R&D, component sourcing, custom formulation, brand and labels design, label printing, contract and wholesale, custom private label manufacturing and lab certified 3rd party testing to ensure a full service, one stop shop experience.

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

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

CBD Liquid Labs is a division of Eclipse Liquids LLC

C. Describe the issuers' principal products or services.

Eclipse Liquids brings CBD product manufacturing solutions to a breadth of markets, including consumer health and wellness, personal care and cosmetics, pharmaceuticals and nutraceuticals, pets, sports, lifestyle fitness and e-liquid tobacco; helping customers introduce innovative products, reduce their time to market, and enhance their overall competitiveness of their CBD product line.

## 6) Issuer's Facilities

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

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

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

Eclipse Liquids, LLC leases industrial space at 6 Journey Ste. 100, Aliso Viejo, CA 92656. The space includes a full custom production lab with manufacturing and bottling equipment, design and print department and general offices.

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

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

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

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Steven Mazurek</u>	<u>CEO</u>	<u>Laguna Niguel, CA</u>	<u>1</u>	<u>Special Preferred A 2017</u>	<u>100%</u>	
<u>Steven Mazurek</u>	<u>CEO</u>	<u>Laguna Niguel, CA</u>	<u>20,000,000</u>	<u>Series A Preferred</u>	<u>67%</u>	
<u>Steven Mazurek</u>	<u>CEO</u>	<u>Laguna Niguel, CA</u>	<u>1,941,667</u>	<u>Common</u>	<u>0.32%</u>	
<u>Ashley Mazurek</u>	<u>CMO</u>	<u>Laguna Niguel, CA</u>	<u>1,333,333</u>	<u>Common</u>	<u>0.22%</u>	
<u>Luke Vanderbloemen</u>	<u>COO</u>	<u>Rancho Santa Margarita, CA</u>	<u>1,350,000</u>	<u>Common</u>	<u>0.22%</u>	



## 8) Legal/Disciplinary History

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

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

None

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

None

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

None

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.

None

## 9) Third Party Providers

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

### Securities Counsel

Name:	<u>Udo Ekekeulu, Esq.</u>
Firm:	<u>Alpha Advocate Law Group PC</u>
Address 1:	<u>11432 South Street, #373</u>
Address 2:	<u>Cerritos, CA 90703</u>
Phone:	<u>310-866-6018</u>
Email:	<u>alphaadvocatelaw@gmail.com</u>

### Accountant or Auditor

None

### Investor Relations

None

Other Service Providers

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

None

**10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Steven Mazurek, certify that:

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

Date: 8/24/2022

By: /s/ Steven Mazurek, CEO

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

*Principal Financial Officer:*

I, Steven Mazurek, certify that:

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

Date: 8/24/2022

By: /s/ Steven Mazurek, CFO

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

# **MC Endeavors, Inc.**

## **Annual Report**

**For the Period Ended: December 31, 2021**

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**MC Endeavors, Inc.**  
**Consolidated Balance Sheets**  
**(Unaudited)**

	December 31, 2021	December 31, 2020
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ (2,766)	\$ 86,340
Accounts Receivable	\$ 38,552	\$ -
Inventory	\$ 92,233	\$ 71,439
Total Current Assets	\$ 128,019	\$ 157,779
Non-current Assets		
Fixed Assets	\$ 857,828	\$ 1,098,882
Goodwill	\$ 233,861	\$ 233,861
Total Non-current Assets	\$ 1,091,689	\$ 1,332,743
<b>TOTAL ASSETS</b>	<b>\$ 1,219,708</b>	<b>\$ 1,490,522</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIENCY</b>		
Current Liabilities		
Accounts Payable and Accrued Liabilities	\$ 256,864	\$ 212,578
Accrued Interest	\$ -	\$ -
Credit Card Debt	\$ 85,825	\$ 78,719
Convertible Notes Payable - current	\$ 96,250	\$ 106,250
Loans Payable - current	\$ -	\$ -
Lease Liability	\$ 742,096	\$ 973,644
Other Current liabilities	\$ 274,152	\$ 65,482
Total Current Liabilities	\$ 1,455,186	\$ 1,436,673
Long Term Liabilities		
Convertible Notes Payable - non-current	\$ 50,000	\$ 50,000
Loans Payable - non-current	\$ 306,989	\$ 426,052
Total Long Term Liabilities	\$ 356,989	\$ 476,052
<b>TOTAL LIABILITIES</b>	<b>\$ 1,812,176</b>	<b>\$ 1,912,724</b>

Stockholders' Deficit

Preferred Stock: 30,000,000 authorized; \$0.001 par value

20,000,000 and 10,000,000 Series A Preferred shares issued and outstanding, respectively	\$ 20,000	\$ 20,000
Special 2017 Series A Preferred Stock: 1 share authorized; \$0.001 par value		
1 Special 2017 Series A Preferred share issued and outstanding, respectively	\$ -	\$ -
Common Stock: 1,000,000,000 shares authorized; \$0.001 par value		
606,791,689 and 588,402,952 shares issued, respectively	\$ 606,792	\$ 588,403
Additional Paid-in Capital	\$ 212,777	\$ 212,777
Stock Subscription Receivable	\$ -	\$ -
Accumulated Deficit	\$ (1,432,037)	\$ (1,243,382)
Total Stockholders' Equity (Deficit)	\$ (592,468)	\$ (422,201)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY</b>	<b>\$ 1,219,708</b>	<b>\$ 1,490,523</b>

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

**MC Endeavors, Inc.**  
**Consolidated Statements of Operations**  
**(Unaudited)**

	Year Ended December 31,	
	2021	2020
<b>Revenues</b>	\$ 1,436,564	\$ 1,484,095
Cost of Goods Sold	\$ 548,224	\$ 571,731
Gross Profit	\$ 888,340	\$ 912,364
<b>Operating Expenses</b>		
General and administration	\$ 855,966	\$ 814,255
Stock based compensation	\$	\$
Rent Expense	\$ 233,867	\$ 222,704
Professional fees	\$ 31,044	\$ 36,318
Total operating expenses	\$ 1,120,878	\$ 1,073,277
<b>Net operating income (loss)</b>	\$ (232,538)	\$ (160,913)
<b>Other income (expense)</b>		
Interest expense	\$ (134,830)	\$ (38,145)
Loan Forgiveness PPP	\$ 196,442	\$
Sale of assets	\$ -	\$ 5,000
Total other income (expense)	\$ 61,612	\$ (33,145)
<b>Net Income (Loss) Before Taxes</b>	\$ (170,925)	\$ (194,058)
Taxes	\$ 17,730	\$ 17,321
<b>Net Income (Loss)</b>	\$ (188,655)	\$ (211,379)
Less: Net loss attributable to noncontrolling interests	\$ -	\$ -
<b>Net Income (Loss) Attributed to Shareholders</b>	\$ (188,655)	\$ (211,379)
Net Loss Per Common Share – Basic and Diluted	\$ (0.0003)	\$ (0.0004)
<b>Weighted Average Common Shares Outstanding</b>	596,745,127	594,784,167

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

**MC Endeavors, Inc.**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

	Year Ended December 31,	
	2021	2020
<b>Cash Flows from Operating Activities:</b>		
Net income (loss)	\$ (188,655)	\$ (211,379)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	\$ 13,456	\$ 10,985
Equipment purchase	\$ -	\$ -
Accounts receivable	\$ (38,552)	\$ (13,386)
Changes in operating assets and liabilities:		
Accounts payable	\$ 143,792	\$ 49,840
Inventory	\$ 5,790	\$ (36,613)
Accrued interest	\$ -	\$ -
Accrued liabilities	\$ 66,076	\$ 119,842
Net Cash Provided by (Used in) Operating Activities	\$ 1,906	\$ (80,712)
<b>Cash Flows from Investing Activities:</b>		
Acquisition of subsidiary	\$ -	\$ -
Purchase of property and equipment	\$ (3,950)	\$ (35,231)
Lending of money	\$ -	\$ -
Net Cash Used in Investing Activities	\$ (3,950)	\$ (35,231)
<b>Cash Flows from Financing Activities:</b>		
Repayment of note payable - related party	\$ -	\$ -
Loan from related party	\$ 2,001	\$ 1,318
Proceeds from loans payable	\$ 339,515	\$ 214,767
Proceeds from convertible notes	\$ -	\$ -
Repayment of convertible notes	\$ -	\$ -
Repayment of loans payable	\$ (428,578)	\$ (35,283)
Proceeds from issuance of common stock	\$ -	\$ -
Payment of lease liability	\$ -	\$ -
Purchase of treasury stock	\$ -	\$ -
Net Cash Provided by (Used in) Financing Activities	\$ (87,062)	\$ 180,802
<b>Net Change in Cash and Cash Equivalents</b>	\$ (89,105)	\$ 64,859
Cash and cash equivalents, beginning of period	\$ 86,340	\$ 21,480
Cash and cash equivalents, end of period	\$ (2,766)	\$ 86,339

Supplemental Disclosure Information:

Cash paid for interest	\$ 134,830	\$ 38,145
Cash paid for taxes	<u>\$ 17,730</u>	<u>\$ 17,321</u>

Non-Cash Disclosure:

Conversion of notes payable into shares of common stock	<u>\$ 12,781</u>	<u>\$ -</u>
Issuance of common stock to employees - ESOP	<u>\$ 6,254</u>	<u>\$ -</u>
Loan Receivable Forgiven	<u>\$ (196,442)</u>	<u>\$ -</u>
Common and preferred stock canceled	<u>\$ 646</u>	<u>\$ 55,000</u>

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



**MC Endeavors, Inc.**  
**Statement of Changes in Stockholders' Equity (Deficiency)**  
**(Unaudited)**

	Common Stock		Preferred Stock		Special 2017 Series A Preferred Stock		Additional Paid-In Capital	Subscription Receivable	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount				
<b>Balance at December 31, 2018</b>	510,739,837	\$ 510,740	20,000,000	\$ 20,000	1	\$ -	\$ 20,627	\$ -	\$ (694,206)	\$ (142,839)
Issuance of common stock for cash	205,000,000	\$ 205,000	-	\$ -	-	\$ -	\$ 153,750	\$ -	\$ -	\$ 358,750
Issuance of common stock for services	24,000,000	\$ 24,000	-	\$ -	-	\$ -	\$ 38,400	\$ -	\$ -	\$ 62,400
Issuance of preferred stock to acquire Eclipse Liquids	-	\$ -	10,000,000	\$ 10,000	-	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Cancellation of common stock	(96,336,885)	\$ (96,337)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ (96,337)
Cancellation of preferred stock	-	\$ -	(20,000,000)	\$ (20,000)	-	\$ -	\$ -	\$ -	\$ -	\$ (20,000)
Net loss	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (337,797)	\$ (337,797)
<b>Balance at December 31, 2019</b>	643,402,952	\$ 643,403	10,000,000	\$ 10,000	1	\$ -	\$ 212,777	\$ -	\$ (1,032,003)	\$ (165,823)
Issuance of common stock for cash	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of common stock for services	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of preferred stock to acquire Eclipse Liquids	-	\$ -	10,000,000	\$ 10,000	-	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Cancellation of common stock	(55,000,000)	\$ (55,000)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ (55,000)
Cancellation of preferred stock	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Net loss	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (211,379)	\$ (211,379)
<b>Balance at December 31, 2020</b>	588,402,952	\$ 588,403	20,000,000	\$ 20,000	1	\$ -	\$ 212,777	\$ -	\$ (1,243,382)	\$ (422,201)
Conversion of notes payable into shares of common stock	12,781,000	\$ 12,781	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ 12,781
Issuance of common stock to employees - ESOP	6,254,009	\$ 6,254	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ 6,254
Cancellation of common stock	(646,272)	\$ (646)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ (646)
Net loss	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (188,655)	\$ (188,655)
<b>Balance at December 31, 2021</b>	606,791,689	\$ 606,792	20,000,000	\$ 20,000	1	\$ -	\$ 212,777	\$ -	\$ (1,432,037)	\$ (592,468)

## **MC Endeavors, Inc.**

### **Notes to Consolidated Financial Statements (Prepared by Management)**

#### **NOTE 1 – ORGANIZATION AND BUSINESS**

##### **Organization and Operations**

MC Endeavors, Inc. (the "Company") was incorporated in the State of Nevada on May 22, 2001, Eclipse Liquids, LLC ("Eclipse"), its wholly owned subsidiary, was incorporated in California on January 1, 2017, CBD Liquid Labs was formed January 1, 2018 as a division of Eclipse.

On August 27, 2019, the Company entered into the share exchange agreement by and between the Company and Eclipse Liquids, LLC, a California corporation ("Eclipse"), which agreement provides for the purchase of 51% of the equity by the Company. The purchase price for 51% of Eclipse shares is 10 million Series A preferred shares with conversion rights to 100 million common shares of the Company.

On February 5, 2020, the Company entered into the share exchange agreement by and between the Company and Eclipse Liquids, LLC, a California corporation ("Eclipse"), which agreement provides for the purchase of the remaining 49% of the equity by the Company. The purchase price for 49% of Eclipse shares is 10 million Series A preferred shares with conversion rights to 100 million common shares of the Company.

##### **Going Concern Matters**

The accompanying unaudited consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which contemplates the Company's continuation as a going concern. The Company has incurred an operating loss of \$188,655 during the year ending December 31, 2021 and had an accumulated deficit of \$1,432,037 as of December 31, 2021.

Management intends to raise additional operating funds through equity and/or debt offerings. However, there can be no assurance management will be successful in its endeavors.

There are no assurances that the Company will be able to either (1) achieve a level of revenues adequate to generate sufficient cash flow from operations; or (2) obtain additional financing through either private placement, public offerings and/or bank financing necessary to support its working capital requirements. To the extent that funds generated from operations and any private placements, public offerings and/or bank financing are insufficient, the Company will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on terms acceptable to the Company. If adequate working capital is not available to the Company, it may be required to curtail or cease its operations. Due to uncertainties related to these matters, there exists a substantial doubt about the ability of the Company to continue as a going concern. The accompanying unaudited consolidated financial statements do not include any adjustments related to the recoverability or classification of asset-carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of Presentation**

The consolidated financial statements and related disclosures have been prepared by management and are unaudited. The unaudited consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles ("GAAP") of the United States..

## **Consolidation Policy**

For December 31, 2021, the unaudited consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiary, Eclipse Liquids, LLC and its CBD Liquid Labs division. All significant intercompany balances and transactions have been eliminated in consolidation.

## **Use of Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions about collection of accounts and notes receivable, the valuation and recognition of stock-based compensation expense, the valuation and recognition of derivative liability, valuation allowance for deferred tax assets and useful life of fixed assets.

## **Cash and cash equivalents**

Cash equivalents are short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired. As of December 31, 2021, and December 31, 2020, the Company had \$-2,766 and \$86,340 in cash and cash equivalents, respectively.

## **Inventory**

Inventories are valued at the lower of cost (determined on a weighted average basis) or market. Management compares the cost of inventories with the market value and allowance is made to write down inventories to market value, if lower.

## **Goodwill**

We allocate 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 through the use of 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.

## **Revenue recognition**

Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company derives its revenues from the rendering of business brand services, such as formulation development, graphic design and sourcing services in addition to the development and manufacturing of retail ready products. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements:

- identify the contract with a customer;

- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to performance obligations in the contract; and
- recognize revenue as the performance obligation is satisfied.

Revenues from the products and services rendered are recognized in proportion to the products and services delivered.

Any amount receivable or received, but unrecognized for revenue recognition purpose is recorded as deferred revenues.

### **Share-Based Expense**

ASC 718, "Compensation – Stock Compensation," prescribes accounting and reporting standards for all share based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expenses in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, "Equity – Based Payments to Non-Employees." Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

Share-based expenses totaled \$0, for the years ending December 31, 2021 and 2020, respectively.

### **Loss per Share Calculations**

Basic earnings (loss) per share is computed by dividing income available to common shareholders by the weighted- average number of common shares available. Diluted earnings per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted EPS excludes all dilutive potential common shares if their effect is antidilutive. During the three months ended December 31, 2021, there were conversion privileges attached to convertible promissory notes payable. The common share equivalents of these securities have not been included in the calculations of loss per share because such inclusions would have an anti-dilutive effect as the Company has incurred losses during the year ending December 31, 2021.

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

As defined in ASC 820 "Fair Value Measurements," fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observability of those inputs. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

### **Lease**

Effective January 1, 2019, we adopted ASC 842, Leases ("ASC 842"). Operating lease right-of-use ("ROU") assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. Leases with a

lease term of 12 months or less at inception are not recorded on our consolidated balance sheet and are expensed on a straight-line basis over the lease term in our consolidated statement of income.

### Recently Issued Accounting

Standards Management has considered all recent accounting pronouncements issued since the last audit of our financial statements. The Company's management believes that these recent pronouncements will not have a material effect on the Company's financial statements.

## NOTE 3. ACQUISITION

On August 27, 2019, the Company entered into the share exchange agreement by and between the Company and Eclipse Liquids, LLC, a California corporation (the "Eclipse"), which agreement provides for the purchase of 51% of the equity by the Company for a consideration of 10 million Series A preferred share with conversion rights to 100 million common shares of the Company valued at \$400,000.

On February 5, 2020, the Company entered into the share exchange agreement by and between the Company and Eclipse Liquids, LLC, a California corporation (the "Eclipse"), which agreement provides for the purchase of 49% of the remaining equity by the Company for a consideration of 10 million Series A preferred share with conversion rights to 100 million common shares of the Company valued at \$200,000.

Eclipse has been included in our consolidated results of operations since their respective acquisition dates.

The following table summarizes the identifiable assets and liabilities assumed upon acquisition of Eclipse and the calculation of goodwill:

	2/5/2020	8/27/2019
Total Purchase Price	\$ 200,000	\$ 400,000
Cash and Cash Equivalents	\$ 62,253	\$ 9,625
Net Receivables	\$ -	\$ -
Inventory	\$ 42,859	\$ 16,107
Fixed Assets	\$ 155,622	\$ 99,371
Total Identifiable Assets	\$ 260,734	\$ 125,104
Accounts Payable and Accrued Liabilities	\$ (75,613)	\$ (38,563)
Lease Liability	\$ (68,839)	\$ (79,733)
Loans Payable - Current	\$ (123,595)	\$ (60,483)
Loans Payable - Non-current	\$ (98,773)	\$ (47,824)
Total Liabilities Assumed	\$ (366,820)	\$ (226,603)
Net Assets (Liabilities)	\$ (106,086)	\$ (101,500)
Non-controlling Interest	\$ (72,225)	\$ (72,225)
Total Net Assets (Liabilities)	\$ (33,861)	\$ (29,275)
<b>TOTAL GOODWILL</b>	<b>\$ 233,861</b>	<b>\$ 429,275</b>

#### NOTE 4. LOAN RECEIVABLE

On September 24, 2019, the Company entered into an exclusive agreement with CBDOS Moapa Valley ("MV"). The Company will exclusively provide resources, funding for the production and cultivation of Industrial Hemp on the Farm. The agreement is for 3 years. The Company will capitalize a total sum of \$226,000, and the payments will be fragmented into three payments as follows;

1. September 1, 2019, the Company transferred \$75,000
2. October 1, 2019, the Company will transfer \$75,000
3. November 1, 2019, the Company will transfer \$75,000

On October 1, 2019, MV defaulted on the agreement and MSKY did pursue legal action in order to recover initial loaned capital of \$75,000 and still ongoing. The \$75,000 loan receivable has been since classified as Bad Debt on company books.

As of December 31, 2021 and December 31, 2020, the Company recorded loan receivable of \$0.

#### NOTE 5. FIXED ASSETS

Fixed asset expenditures are recorded at cost. Costs which extend the useful lives or increase the productivity of the assets are capitalized, while normal repairs and maintenance that do not extend the useful life or increase the productivity of the asset are expensed as incurred. Equipment is depreciated on the straight-line method over the estimated useful lives of the assets. Machinery, equipment and vehicles are depreciated on a straight-line basis over 10 years and furnishings are depreciated on a straight-line basis over 5 years.

The following table summarizes components of fixed assets at December 31, 2021 and December 31, 2020:

	<u>December 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Furniture and Equipment	\$ 3,950	\$ -
Machinery And Equipment	\$ 155,096	\$ 155,096
Vehicle	\$ -	\$ -
Leaseholder Improvements	\$ -	\$ -
Total fixed assets	\$ 159,046	\$ 155,096
ROU Asset	\$ 742,096	\$ 973,644
Accumulated Depreciation	\$ (43,314)	\$ (29,858)
<b>NET FIXED ASSETS</b>	<b>\$ 857,828</b>	<b>\$ 1,098,882</b>

Depreciation expenses at December 31, 2021 and December 31, 2020 amounted to \$43,314 and \$29,858, respectively.

During the years ending December 31, 2021 and 2020, the Company purchased fixed assets of \$35,008 and \$0, respectively. As of December 31, 2021, the Company had both Lease Liability and ROU asset of \$742,096.

## NOTE 6. CONVERTIBLE NOTES PAYABLE

As of December 31, 2021 and December 31, 2020, notes payable consisted of the following table.

	December 31, 2021	December 31, 2020
Dated June 07,2017	\$ -	\$ 10,000
Dated September 19,2017	\$ 25,250	\$ 25,250
Dated November 22,2017	\$ 15,000	\$ 15,000
Dated March 23,2018	\$ 16,000	\$ 16,000
Dated May 21,2018	\$ 15,000	\$ 15,000
Dated September 19,2018	\$ 25,000	\$ 25,000
Dated November 01,2019	\$ 50,000	\$ 50,000
Total Convertible Notes Payable	\$ 156,250	\$ 156,250

## NOTE 7. LOANS PAYABLE

As of December 31, 2021 and December 31, 2020, loans payable consisted of the following table.

	December 31, 2020	December 31, 2020
SBA First Home Bank - 6.5% interest and due on March 2027	\$ 89,795	\$ 104,957
Kabbage LOC - 16.5% interest and due August 2023	\$ 63,653	\$ 92,959
Kapitus Advance - 0% interest	\$ -	\$ 135,194
Kapitus Renewal - 0% interest done September 2022	\$ 91,810	\$ -
Legend Funding Advance	\$ 25,355	\$ -
Funding Metrics Advance	\$ 36,376	\$ -
PPP Cares Act - 0% interest and due TBD	\$ -	\$ 92,942
PPP Cares Act - 0% interest and due TBD	\$ -	\$ -
	<b>\$ 306,989</b>	<b>\$ 426,052</b>

For the years ending December 31, 2021 and 2020, the Company recognized interest expenses of \$134,830 and \$38,145, respectively.

## **NOTE 8. STOCKHOLDERS' DEFICIT**

### ***Preferred Stock***

The Company is authorized to issue 30,000,000 shares of Series A Preferred Stock at a par value of \$0.001 and 1 share of Special 2017 Series A Preferred Stock at a par value of \$0.001.

During the year ending December 31, 2021, 0 shares of Series A Preferred Stock were issued.

During the year ending December 31, 2021, 0 shares of Special 2017 Series A Preferred Stock were issued.

### ***Common Stock***

The Company is authorized to issue 1,000,000,000 shares of common stock at a par value of \$0.001.

During the year ending December 31, 2021, the Company issued 19,035,009 shares of common stock.

## **NOTE 9. COMMITMENT**

In April 2016, the Eclipse entered into a rental agreement from April 2016 through May 2020 with a monthly payment of \$17,061. The Company recorded ROU asset and lease liability of \$86,805 as of December 31, 2019.

In May 2020, the Eclipse entered into a rental agreement from May 2020 through June 2025 with a monthly payment of \$17,435. As of December 31, 2021 and December 31, 2020, the Company recorded ROU asset and lease liability of \$742,096 and \$973,644, respectively.

## **NOTE 10. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 17, 2022. Based on our evaluation no material events have occurred that require disclosure.