Maison Luxe, Inc. and Subsidiary

Consolidated Balance Sheets

	September 30, 2022 (Unaudited)	March 31, 2022 (Unaudited)
Assets		
Current Assets		
Cash	$ 92,270	$ 402,596
Accounts receivable	278,350	170,400
Inventory	1,783,839	2,673,490
Prepaid expenses	37,000	7,00(
Total Current Assets	2,191,459	3,253,486
Investments	282,700	265,000
Total Assets	$ 2,474,159	$ 3,518,486
Liabilities and Stockholders' Deficit		
Current Liabilities		
Accounts payable and accrued expenses	$ 1,376,537	$ 1,226,243
Derivative liabilities	895,153	953,437
Convertible notes payable - net	1,131,900	1,010,233
Notes payable	1,336,000	1,326,00(
Total Current Liabilities	4,739,590	4,515,913
Commitments and Contingencies		
Stockholders' Deficit		
Preferred stock, $0.00001 par value, 5,000,000 shares authorized 2,000,000 shares issued and outstanding, respectively	20	20
Common stock, $0.00001 par value, 500,000,000 shares authorized 121,153,403 and 7,840,903 shares issued and outstanding, respectively	1,212	78
Common stock issuable	-	4
Common stock returnable	(30,000)	
Additional paid-in capital	8,800,915	4,272,045
Accumulated deficit	(11,037,578)	(5,269,574)
Total Stockholders' Deficit	(2,265,431)	(997,427)
Total Liabilities and Stockholders' Deficit	$ 2,474,159	$ 3,518,486

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

Maison Luxe, Inc. and Subsidiary

Consolidated Statements of Operations

(Unaudited)

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	For the Six Months Ended September 30, 2021
Sales	$ 3,711,167	$ 2,713,405	$ 5,229,617	$ 5,653,337
Cost of sales	4,333,295	3,850,773	5,799,403	6,662,313
Gross loss	(622,128)	(1,137,368)	(569,786)	(1,008,976)
General and administrative expenses	336,571	249,169	4,978,613	569,096
Loss from operations	(958,699)	(1,386,537)	(5,548,399)	(1,578,072)
Other income (expense)				
Amortization of debt discount	(62,500)	-	(141,667)	-
Change in fair value of derivative liabilities	105,710	-	58,284	-
Interest expense	(69,068)	(60,642)	(136,222)	(179,143)
Total other expense - net	(25,858)	(60,642)	(219,605)	(179,143)
Net loss	$ (984,557)	$ (1,447,179)	$ (5,768,004)	$ (1,757,215)
Loss per share - basic and diluted	$ (0.01)	$ (0.19)	$ (0.05)	$ (0.23)
Weighted average number of shares - basic and diluted	96,254,837	7,780,468	120,990,360	7,640,160

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

Maison Luxe, Inc. and Subsidiary
Consolidated Statements of Changes in Stockholders' Deficit
For the Three and Six Months Ended September 30, 2022
(Unaudited)

	Preferred Stock		Common Stock		Common Stock Issuable		Common Stock Returnable		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
March 31, 2022 (Unaudited)	**2,000,000**	**$ 20**	**7,840,903**	**$ 78**	**312,500**	**$ 4**	**-**	**$ -**	**$ 4,272,045**	**$ (5,269,574)**	**$ (997,427)**
Common stock issued for cash	-	-	25,000,000	250	-	-	-	-	249,750	-	250,000
Common stock issued for services	-	-	10,000,000	100	-	-	-	-	499,900	-	500,000
Common stock issued for services - related parties	-	-	75,000,000	750	-	-	-	-	3,749,250	-	3,750,000
Issuance of common stock issuable	-	-	312,500	4	(312,500)	(4)	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	-	-	(4,783,447)	(4,783,447)
June 30, 2022 (Unaudited)	2,000,000	20	118,153,403	1,182	-	-	-	-	8,770,945	(10,053,021)	(1,280,874)
Common stock issued for cash	-	-	3,000,000	30	-	-	(3,000,000)	(30,000)	29,970	-	-
Net loss	-	-	-	-	-	-	-	-	-	(984,557)	(984,557)
September 30, 2022 (Unaudited)	**2,000,000**	**$ 20**	**121,153,403**	**$ 1,212**	**-**	**$ -**	**(3,000,000)**	**$ (30,000)**	**$ 8,800,915**	**$ (11,037,578)**	**$ (2,265,431)**

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

Maison Luxe, Inc. and Subsidiary

Consolidated Statements of Changes in Stockholders' Equity
For the Three and Six Months Ended September 30, 2021
(Unaudited)

	Preferred Stock		Common Stock		Common Stock Issuable		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Equity (Deficit
March 31, 2021 (Unaudited)	**2,000,000**	**$ 20**	**7,059,903**	**$ 71**	**-**	**$ -**	**$ 3,240,412**	**$ (2,497,267)**	**$ 743,236**
Contributed capital - related party	-	-	-	-			235,000	-	235,000
Common stock issued for cash	-	-	701,000	7			525,743	-	525,750
Net loss	-	-	-	-			-	(310,036)	(310,036)
June 30, 2021 (Unaudited)	**2,000,000**	**20**	**7,760,903**	**78**	**-**	**-**	**4,001,155**	**(2,807,303)**	**1,193,950**
Common stock issued for services	-	-	40,000	-	125,000	1	118,437	-	118,438
Net loss	-	-	-	-	-	-	-	(1,447,179)	(1,447,179)
September 30, 2021 (Unaudited)	**2,000,000**	**$ 20**	**7,800,903**	**$ 78**	**125,000**	**$ 1**	**$ 4,119,592**	**$ (4,254,482)**	**$ (134,791)**

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

Maison Luxe, Inc. and Subsidiary
Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Months Ended September 30, 2022	2021
Operating activities		
Net loss	$ (5,768,004)	$ (1,757,215)
Adjustments to reconcile net loss to net cash used in operations		
Common stock issued for services	500,000	118,438
Common stock issued for services - related parties	3,750,000	-
Amortization of debt discount	141,667	-
Change in fair value of derivative liabilities	(58,284)	-
Changes in operating assets and liabilities		
Increase (decrease) in		
Accounts receivable	(107,950)	404,181
Inventory	889,651	(1,504,589)
Prepaid expenses	(30,000)	(6,338)
Accounts payable and accrued expenses	150,294	364,490
Deferred revenue	-	440,000
Net cash used in operating activities	(532,626)	(1,941,033)
Investing activities		
Purchases of investments	(17,700)	-
Investment in joint venture	-	(180,000)
Net cash provided by (used in) investing activities	(17,700)	(180,000)
Financing activities		
Proceeds from issuance of notes payable	10,000	1,160,600
Repayments on convertible notes payable	(20,000)	
Advances - related party	-	26,283
Repayments of advances - related party	-	-
Stock issuances for cash	250,000	525,750
Capital contribution by related party	-	235,00(
Net cash provided by financing activities	240,000	1,947,63:
Net increase (decrease) in cash	(310,326)	(173,400)
Cash - beginning of period	402,596	415,483
Cash - end of period	$ 92,270	$ 242,083
Supplemental disclosure of cash flow information		
Cash paid for interest	$	$
Cash paid for income tax	$	$
Supplemental disclosure of non-cash investing and financing activities		
Common stock returnable	$ 30,000	$ -

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

Note 1 - Organization and Nature of Operations

Maison Luxe, Inc. and Subsidiary (collectively, "we," "us," "our" or the "Company") offers highly desired luxury retail consumer item such as fine time pieces and jewelry segment both on wholesale and business to consumer basis.

The parent (Maison Luxe Inc.) and subsidiaries are organized as follows:

Company Name	Incorporation Date	State of Incorporation
Maison Luxe, Inc. ("Maison Luxe")	January 20, 2002	Nevada
Maison Luxe, LLC ("Maison Luxe")	May 11, 2020	Wyoming

Clikia Corp. (the "Company") was incorporated in 2002 in the State of Nevada, under the name "MK Automotive, Inc." The Company's corporate name changed to "Clikia Corp." in July 2017. From 2002 through 2015, the Company was engaged in the retail and commercial automotive diagnostic, maintenance, and repair services businesses, and, from December 2015 through January 2017, our company pursued the commercial exploitation of Squuak.com, a social media and content sharing tool and platform. In February 2017, the Company acquired Clikia Corp., a Louisiana corporation ("Clikia-LA"), a Baton Rouge, Louisiana-based "over-the-top", or OTT, video streaming service provider, and adopted the OTT video streaming business plan of Clikia-LA. In April 2019, the Company established a new business plan that calls for the establishment of a private jet charter service, aircraft maintenance operations, aircraft sales and brokerage operations and an online aircraft parts sales business. Ultimately, these business efforts were unsuccessful.

In April 2020, the Company experienced a change in control, and, in May 2020, the Company acquired all of the assets, including the going business (the "Maison Luxe Business"), of Maison Luxe, LLC, a Delaware limited liability. The Company's newly-formed, wholly-owned subsidiary, Maison Luxe, Inc., a Wyoming corporation, now owns and operates the Maison Luxe Business, which constitutes the entirety of the Company's business operations.

In 2021, the Company changed its name to Maison Luxe, Inc, and its trading symbol to MASN.

The ongoing COVID-19 global and national health emergency has caused significant disruption in the international and United States economies and financial markets. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The spread of COVID-19 has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in business activity and financial transactions, labor shortages, supply chain interruptions and overall economic and financial market instability. The COVID-19 pandemic has the potential to significantly impact the Company's supply chain, distribution centers, or logistics and other service providers.

In addition, a severe prolonged economic downturn could result in a variety of risks to the business, including weakened demand for products and services and a decreased ability to raise additional capital when needed on acceptable terms, if at all. As the situation continues to evolve, the Company will continue to closely monitor market conditions and respond accordingly. To date, the Company has not experienced any significant economic impact due to Covid-19.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

Liquidity, Going Concern and Management's Plans

These unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As reflected in the accompanying unaudited consolidated financial statements, for the six months ended September 30, 2022, the Company had:

• Net loss of $984,557; and
• Net cash used in operations was $532,626

Additionally, at September 30, 2022, the Company had:

• Accumulated deficit of $11,037,578
• Stockholders' deficit of $2,265,431; and
• Working capital deficit of $2,548,131

The Company has cash on hand of $92,270 at September 30, 2022. Although the Company intends to raise additional debt or equity capital, the Company expects to continue to incur significant losses from operations and have negative cash flows from operating activities for the near-term. These losses could be significant as merchandise sales revenues ramp up along with continuing expenses related to consulting, compensation, professional fees, and regulatory fees are incurred.

The Company has incurred significant losses since its inception and has not demonstrated an ability to generate sufficient revenues to achieve profitable operations. There can be no assurance that profitable operations will ever be achieved, or if achieved, could be sustained on a continuing basis. In making this assessment we performed a comprehensive analysis of our current circumstances including: our financial position, our cash flows and cash usage forecasts for the period ended September 30, 2023, and our current capital structure including equity-based instruments and our obligations and debts. The Company has satisfied its obligations from the issuance of both debt and equity; however, there is no assurance that such successful efforts will continue.

If the Company does not obtain additional capital, the Company will be required to reduce the scope of its business development activities or cease operations. The Company continues to explore obtaining additional capital financing sources and the Company is closely monitoring its cash balances, cash needs, and expense levels.

These factors create substantial doubt about the Company's ability to continue as a going concern within the twelve-month period subsequent to the date that these unaudited consolidated financial statements are issued. The unaudited consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Accordingly, the unaudited consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Management's strategic plans include the following:

- Pursuing additional capital raising opportunities (debt and/or equity),
- Continuing to develop core operations that will generate revenues,
- Explore and execute prospective partnering opportunities; and
- Identifying unique market opportunities that represent potential positive short-term cash flow.

Note 2 - Summary of Significant Accounting Policies

Principles of Consolidation

These unaudited consolidated financial statements have been prepared in accordance with U.S. GAAP and include the accounts of the Company and its majority owned subsidiary. All intercompany transactions and balances have been eliminated.

Business Segments

The Company uses the "management approach" to identify its reportable segments. The management approach requires companies to report segment financial information consistent with information used by management for making operating decisions and assessing performance as the basis for identifying the Company's reportable segments. The Company manages its business as one reportable segment. We do not have any property or equipment outside of the United States.

Risks and Uncertainties

The Company operates in an industry that is subject to intense competition and change in consumer demand. The Company's operations are subject to significant risk and uncertainties including financial and operational risks including the potential risk of business failure.

The Company has experienced, and in the future expects to continue to experience, variability in sales and earnings. The factors expected to contribute to this variability include, among others, (i) the cyclical nature of the industry, (ii) general economic conditions in the various local markets in which the Company competes, including a potential general downturn in the economy, and (iii) the volatility of prices in connection with the Company's distribution of the product. These factors, among others, make it difficult to project the Company's operating results on a consistent basis.

Use of Estimates

Preparing 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 the disclosure of contingent assets and liabilities at the date of the unaudited consolidated financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates, and those estimates may be material.

Significant estimates during the six months ended September 30, 2022 and 2021, include the valuation of derivative liabilities, valuation of stock-based compensation, uncertain tax positions, and the valuation allowance on deferred tax assets.

Fair Value of Financial Instruments

The Company accounts for financial instruments under Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurements*. ASC 820 provides a framework for measuring fair value and requires disclosures regarding fair value measurements. Fair value is defined as 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, based on the Company's principal or, in absence of a principal, most advantageous market for the specific asset or liability.

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value.

The three tiers are defined as follows:

- Level 1 - Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2 - Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

The determination of fair value and the assessment of a measurement's placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. The Company may also engage external advisors to assist us in determining fair value, as appropriate.

Although the Company believes that the recorded fair value of our financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

The Company's financial instruments, including cash, accounts receivable, accounts payable and accrued expenses, convertible notes payable and notes payable, are carried at historical cost. At September 30, 2022 and March 31, 2022, respectively, the carrying amounts of these instruments approximated their fair values because of the short-term nature of these instruments.

ASC 825-10 *"Financial Instruments"* allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value ("fair value option"). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. The Company did not elect to apply the fair value option to any outstanding financial instruments.

Cash and Cash Equivalents and Concentration of Credit Risk

For purposes of the unaudited consolidated statements of cash flows, the Company considers all highly liquid instruments with a maturity of three months or less at the purchase date and money market accounts to be cash equivalents. At June 30, 2022 and March 31, 2022, respectively, the Company did not have any cash equivalents.

The Company is exposed to credit risk on its cash and cash equivalents in the event of default by the financial institutions to the extent account balances exceed the amount insured by the FDIC, which is $250,000. At September 30, 2022 and March 31, 2022, cash in bank exceeded FDIC insured limits by $0 and $152,596, respectively.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding customer balances. Credit is extended to customers based on an evaluation of their financial condition and other factors. Interest is not accrued on overdue accounts receivable. The Company does not require collateral.

Management periodically assesses the Company's accounts receivable and, if necessary, establishes an allowance for estimated uncollectible amounts. The Company provides an allowance for doubtful accounts based upon a review of the outstanding accounts receivable, historical collection information and existing economic conditions. Accounts determined to be uncollectible are charged to operations when that determination is made.

During the year ended March 31, 2022, the Company received additional time pieces at no additional cost, in exchange for a reduction of accounts receivable of $79,900 from an existing customer.

Allowance for doubtful accounts was $0 and $0 at September 30, 2022 and March 31, 2022, respectively.

For the three and six months ended September 30, 2022 and 2021, the Company recorded bad debt expense of $0 and $0, respectively.

Inventory

Inventory consists of fine time pieces and jewelry.

Inventory is stated at the lower of cost or market.

Cost is determined using the first-in, first-out (FIFO) method of inventory valuation. Management assesses the recoverability and establishes reserves of the various inventory components on a quarterly basis and is based on the estimated net realizable values of respective finished inventory.

At September 30, 2022 and March 31, 2022, inventory was $1,783,839 and $2,673,490, respectively.

Investments

The Company has advanced funds for various investments into other companies at various stages of growth, all of which are carried at cost. At September 30, 2022 and March 31, 2022 investments were as follows:

Balance - March 31, 2021	$	300,000
Sale of investments		(550,000)
Purchase of investments		515,000
Balance - March 31, 2022		265,000
Purchase of investments		17,700
Balance - September 30, 2022	$	282,700

Six Months Ended September 30, 2022

The Company paid an additional $17,700 to acquire an investment in a private company. This investment is carried at cost.

Year Ended March 31, 2022

The Company paid $550,000 to acquire investments in various private companies. These investments are carried at cost.

During the year ended March 31, 2022, the Company sold investments having a carrying amount of $550,000 for cash proceeds of $570,000, resulting in a gain on sale of investments of $20,000. The gain has been netted as a component of general and administrative expenses in the accompanying consolidated statements of operations.

Property and Equipment

Expenditures for repair and maintenance which do not materially extend the useful lives of property and equipment are charged to operations. When property and equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts with the resulting gain or loss reflected in operations.

Management reviews the carrying value of its property and equipment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. There were no impairment losses for the six months ended September 30, 2022 and 2021, respectively.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of September 30, 2022 and March 31, 2022, which consist of convertible notes payable and has determined that such instruments qualify for treatment as derivative liabilities as they meet the criteria for liability classification under ASC 815.

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic No. 480, ("ASC 480"), "*Distinguishing Liabilities from Equity*" and FASB ASC Topic No. 815, ("ASC 815") "*Derivatives and Hedging*". Derivative liabilities are adjusted to reflect fair value at each reporting period, with any increase or decrease in the fair value recorded in the results of operations (other income/expense) as change in fair value of derivative liabilities. The Company uses a binomial pricing model to determine fair value of these instruments.

Upon conversion or repayment of a debt instrument in exchange for shares of common stock, where the embedded conversion option has been bifurcated and accounted for as a derivative liability, the Company records the shares of common stock at fair value, relieves all related debt, derivatives, and debt discounts, and recognizes a net gain or loss on debt extinguishment. In connection with the debt extinguishment, the Company typically records an increase to additional paid-in capital for any remaining liability balance.

Equity instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815 are reclassified to liabilities at the fair value of the instrument on the reclassification date.

Original Issue Discount

For certain notes issued, the Company may provide the debt holder with an original issue discount. The original issue discount is recorded as a debt discount, reducing the face amount of the note, and is amortized to interest expense over the life of the debt, in the Consolidated Statements of Operations.

Debt Issue Cost

Debt issuance cost paid to lenders, or third parties are recorded as debt discounts and amortized to interest expense over the life of the underlying debt instrument, in the Consolidated Statements of Operations.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, the core principle of which is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of the revenue when, or as, performance obligations are satisfied

Identify the contract with a customer

A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the services to be transferred and identifies the payment terms related to these services, (ii) the contract has commercial substance and, (iii) the Company determines that collection of substantially all consideration for services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. The Company applies judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit and financial information pertaining to the customer.

Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised services, the Company must apply judgment to determine whether promised services are capable of being distinct and distinct in the context of the contract. If these criteria are not met the promised services are accounted for as a combined performance obligation.

Determine the transaction price

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring services to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. None of the Company's contracts as of March 31, 2022 and 2021, contained a significant financing component.

Allocate the transaction price to performance obligations in the contract

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. However, if a series of distinct services that are substantially the same qualifies as a single performance obligation in a contract with variable consideration, the Company must determine if the variable consideration is attributable to the entire contract or to a specific part of the contract. For example, a bonus or penalty may be associated with one or more, but not all, distinct services promised in a series of distinct services that forms part of a single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation. The Company determines standalone selling price based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

Recognize revenue when or as the Company satisfies a performance obligation

The Company satisfies performance obligations either over time or at a point in time. Revenue is recognized at the time the related performance obligation is satisfied by transferring a promised service to a customer.

When determining revenues, no significant judgements or assumptions are required. For all transactions, the sales price is fixed and determinable (no variable consideration). All consideration from contracts is included in the transaction price. The Company's contracts all contain single performance obligations.

For our contracts with customers, payment terms are generally within 30 days from delivery of the product. The timing of satisfying our performance obligations does not vary significantly from the typical timing of payment.

We do not offer any returns, refunds or warranties, and no arrangements are cancellable.

Sales taxes and other similar taxes are excluded from revenue.

Contract Liabilities (Deferred Revenue)

Contract liabilities represent deposits made by customers before the satisfaction of a performance obligation and recognition of revenue. Upon completion of the performance obligation that the Company has with the customer based on the terms of the contract, the liability for the customer deposit is relieved and revenue is recognized.

At September 30, 2022 and March 31, 2022, the Company had deferred revenue of $0 and $0, respectively.

Cost of Sales

Cost of sales primarily consists of product purchases.

Income Taxes

The Company accounts for income tax using the asset and liability method prescribed by ASC 740, *"Income Taxes".* Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 "Income Taxes". Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of September 30, 2022 and March 31, 2022, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Company recognizes interest and penalties related to uncertain income tax positions in other expense. No interest and penalties related to uncertain income tax positions were recorded during the six months ended September 30, 2022 and 2021, respectively.

Stock-Based Compensation

The Company accounts for our stock-based compensation under ASC 718 *"Compensation – Stock Compensation"* using the fair value-based method. Under this method, compensation cost is measured at the grant date based on the value of the award and is recognized over the service period, which is usually the vesting period. This guidance establishes standards for the accounting for transactions in which an entity exchanges it equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments.

The Company uses the fair value method for equity instruments granted to non-employees and use the Black-Scholes model for measuring the fair value of options.
The fair value of stock-based compensation is determined as of the date of the grant or the date at which the performance of the services is completed (measurement date) and is recognized over the vesting periods.

When determining fair value, the Company considers the following assumptions in the Black-Scholes model:

- Exercise price,
- Expected dividends,
- Expected volatility,
- Risk-free interest rate; and
- Expected life of option

Stock Warrants

In connection with certain financing (debt or equity), consulting and collaboration arrangements, the Company may issue warrants to purchase shares of its common stock. The outstanding warrants are standalone instruments that are not puttable or mandatorily redeemable by the holder and are classified as equity awards. The Company measures the fair value of warrants issued for compensation using the Black-Scholes option pricing model as of the measurement date. However, for warrants issued that meet the definition of a derivative liability, fair value is determined based upon the use of a binomial pricing model.

Warrants issued in conjunction with the issuance of common stock are initially recorded at fair value as a reduction in additional paid-in capital of the common stock issued. All other warrants are recorded at fair value and expensed over the requisite service period or at the date of issuance if there is not a service period.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs are included as a component of general and administrative expense in the unaudited consolidated statements of operations.

The Company recognized $43,980 and $598 in marketing and advertising costs during the six months ended September 30, 2022 and 2021, respectively.

Basic and Diluted Earnings (Loss) per Share

Pursuant to ASC 260-10-45, basic earnings (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding for the periods presented. Diluted earnings per share is computed by dividing net income by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. Potentially dilutive common shares may consist of common stock issuable for stock options and warrants (using the treasury stock method), convertible notes and common stock issuable. These common stock equivalents may be dilutive in the future.

In the event of a net loss, diluted loss per share is the same as basic loss per share since the effect of the potential common stock equivalents upon conversion would be anti-dilutive.

The following potentially dilutive equity securities outstanding as of September 30, 2022 and 2021 were as follows:

	September 30, 2022	September 30, 2021
Convertible debt	168,473,557	3,224,977,961
Total common stock equivalents	168,473,557	3,224,977,961

The convertible notes contain exercise prices that have a discount to market ranging from 25% - 55% of the lowest trading price in the preceding 20 days as well as fixed conversion prices. As a result, the amount computed for common stock equivalents could change given the quoted closing trading price at each reporting period.

Based on the potential common stock equivalents noted above at September 30, 2022 and 2021, the Company has sufficient authorized shares of common stock (500,000,000) to settle any potential exercises of common stock equivalents at September 30, 2022, however, at September 30, 2021, there were not a sufficient number of authorized shares of common stock to settle any potential conversions.

Preferred Stock (Temporary Equity)

We apply the guidance enumerated in ASC 480 “Distinguishing Liabilities from Equity” when determining the classification and measurement of preferred stock. Preferred shares subject to mandatory redemption (if any) are classified as liability instruments and are measured at fair value. We classify conditionally redeemable preferred shares (if any), which includes preferred shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control, as temporary equity. At all other times, we classified our preferred shares in stockholders’ equity. Our preferred shares do not feature any redemption rights within the holders’ control or conditional redemption features not within our control. Accordingly, unless otherwise noted, all issuances of preferred stock are presented as a component of consolidated stockholders’ deficit.

There were no such instruments at September 30, 2022 and March 31, 2022, respectively.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Recent Accounting Standards

Changes to accounting principles are established by the FASB in the form of ASU's to the FASB's Codification. We consider the applicability and impact of all ASU's on our consolidated financial position, results of operations, stockholders' deficit, cash flows, or presentation thereof. Management has evaluated all recent accounting pronouncements as issued by the FASB in the form of Accounting Standards Updates ("ASU") through the date these financial statements were available to be issued and found no recent accounting pronouncements issued, but not yet effective accounting pronouncements, when adopted, will have a material impact on the consolidated financial statements of the Company, except for the following:

In August 2020, FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity; Own Equity ("ASU 2020-06"), as part of its overall simplification initiative to reduce costs and complexity of applying accounting standards while maintaining or improving the usefulness of the information provided to users of financial statements. Among other changes, the new guidance removes from GAAP separation models for convertible debt that require the convertible debt to be separated into a debt and equity component, unless the conversion feature is required to be bifurcated and accounted for as a derivative or the debt is issued at a substantial premium. As a result, after adopting the guidance, entities will no longer separately present such embedded conversion features in equity and will instead account for the convertible debt wholly as debt. The new guidance also requires use of the "if-converted" method when calculating the dilutive impact of convertible debt on earnings per share, which is consistent with the Company's current accounting treatment under the current guidance. The guidance is effective for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted, but only at the beginning of the fiscal year.

We adopted this pronouncement on April 1, 2021; however, the adoption of this standard did not have a material effect on the Company's consolidated financial statements.

In May 2021, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2021-04, Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options. This new standard provides clarification and reduces diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options (such as warrants) that remain equity classified after modification or exchange.

This standard is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Issuers should apply the new standard prospectively to modifications or exchanges occurring after the effective date of the new standard. Early adoption is permitted, including adoption in an interim period. If an issuer elects to early adopt the new standard in an interim period, the guidance should be applied as of the beginning of the fiscal year that includes that interim period.

We adopted this pronouncement on April 1, 2022; however, the adoption of this standard did not have a material effect on the Company's consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires an acquirer in a business combination to recognize and measure contract assets and contract liabilities in accordance with Accounting Standards Codification Topic 606. ASU 2021-08 is effective for fiscal years beginning after December 15, 2022 and early adoption is permitted. While the Company is continuing to assess the timing of adoption and the potential impacts of ASU 2021-08, it does not expect ASU 2021-08 will have a material effect, if any, on its consolidated financial statements.

We adopted this pronouncement on April 1, 2022; however, the adoption of this standard did not have a material effect on the Company's consolidated financial statements.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no material effect on the results of operations, stockholders' deficit, or cash flows.

Note 3 – Advances – Related Party

The Company received various advances from the related party. The following represents the balance due as of March 31, 2022:

Terms	Advances Related Party
Issuance date of note	Various
Maturity date	None
Interest rate	None
Collateral	Unsecured
Balance - March 31, 2021	$ 13,221
Advances, net of repayments	(13,221)
Balance - March 31, 2022	$ -

Note 4 – Convertible Notes Payable

The following represents a summary of the Company's convertible notes payable, key terms and outstanding balances at September 30, 2022 and March 31, 2022, respectively:

Terms	Note 1	Note 2	Note 3	Note 4	Total	In-Default
Issuance dates of notes	Prior to 2020	May 2020 - January 2021	May 2021	January 2022		
Maturity date	Prior to 2020	May 2021 - January 2022	May 2022	January 2023		
Interest rate	6% - 10%	5% - 10%	10%	0%		
Collateral	Unsecured	Unsecured	Unsecured	Unsecured		
Conversion price	$0.021 - $1.25/share	$0.021 - $0.0315/share	$0.021	N/A		
Principal	$ 209,400	$ 305,000	$ 200,000	$ 500,000	$1,214,400	
Balance - March 31, 2021	$ 209,400	$ 172,917	$ -	$ -	$ 382,317	$ 364,400
Gross proceeds	-	-	200,000	500,000	700,000	
Debt discount	-	-	(200,000)	(250,000)	(450,000)	
Amortization of debt discount	-	132,083	183,333	62,500	377,916	
Balance - March 31, 2022	209,400	305,000	183,333	312,500	1,010,233	514,400
Amortization of debt discount	-	-	16,667	125,000	141,667	
Repayments	-	-	(8,000)	(12,000)	(20,000)	
Balance - September 30, 2022	$ 209,400	$ 305,000	$ 192,000	$ 425,500	$1,131,900	$ 714,400

1 These notes are convertible at a price equal to 45% - 50% of the lowest trading price occuring in the preceeding twenty (20) days.

2 These notes are convertible at a price equal to 50% - 75% of the lowest trading price occuring in the preceeding twenty (20) days.

3 This note is convertible at a price equal to 50% of the lowest trading price occuring in the preceeding twenty (20) days.

4 These notes are convertible at $0.01/share and contain an original issue discount equal to 50% of the face amount of the note.

Note 5 – Notes Payable

The following represents a summary of the Company's notes payable, key terms and outstanding balances at September 30, 2022 and March 31, 2022, respectively:

Terms	Note	Note	Note	Note	Total	In-Default
Issuance dates of notes	Prior to 2020	February 2021	July/August 2021	April 2022		
Maturity date	Prior to 2020	February 2021	July/August 2022	April 2023		
Interest rate	8% - 15%	15%	15%	10%		
Collateral	Unsecured	Unsecured	Unsecured	All assets		
Balance - March 31, 2021	$ 155,000	$ 171,000	$ -	$ -	$ 326,000	326,000
Proceeds	-	-	1,000,000	-	1,000,000	
Balance - March 31, 2022	155,000	171,000	1,000,000	-	1,326,000	326,000
Proceeds	-	-	-	10,000	10,000	
Balance - September 30, 2022	$ 155,000	$ 171,000	$ 1,000,000	$ 10,000	$1,336,000	$ 326,000

In April 2022, the Company executed a note for $10,000. From April 2022 through April 2024, the noteholder is entitled to 100,000 post-split shares only upon an uplisting to a senior stock exchange such as NASDAQ, AMEX, or NYSE.

Note 6 – Derivative Liabilities

The above convertible notes contained embedded conversion option with a conversion price that could result in issuing an undeterminable amount of future common stock to settle the host contract. Accordingly, the embedded conversion option is required to be bifurcated from the host instrument (convertible note) and treated as a liability, which is calculated at fair value, and marked to market at each reporting period.

During the six months ended September 30, 2022 and the year ended March 31, 2022, respectively, the Company used the binomial pricing model to estimate the fair value of its embedded conversion option liabilities on both the commitment date and the remeasurement date with the following inputs:

	September 30, 2022	March 31, 2022
Expected term (years)	1.00	1.00
Expected volatility	269% - 278%	123% - 235%
Expected dividends	0%	0%
Risk free interest rate	2.8% - 4.05%	0.06% - 1.63%

A reconciliation of the beginning and ending balances for the derivative liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows at September 30, 2022 and March 2022:

Derivative liabilities - March 31, 2021	$ 643,014
Fair value at commitment date	371,450
Fair value mark to market adjustment	(61,027)
Balance - March 31, 2022	953,437
Fair value mark to market adjustment	(58,284)
Balance - September 30, 2022	$ 895,153

Changes in fair value of derivative liabilities are included in other income (expense) in the accompanying consolidated statements of operations.

During the three months ended September 30, 2022 and 2021, the Company recorded a change in fair of derivative liabilities of $105,710 and $0, respectively.

During the six months ended September 30, 2022 and 2021, the Company recorded a change in fair of derivative liabilities of $58,284 and $0, respectively.

In connection with bifurcating the embedded conversion option and accounting for certain convertible notes payable, the Company computed a fair value on the commitment date, and upon the initial valuation of this instrument, determined that the fair value of the liability exceeded the proceeds of the convertible debt host instrument. As a result, the Company recorded a debt discount at the maximum amount allowed (the face amount of the debt), which required the excess to be recorded as a derivative expense.

For the three and six months ended September 30, 2022 and 2021, the Company recorded a derivative expense of $0 and $0, respectively.

Note 7 – Fair Value of Financial Instruments

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made.

Liabilities measured at fair value on a recurring basis consisted of the following at March 31, 2022 and 2021:

	September 30, 2022			
	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative liabilities	$ -	$ -	$ 895,153	$ 895,153
Total	$ -	$ -	$ 895,153	$ 895,153

	March 31, 2022			
	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative liabilities	$ -	$ -	$ 953,437	$ 953,437
Total	$ -	$ -	$ 953,437	$ 953,437

Note 8 – Series A, Super Voting Preferred Stock

The Company's Series A, Super Voting Preferred Stock ("Series A PS") have the following terms:

5,000,000 shares authorized, none issued and outstanding or designated
Par value - $0.00001
Dividends – none
Voting – equivalent to the 500 times that number of votes that each shareholder of common stock is entitled to.
Liquidation value – $0
Anti-dilution rights – none

Note 9 – Stockholders' Equity (Deficit)

The Company has one (1) class of common stock:

Common Stock

500,000,000 shares authorized
Par value - $0.00001
Voting at 1 vote per share

In January 2020, the Company amended its Articles of Incorporation, to provide for a 1-for-25,000 reverse split of its common stock (effective in April 2020) and to reduce its authorized number of shares of common stock to 500,000,000 shares.

Equity Transactions for the Six Months Ended September 30, 2022

Stock Issued for Cash and Subscription Receivable

The Company sold 28,000,000 shares of its common stock to various third parties for gross proceeds of $280,000 ($0.01/share). The Company also recorded a subscription receivable for $30,000 related to the issuance of 3,000,000 shares ($0.01/share) of common stock with a corresponding offset to common stock issuable. The subscription was received in July 2022. However, in August of 2022, the Company cancelled the subscription and returned the $30,000. At September 30, 2022, the Company had not yet instructed the transfer agent to cancel the 3,000,000 shares, as a result, the Company has included in the accompanying consolidated balance sheet an offset for $30,000 to the common stock as a component of common stock returnable.

Stock Issued for Services

The Company issued 10,000,000 shares of common stock for services rendered, having a fair value of $500,000 ($0.05/share), based upon the quoted closing trading price of the Company's common stock.

Stock Issued for Services – Related Parties

The Company issued 75,000,000 shares of common stock for services rendered to the Company's Chief Executive Officer and a related family member of the Chief Executive Officer, having a fair value of $3,750,000 ($0.05/share), based upon the quoted closing trading price of the Company's common stock.

See Note 10 regarding related employment agreements.

Equity Transactions for the Year Ended March 31, 2022

Stock Issued for Cash

The Company sold 701,000 shares of its common stock to various third parties for gross proceeds of $525,750 ($0.75/share).

Stock Issued for Services

The Company issued 80,000 shares of common stock for services rendered, having a fair value of $24,800 ($0.05 - $0.12/share), based upon the quoted closing trading price of the Company's common stock.

The Company authorized for issuance 312,500 shares of common stock for services rendered, having a fair value of $246,094 ($0.775 - $0.80/share), based upon the quoted closing trading price of the Company's common stock. At March 31, 2022, all of these shares were recorded as common stock issuable. All shares were issued on May 13, 2022.

Capital contribution – Related Party

The Company recorded $235,000 as contributed capital from the Chief Executive Officer.

Note 10 – Commitments

Employment Agreements

Chief Executive Officer

In May 2022, the Company executed a three-year (3) employment agreement with its Chief Executive Officer. The agreement provides for the following:

- After the first three-years (3), the agreement will renew automatically for one-year (1) terms,
- 50,000,000 shares of common stock for services rendered (see Note 9); and
- $20,000 per month

Chief Executive Officer – Related Family Member

In May 2022, the Company executed a three-year (3) employment agreement with a family member related to its Chief Executive Officer. The agreement provides for the following:

- After the first three-years (3), the agreement will renew automatically for one-year (1) terms,
- 25,000,000 shares of common stock for services rendered (see Note 9); and
- $6,667 per month

Underwriter

In June 2022, the Company has engaged Spartan Capital Securities, LLC to assist with an offering of up to $15,000,000. The agreement is for Spartan to serve as the lead book-running manager for a period of one-year (1).

Pursuant to the agreement, compensation consists of the following:

- Expense advance - $30,000 non-refundable, which will be credited against accountable expenses incurred upon the successful completion of an offering. The Company has reflected this payment as a component of prepaid expenses at September 30, 2022,
- Cash fee - 8% of the gross proceeds raised,
- Warrant coverage - 5% of the aggregate number of shares sold, warrants will have a cashless exercise provision, a term of five-years (5), exercise price equal to 110% of the offering price per share/unit,
- Expense allowance - up to $150,000 for fees and legal counsel and other out-of-pocket expenses, additionally, 1% of the gross proceeds from the offering shall be provided for non-accountable expenses,
- Overallotment – an option that is exercisable within 45 days after the closing of the offering to acquire up to an additional 15% of the total number of securities (shares/units) to be offered by the Company in the offering,
- Tail coverage – up to 18 months following the expiration or termination of the agreement

Note 11 – Subsequent Events

Stock Issued for Cash

The Company sold 14,000,000 shares of its common stock to various third parties for gross proceeds of $42,000 ($0.003/share).