

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Vortex Brands Co.

3511 Del Paso Rd., Ste. 160 PMB 432
Sacramento, CA 95835

Phone: (213) 260-0321

Website: www.vortexbrands.us

Email: info@vortexbrands.us

SIC Code: 7389

Quarterly Report

For the Period Ending: May 31, 2023
(the "Reporting Period")

As of May 31, 2023, the current reporting period, the number of shares outstanding of our Common Stock was:

1,212,750,000

As of February 28, 2023, the previous reporting period, the number of shares outstanding of our Common Stock was:

584,750,000

As of February 28, 2023, the most recent completed fiscal year, the number of shares outstanding of our Common Stock was:

584,750,000

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

¹ "Change in Control" shall mean any events resulting in:

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

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

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

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

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.

Vortex Brands Co. ("Vortex Brands", "we", "us", "our", the "Company" or the "Registrant") was originally incorporated in the State of Colorado on May 6, 2005 under the name of Global Sunrise, Inc. On January 15, 2007 the Company changed its name to Zulu Energy Corp. On May 29, 2014, the Company changed its name to Vortex Brands Co. The Company trades on OTC Markets PINKS under the symbol "VTXB".

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):

May 6, 2005, in Colorado. Current Standing in the state: Current

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:

A dividend was announced on March 24, 2023 for \$0.000006 per share to be distributed to shareholders of record as of May 1, 2023 and paid on June 15, 2023. This dividend was processed and distributed as announced on June 15, 2023.

A dividend was announced on June 7, 2023 for \$0.000003 per share to be distributed to shareholders of record as of July 30, 2023, and on July 20, 2023 announced a 33% increase of the dividend to become \$0.000004 per share and will be paid on . The record date will be corrected and updated to July 31, 2023 in an upcoming press release, and this dividend will be paid on September 15, 2023.

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

3511 Del Paso Rd., Ste. 160 PMB 432, Sacramento, CA 95835

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:

2) Security Information

Trading symbol:	<u>VTXB</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>92904T100</u>	
Par or stated value:	<u>0.0001.</u>	
Total shares authorized:	<u>4,000,000,000</u>	as of date: <u>07/21/2023</u>
Total shares outstanding:	<u>1,452,750,000</u>	as of date: <u>07/21/2023</u>
Number of shares in the Public Float ² :	<u>1,286,250,000</u>	as of date: <u>07/21/2023</u>

Total number of shareholders of record: 48 as of date: 07/21/2023

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

Trading symbol:

Exact title and class of securities outstanding:

CUSIP:

Par or stated value:

Total shares authorized: _____ as of date:

Total shares outstanding: _____ as of date:

Transfer Agent

Name: Pacific Stock Transfer Company

Phone: (800) 785-7782

Email: info@PacificStockTransferCompany.com

Address: 6725 Via Austi Parkway Suite 300, Las Vegas, NV 89119

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

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Series C Preferred Stock
CUSIP (if applicable):	None
Par or stated value:	\$0.0001
Total shares authorized:	9,996,0000 <u>as of date: May 31, 2023</u>
Total shares outstanding (if applicable):	6,059,600 <u>as of date: May 31, 2023</u>
Total number of shareholders of record (if applicable):	<u>4</u> <u>as of date: May 31, 2023</u>

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

The holders of outstanding shares of Common Stock are entitled to receive dividends out of assets or funds legally available for the payment of dividends of such times and in such amounts as the board from time to time may determine. Holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of shareholders. There is no cumulative voting of the election of directors then standing for election. The Common Stock is not entitled to pre-emptive rights and is not subject to conversion or redemption. Upon liquidation, dissolution or winding up of our company, the assets legally available for distribution to stockholders are

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

distributable ratably among the holders of the Common Stock after payment of liquidation preferences, if any, on any outstanding payment of other claims of creditors.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Series C Preferred Stock

Preferred Series C Stock

The Company designated 9,996,000 shares of Series C Convertible Preferred Stock with a par value of \$0.0001 per share.

Initially, there will be no dividends due or payable on the Series C Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation's Certificate of Incorporation. Any and all such future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

All shares of the Series C Preferred Stock shall rank (i) senior to the Corporation's Common Stock and any other class or series of capital stock of the Corporation hereafter created, (ii) pari passu with any class or series of capital stock of the Corporation hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series C Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

The Series C Preferred shall have the following liquidation preferences over any other class of stock:

"In the event of a Liquidation Event, the Holders of the SERIES C PREFERRED STOCK shall have the same rights as holders of Common Stock, except that each share of outstanding SERIES C PREFERRED STOCK shall have one thousand (1,000) times the rights as each share of Common Stock ("Liquidation Ratio"). Collectively, the holders of the then outstanding shares of Common Stock and the holders of the then outstanding shares of SERIES C PREFERRED STOCK shall be entitled to receive all of the remaining assets of the Corporation available for distribution to such stockholders. The distribution shall be ratable, in proportion to the number of shares of the Common Stock and/or Series C Preferred Stock held by them, after giving effect to the Liquidation Ratio."

Each holder of outstanding shares of Series C Preferred Stock shall be entitled to the number of votes equal to twenty five thousand (25,000) Common Shares. Except as provided by law, or by the provisions establishing any other series of Preferred Stock, holders of Series C Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

Each holder of shares of Series C Preferred Stock may, at any time and from time to time, convert (an "Optional Conversion") each of its shares of Series C Preferred Stock into a 100 of fully paid and non-assessable shares of Common Stock; provided, however, that any Optional Conversion must involve the issuance of at least 100 shares of Common Stock.

In the event of a reverse split the conversion ratio shall not be change. However, in the event a forward split shall occur then the conversion ratio shall be modified to be increased by the same ratio as the forward split.

The company has evaluated the Series C Preferred Stock in accordance with ASC 815 and has determined their conversion options were for equity and ASC 815 does not apply.

3. Describe any other material rights of common or preferred stockholders.

None.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

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: ☐

Table on next page

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>02/28/2021</u> Common: <u>256,750,000</u> Preferred: <u>4,846,400</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>09/20/2021</u>	<u>New Issuance</u>	<u>7,500,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>AES Capital (Eli Safdieh)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>10/18/2021</u>	<u>New Issuance</u>	<u>5,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>AES Capital (Eli Safdieh)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>10/18/2021</u>	<u>New Issuance</u>	<u>4,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>Newport Bay Capital, LLC (William Waldrop)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>01/10/2022</u>	<u>New Issuance</u>	<u>1,250,000</u>	<u>Series C Preferred</u>	<u>\$0.10</u>	<u>n/a (not traded)</u>	<u>Todd Higley</u>	<u>Conversion of accrued salary</u>	<u>R</u>	<u>4(a)(1)</u>
<u>01/12/2022</u>	<u>New Issuance</u>	<u>3,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>Newport Bay Capital, LLC (William Waldrop)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>01/13/2022</u>	<u>New Issuance</u>	<u>15,000,000</u>	<u>Common</u>	<u>\$0.018 (mkt price)</u>	<u>No</u>	<u>New To the Street (Dror Tepper)</u>	<u>Services rendered</u>	<u>R</u>	<u>4(a)(1)</u>
<u>01/14/2022</u>	<u>New Issuance</u>	<u>5,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>AES Capital (Eli Safdieh)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>1/21/2022</u>	<u>New Issuance</u>	<u>15,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>Continuation Capital (Karl Buhl)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>02/09/2022</u>	<u>New Issuance</u>	<u>3,000,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>Newport Bay Capital, LLC</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>

						(William Waldrop)			
<u>02/15/2022</u>	<u>New Issuance</u>	<u>7,500,000</u>	<u>Common</u>	<u>\$0.01 (Reg A Price)</u>	<u>Yes</u>	<u>AES Capital (Eli Safdieh)</u>	<u>Cash</u>	<u>UR</u>	<u>Reg A</u>
<u>12/19/2022</u>	<u>New Issuance</u>	<u>31,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/10/2023</u>	<u>New Issuance</u>	<u>31,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/17/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/23/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/24/2023</u>	<u>Cancelled</u>	<u>-2,000,000</u>	<u>Series C Preferred</u>	<u>\$0.00</u>	<u>n/a (not traded)</u>	<u>Cecilia Widner-White</u>	<u>Agreed to cancel stock</u>	<u>n/a</u>	<u>n/a</u>
<u>1/24/2023</u>	<u>New Issuance</u>	<u>2,000,000</u>	<u>Series C Preferred</u>	<u>\$0.00</u>	<u>n/a (not traded)</u>	<u>Todd Higley</u>	<u>Conversion of accrued salary</u>	<u>R</u>	<u>4(a)(1)</u>
<u>1/31/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/14/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/21/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/28/2023</u>	<u>New Issuance</u>	<u>3900</u>	<u>Series C Preferred</u>	<u>\$1</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>Cash</u>	<u>R</u>	<u>4(a)(1)</u>
<u>2/28/2023</u>	<u>Cancelled</u>	<u>-10,520</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>3/2/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/10/2023</u>	<u>New Issuance</u>	<u>62,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>

<u>3/21/2023</u>	<u>New Issuance</u>	<u>68,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/24/2023</u>	<u>New Issuance</u>	<u>75,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/31/2023</u>	<u>New Issuance</u>	<u>83,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>4/11/2023</u>	<u>New Issuance</u>	<u>92,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>4/25/2023</u>	<u>New Issuance</u>	<u>100,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>5/9/2023</u>	<u>New Issuance</u>	<u>100,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>5/31/2023</u>	<u>Cancelled</u>	<u>-26,280</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</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>5/31/2023</u> Common: 1,212,750,000 Preferred: 6,059,600									

Example: A company with a fiscal year end of December 31st, 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.)

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)⁴:

Name: Todd Higley
Title: CEO
Relationship to Issuer: CEO

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.

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

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")

Vortex Brands Co., ("Vortex", the "Company") is a Colorado corporation incorporated on May 6, 2005. It is based in Sacramento, California. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, and the Company's fiscal year end is February 28 (February 29 in leap years).

The Company is engaged in "Bitcoin Mining" – i.e. the process by which Bitcoins are created, resulting in new blocks being added to the blockchain and new Bitcoins being issued to the miners. Miners engage in a set of prescribed complex mathematical calculations to add a block to the blockchain and thereby confirm cryptocurrency transactions included in that block's data. Miners that are successful in adding a block to the blockchain are automatically awarded a fixed number of Bitcoins for their effort.

The Company has purchased and maintains ASIC (application-specific integrated circuit) computers - computers that are specifically designed for cryptocurrency mining - that will be used for Bitcoin Mining. We place the Bitcoin Mining equipment with 3rd party datacenters or farms (often referred as a "Co-Location") located in Kentucky and Texas that power and operate our Bitcoin Mining equipment for a fee. We generate revenues through receiving Bitcoin from our Bitcoin Mining equipment.

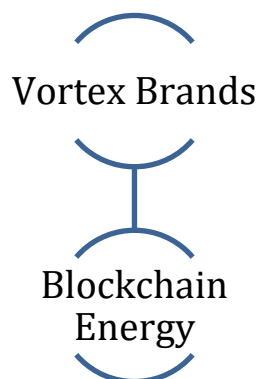
A link to the company's wallet can be found below that shows all transactions related to the company's mining operation.

<https://blockchair.com/bitcoin/address/38xnQP3mbWoDQTqLZy3GFMZyd2bwigvwCp>

The company has acquired Nineteen (19) Antminer S19j Pro (100th) that came on-line during 2022. Due to long delivery dates for equipment, the company had originally leased terrahash to act as a stop gap until the company's machines came on-line, the last of those leases expired on October 28, 2022. In 2023 the company added 3 Antminer S19 (95T), 3 Antminer S19j Pro (100T), and 5 Antminer S19j Pro+ (120T).

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

This is the current corporate organization:



C. Describe the issuers' principal products or services.

Bitcoin Mining.

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.

The Company's mailing address is: 3511 Del Paso Rd., Ste. 160 PMB 432 Sacramento, CA 95835. The Company maintains no other offices. The Company's operations are conducted on the mining site described above.

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/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>Todd Higley</u>	<u>Officer/Director/5%</u>	<u>3511 Del Paso Rd., Ste. 160 PMB 432, Sacramento, CA 95835</u>	5,250,000	<u>Series C Preferred Stock</u>	<u>87%</u>	(1) Series C Preferred Stock shall be entitled to the number of votes equal to twenty-five thousand (25,000) Common Shares (2) Series C Preferred Shares may be converted into common shares at a ratio of 1:25000.

Voting Power

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Voting Power	Note
<u>Todd Higley*</u>	<u>Officer/Director/5%</u>	<u>3511 Del Paso Rd., Ste. 160 PMB 432, Sacramento, CA 95835</u>	<u>87%</u>	Mr. Higley owns 5,250,000 Series C Preferred Stock which are to the number of votes equal to twenty-five thousand (25,000) votes per share for a total of 131,250,000,000.

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: Nicholas F. Coscia, Esq.
Address 1: 1270 Pasatiempo Rd.
Address 2: Palm Springs, CA 92262
Phone:
Email:

Accountant or Auditor

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

Investor Relations

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

Other Service Providers

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

Name:

Firm:

Nature of Services:

Address 1:

Address 2:

Phone:

Email:

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Todd Higley certify that:

1. I have reviewed this Quarterly of Vortex Brands Co.;
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.

07/23/2023 [Date]

/s/ Todd Higley [CEO's Signature]

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

Principal Financial Officer:

I, Todd Higley certify that:

1. I have reviewed this Quarterly of Vortex Brands Co.;

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, considering 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 presented 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.

07/23/2023 [Date]

/s/ Todd Higley [CFO's Signature]

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

VORTEX BRANDS CO
FINANCIAL STATEMENTS
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Vortex Brands Co.
Balance Sheet
(Unaudited)
For The Three Months Ending May 31, 2023

Assets

Current assets

Cash	3,536.97
BTC Wallet	25,560.80
Total current assets	\$ 29,097.77

Property and equipment, net	341,630.03
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Total Assets	\$ 370,727.80
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Liabilities and Stockholders' Deficit

Current liabilities

Accounts payable	80,946.00
Accrued management fees	509,592.00
Accrued payroll liabilities	4,467.60
Loan Payable	23,500.00
Total liabilities	618,505.60

Stockholders' deficit

Preferred stock: 20,000,000 authorized; \$0.0001 par value Series C Preferred Stock, 9,996,000 shares designated; \$0.0001 par value; 6,059,600 shares issued and outstanding	605.96
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Common stock: 3,000,000,000 shares authorized; \$0.0001 par value 1,212,750,000 shares issued and outstanding	121,275.00
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Additional paid-in capital	1,301,419.04
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Accumulated deficit	-1,669,784.95
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Accrued dividends	2,555.00
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Dividends paid	-3,847.85
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Total stockholders' deficit	-\$ 247,777.80
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Total Liabilities and Stockholders' Deficit	\$ 370,727.80
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The accompanying notes are an integral part of these consolidated financial statements.

Vortex Brands Co.
Statement of Operations
(Unaudited)
For The Three Months Ending May 31, 2023

Revenues	13,647.80
Cost of Goods	1,460.66
Net Revenues	\$ 12,187.14
Operating Expenses	
General and administrative	\$ 38,134.96
Total operating expenses	\$ 38,134.96
Operating Loss	-\$ 25,947.82
Other Income (Expense)	
Unrealized Gain (Loss) on BTC Holdings	4,401.06
Total other income (expenses)	4,401.06
Loss Before Income Taxes	-21,546.76
Provision for income taxes	0
Net Loss	-21,546.76

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

Vortex Brands Co.
Consolidated Statement of Stockholders' Deficit
For the period from Inception (December 28, 2017) to May 31, 2023
(Unaudited)

Series C Preferred Stock		Common Stock		Additional		Dividen d	Total Shareholders' Equity (Defici t)
Number of Shares	Amount	Number of shares	Amount	Paid in Capital	Accumulated Deficit		
Balance, December 28, 2017 (inception)	-	\$ -	-	\$ -	\$ -	-	\$ -
Preferred shares issued for services	9,996,000	1,000 0	-	-	-	-	1,000

Common shares issued for cash	-	-	117,000,000	11,700	222,300	-		234,000
Recapitalization	-	-	90,050,000	9,005	(9,005)	-		-
Net loss	-	-	-	-	-	(33,192)		(33,192)
Balance, February 28, 2018	9,996,000	1,000	207,050,000	20,705	213,295	(33,192)		201,808
Preferred shares canceled	(5,528,500)	(553)	-	-	553	-		-
Preferred shares issued for cash	125,000	12	-	-	24,988	-		25,000
Net loss	-	-	-	-	-	(394,983)		(394,983)
Balance, February 28, 2019	4,592,500	\$ 459	207,050,000	\$ 20,705	\$ 238,836	\$ (428,175)	-	\$ (168,175)
Common shares issued for cash	-	-	49,700,000	4,970	218,205	-		223,800
Net loss	-	-	-	-	-	(437,493)		(437,493)
Balance, February 29, 2020	4,592,500	\$ 459	256,750,000	\$ 25,675	\$ 457,666	\$ (865,668)	-	\$ (381,868)
Net loss	-	-	-	-	-	(216,459)	-	(216,459)
Balance, February 28, 2021	4,592,500	\$ 459	256,750,000	\$ 25,675	\$ 457,666	\$ (1,082,127)	-	\$ (598,327)
Common shares issued for cash	-	-	50,000,000	5,000	495,000	-	-	500,000
Common Stock issued for services	-	-	15,000,000	1,500	268,500	-	-	270,000
Preferred shares issued for services	1,500,000	150	-	-	149,850	-		150,000
Net loss	-	-	-	-	-	(443,757)		(443,757)
Dividend	-	-	-	-	-	-	(3,848)	(3,848)
Balance, February 28, 2022	6,092,500	\$ 609	321,750,000	\$ 32,175	\$ 1,371,016	\$ (1,525,884)	(3,848)	\$ (125,932)
Common shares issued for cash	-	-	-	-	-	-	-	-
Stock issued	2,003,900	0	263,000,000	26,300	(6,801)	-	-	19,498
Shares cancelled	(2,010,520)	-1	-	-	-	-		-
Net loss	-	-	-	-	-	(122,354)		(122,354)
Dividend	-	-	-	-	-	-	-	-
Balance, February 28, 2022	6,085,880	\$ 608	584,750,000	\$ 58,475	\$ 1,364,215	\$ (1,648,238)	(3,848)	\$ (228,788)
Common shares issued for cash	-	-	-	-	-	-	-	-
Stock issued	-	-	628,000,000	62,800	(62,796)			4
Shares cancelled	-26,280	-2						-2

Net loss						-21,547		-21,547
Dividend	-	-	-	-	-	-	2,555	-
Balance, May 31, 2022	<u>6,059,600</u>	<u>606</u>	<u>1,212,750, 000</u>	<u>121,2 75</u>	<u>1,301,41 9</u>	<u>1,669,785</u>	<u>-- (1,293)</u>	<u>247,778</u>

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

Vortex Brands Co.
Statement of Cash Flows
(Unaudited)

	<u>Total</u>
OPERATING ACTIVITIES	
Net Income	-21,546.76
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Net cash provided by operating activities	<u>-\$ 21,546.76</u>
FINANCING ACTIVITIES	
Loan Payable	23,500.00
Additional paid in capital	-62,797.49
Common stock	62,800.00
Common stock:Preferred Stock	-2.51
Net cash provided by financing activities	<u>\$ 23,500.00</u>
Net cash increase for period	<u>\$ 1,953.24</u>
Cash at beginning of period	27,144.53
Cash at end of period	<u>\$ 29,097.77</u>

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

Vortex Brands Co.
Notes to the Financial Statements
May 31, 2023

NOTE 1. ORGANIZATION AND BUSINESS

Vortex Brands Co., (“Vortex”, the “Company”) is a Colorado corporation incorporated on May 6, 2005. It is based in Sacramento, California. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, and the Company’s fiscal year end is February 28 (February 29 in leap years).

The Company is engaged in “Bitcoin Mining” – i.e. the process by which Bitcoins are created, resulting in new blocks being added to the blockchain and new Bitcoins being issued to the miners. Miners engage in a set of prescribed complex mathematical calculations to add a block to the blockchain and thereby confirm cryptocurrency transactions included in that block’s data. Miners that are successful in adding a block to the blockchain are automatically awarded a fixed number of Bitcoins for their effort.

The Company has purchased and maintains ASIC (application-specific integrated circuit) computers - computers that are specifically designed for cryptocurrency mining - that will be used for Bitcoin Mining. We place the Bitcoin Mining equipment with 3rd party datacenters or farms (often referred as a “Co-Location”) located in Kentucky and Texas that power and operate our Bitcoin Mining equipment for a fee. We generate revenues through receiving Bitcoin from our Bitcoin Mining equipment.

A link to the company’s wallet can be found below that shows all transactions related to the company’s mining operation.

<https://blockchair.com/bitcoin/address/38xnQP3mbWoDQTqLZy3GFMZyd2bwigvwCp>

The company has acquired Nineteen (19) Antminer S19j Pro (100th) that came on-line during 2022. Due to long delivery dates for equipment, the company had originally leased terrahash to act as a stop gap until the company’s machines came on-line, the last of those leases expired on October 28, 2022. In 2023 the company added 3 Antminer S19 (95T), 3 Antminer S19j Pro (100T), and 5 Antminer S19j Pro+ (120T).

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

General principles

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”). The fiscal year end is November 30.

Related Party Transactions

Transactions between related parties are considered to be related party transactions even though they may not be given accounting recognition. FASB ASC 850, Related Party Disclosures (“FASB ASC 850”) requires that transactions with related parties that would make a difference in decision making shall be disclosed so that users of the financial statements can evaluate their significance. Related party transactions typically occur within the context of the following relationships:

- Affiliates of the entity;
- Entities for which investments in their equity securities is typically accounted for under the equity method by the investing entity;
- Trusts for the benefit of employees;
- Principal owners of the entity and members of their immediate families;
- Management of the entity and members of their immediate families.

that can significantly influence the management or operating policies of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Consolidation Policy

These consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiary, Blockchain Energy. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States 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.

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.

Revenue recognition

Effective January 1, 2018, the Company adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products by: (1) identify the contract (if any) with a customer; (2) identify the performance obligations in the contract (if any); (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract (if any); and (5) recognize revenue when each performance obligation is satisfied. Under ASC 606, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured. The Company has no outstanding contracts with any of its' customers. The Company recognizes revenue when title, ownership, and risk of loss pass to the customer, all of which occurs upon shipment or delivery of the product and is based on the applicable shipping terms.

For contracts with customers, ownership of the goods and associated revenue are transferred to customers at a point in time, generally upon shipment of a product to the customer or receipt of the product by the customer and without significant judgments. Advance payments are typically required for commercial customers and are recorded as current liability until revenue is recognized. Advance payments are not required for government customers. The majority of contracts typically require payment within 30 to 60 days after transfer of ownership to the customer.

Advertising and marketing expenses

Advertising and marketing expenses are charged to the statement of operations and comprehensive income, as incurred.

Income taxes

The Company accounts for income taxes in accordance with ASC No. 740, "Income Taxes". This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Deferred tax liabilities and assets are classified as current or non-current based on the classification of the related asset or liability for financial reporting, or according to the expected reversal dates of the specific temporary differences, if not related to an asset or liability for financial reporting.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, "Income Taxes". Accounting guidance addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements, under which a company may recognize the tax benefit from an uncertain tax position only if it is more

likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Accordingly, the Company would report a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company elects to recognize any interest and penalties, if any, related to unrecognized tax benefits in tax expense.

Share-Based Expense

ASC 718, "Compensation – Stock Compensation," prescribes accounting and reporting standards for all share-based payment transactions in which employee and non-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 and non-employees, including grants of employee stock options, are recognized as compensation expense 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).

Share-based expense totaled \$0 for the period ending May 31, 2023.

Earnings per Share

The Company computes basic and diluted earnings per share amounts in accordance with ASC Topic 260, "Earnings per Share." Basic earnings per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share reflects the potential dilution that could occur if stock options and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company. As May 31, 2023, there are no convertible shares that were dilutive instruments and are not included in the calculation of diluted loss per share as their effect would be antidilutive.

Fair value measurements

Fair value is defined as the price that the Company would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent counter-party in the principal market or in the absence of a principal market, the most advantageous market for the investment or liability. A three-tier hierarchy is established to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs); and establishes a classification of fair value measurements for disclosure purposes.

The hierarchy is summarized in the three broad levels listed below:

- | | |
|---------|---|
| Level 1 | quoted prices in active markets for identical assets and liabilities |
| Level 2 | other significant observable inputs (including quoted prices for similar assets and liabilities, interest rates, credit risk, etc.) |
| Level 3 | significant unobservable inputs (including the Company's own assumptions in determining the fair value of assets and liabilities). |

The Company's financial instruments consist primarily of cash and due to related parties. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

There were no transfers between the levels of the fair value hierarchy during the period ended May 31, 2023.

Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company's management and legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies relating to legal

proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of the contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, the estimated liability would be accrued in the Company's financial statements.

Recently Issued Accounting Standards

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases. Under the new guidance, lessees will be required to recognize a lease liability and a right-of-use asset for all leases (with the exception of short-term leases) at the commencement date. The ASU is effective for fiscal years and interim periods within those years beginning after December 15, 2018.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles - Goodwill and Other: Simplifying the Test for Goodwill Impairment. The amendments simplify the subsequent measurement of goodwill and eliminate the two-step goodwill impairment test. The Company will perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize a goodwill impairment charge for the amount by which the reporting unit's carrying amount exceeds its fair value. If fair value exceeds the carrying amount, no impairment should be recorded. Any loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Impairment losses on goodwill cannot be reversed once recognized. The ASU is effective prospectively for fiscal years and interim periods within those years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. We do not anticipate any material impact on the condensed consolidated financial statements.

Management has considered all recent accounting pronouncements issued. The Company's management believes that recent pronouncements will not have a material effect on the Company's financial statements.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of May 31, 2023, the Company has a loss from operations, an accumulated deficit, no revenue, and a working capital deficiency. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the period ending May 31, 2023.

Management intends to raise additional funds through public or private placement offerings.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4. STOCKHOLDERS' DEFICIT

General

We have authorized capital stock consisting of 9,000,000,000 shares of common stock, \$0.0001 par value per share ("Common Stock") and 20,000,000 shares of preferred stock, \$0.0001 par value per share ("Preferred Stock"). As of the date of this filing, we have 1,212,750,000 shares of Common Stock, 6,059,600 shares of Preferred Series C Stock issued and outstanding.

Common Stock

The holders of outstanding shares of Common Stock are entitled to receive dividends out of assets or funds legally available for the payment of dividends of such times and in such amounts as the board from time to time may determine. Holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of shareholders. There is no cumulative voting of the election of directors then standing for election. The Common Stock is not entitled to pre-emptive rights and is not subject to conversion or redemption. Upon liquidation, dissolution or winding up of our company, the assets legally available for distribution to stockholders are

distributable ratably among the holders of the Common Stock after payment of liquidation preferences, if any, on any outstanding payment of other claims of creditors.

During the period ended May 31, 2023, there were issuances 628,000,000 shares of common stock.

During the period ended February 28, 2023, there were issuances 263,000,000 shares of common stock.

Preferred Stock

Series C Preferred Stock

The Company designated 9,996,000 shares of Series C Convertible Preferred Stock with a par value of \$0.0001 per share.

Initially, there will be no dividends due or payable on the Series C Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation's Certificate of Incorporation. Any and all such future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

All shares of the Series C Preferred Stock shall rank (i) senior to the Corporation's Common Stock and any other class or series of capital stock of the Corporation hereafter created, (ii) *pari passu* with any class or series of capital stock of the Corporation hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series C Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

The Series C Preferred shall have the following liquidation preferences over any other class of stock:

"In the event of a Liquidation Event, the Holders of the SERIES C PREFERRED STOCK shall have the same rights as holders of Common Stock, except that each share of outstanding SERIES C PREFERRED STOCK shall have one thousand (1,000) times the rights as each share of Common Stock ("Liquidation Ratio"). Collectively, the holders of the then outstanding shares of Common Stock and the holders of the then outstanding shares of SERIES C PREFERRED STOCK shall be entitled to receive all of the remaining assets of the Corporation available for distribution to such stockholders. The distribution shall be ratable, in proportion to the number of shares of the Common Stock and/or Series C Preferred Stock held by them, after giving effect to the Liquidation Ratio."

Each holder of outstanding shares of Series C Preferred Stock shall be entitled to the number of votes equal to twenty-five thousand (25,000) Common Shares. Except as provided by law, or by the provisions establishing any other series of Preferred Stock, holders of Series C Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

Each holder of shares of Series C Preferred Stock may, at any time and from time to time, convert (an "Optional Conversion") each of its shares of Series C Preferred Stock into 25,000 of fully paid and non-assessable shares of Common Stock; provided, however, that any Optional Conversion must involve the issuance of at least 25,000 shares of Common Stock.

In the event of a reverse split the conversion ratio shall not be changed. However, in the event a forward split shall occur then the conversion ratio shall be modified to be increased by the same ratio as the forward split.

The company has evaluated the Series C Preferred Stock in accordance with ASC 815 and has determined their conversion options were for equity and ASC 815 does not apply.

The Series C Preferred Stock is non-redeemable.

On October 29, 2018, as part of the resignation of two of our directors, they agreed to cancel and return to the Company 4,000,000 shares of Series C preferred stock. There was no consideration given for the 4,000,000 shares that were returned. Another director resigned on January 24, 2023 and cancelled 2,000,000 Series C preferred stock shares with no consideration given.

During the period ended May 31, 2023 there were no issuances of preferred stock.

During the period ended February 28, 2021, there were issuances of 1,500,000 shares of Series C Preferred Stock.

As of May 31, 2023, there was 6,059,600 shares of Series C Preferred Stock were issued and outstanding, respectively.

NOTE 5. PROVISION FOR INCOME TAXES

The Company provides for income taxes under ASC 740, *"Income Taxes."* Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax basis of assets and liabilities and the tax rates in effect when these differences are expected to reverse. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

The provision for income taxes differs from the amounts which would be provided by applying the statutory federal income tax rate of 21% to the net loss before provision for income taxes for the following reasons:

Net deferred tax assets consist of the following components as of:

	May 31, 2023
NOL carry forward	\$ (21,546.76)
Valuation allowance	21,546.76
Net deferred tax asset	\$ -

Utilization of the NOL carry forwards, which expire 20 years from when incurred, may be subject to an annual limitation due to ownership change limitations that may have occurred or that could occur in the future, as required by Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"). These ownership changes may limit the amount of the NOL carry forwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an "ownership change" as defined by Section 382 of the Code results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50 percentage points of the outstanding stock of a company by certain stockholders.

NOTE 8. RELATED PARTY CONSIDERATIONS

The officer and director have agreed to receive stock as compensation for their employment. Mr. Higley has agreed to \$100,000 in annual compensation. This is paid \$60,000 per year and \$40,000 is deferred.

On January 1, 2022, the Company issued 1,250,000 shares of Series C Preferred Stock to Mr. Higley in exchange for \$150,000 of accrued expenses.

NOTE 9. SUBSEQUENT EVENTS

Management has evaluated events occurring between the end of the fiscal quarter, May 31, 2023 to the date when the financial statements were issued, with no significant events to report.