

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

## **Transnational Group, Inc.**

26 S Rio Grande St #2072, Salt Lake City, UT 84101

1 (800) 969-8244

www.transnational-group.com

info@transnational-group.com

518210

## **Quarterly Report**

**For the period ending May 31, 2023 (the "Reporting Period")**

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

141,329,039 as of May 31, 2023

141,329,039 as of February 28, 2023

### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 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: ☒

### **Change in Control**

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

Yes: ☐ No: ☒

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

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

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

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

The Company was incorporated on April 2, 1999 in the State of Nevada as Vitaminoverrun.com Corp. and in August, 2001, the Company changed its name to Apache Motor Corporation, Inc. In November, 2005, the Company changed its name to Transnational Automotive Group, Inc.

Transnational Group, Inc., a Nevada corporation ("Company"), changed its name from Transnational Automotive Group, Inc., on January 31, 2014. The name change was effectuated in the marketplace by FINRA on July 23, 2014.

On September 14, 2020 Grassroots Advisory, LLC was appointed as Custodian of Transnational Group, Inc. in case number A-20-819126-B by the Nevada District Court, in Clark County, Nevada.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Issuer is a Nevada Corporation and in good standing in such jurisdiction. The corporate history is provided in the previous section.

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

na

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

On July 18, 2021, the Company completed the acquisition of On OTT Now, Inc. ("On OTT Now"). As of that date, the Company's operating subsidiary, Bokoo TV, Inc. ("Bokoo TV"), merged with On OTT Now and the name of the combined subsidiary was Bokoo TV. The total purchase price of \$7,500,000, was paid in the form of the issuance of ten thousand (75,000) shares of the Company's Series B Convertible Preferred Stock, at a liquidation preference of one hundred dollars (\$100) per share.

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

26 S Rio Grande St #2072, Salt Lake City, UT 84101

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

☒ Check 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?

No: ☒ Yes: ☐ If Yes, provide additional details below:

## **2) Security Information**

### **Transfer Agent**

Name: Pacific Stock Transfer Co.  
Phone: 702-361-3033  
Email: awalker@pacificstocktransfer.com  
Address: 6725 Via Austi Parkway Suite 300 Las Vegas, NV 89119

### **Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	<u>TAMG</u>
Exact title and class of securities outstanding:	<u>Common Stock par value \$.001</u>
CUSIP:	<u>893775205</u>
Par or stated value:	<u>\$.001</u>
Total shares authorized:	<u>500,000,000 common</u> as of date: <u>5/31/2023</u>
Total shares outstanding:	<u>141,329,039</u> as of date: <u>5/31/2023</u>
Number of shares in the Public Float <sup>2</sup> :	<u>10,303,142</u> as of date: <u>5/31/2023</u>
Total number of shareholders of record:	<u>508</u> as of date: <u>5/31/2023</u>

**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:	<b>Series A Preferred Stock</b>
CUSIP (if applicable):	<b>N/A</b>
Par or stated value:	<b>\$.001</b>
Total shares authorized:	<b>10,000,000</b> as of date: February 28, 2023
Total shares outstanding (if applicable):	<b>10,000,000</b> as of date: February 28, 2023
Total number of shareholders of record	<b>One (1)</b> as of date: February 28, 2023

Exact title and class of the security:	<b>Series B Preferred Stock</b>
CUSIP (if applicable):	<b>N/A</b>
Par or stated value:	<b>\$.001</b>
Total shares authorized:	<b>75,000</b> as of date: February 28, 2023
Total shares outstanding (if applicable):	<b>75,000</b> as of date: February 28, 2023
Total number of shareholders of record	<b>One (1)</b> as of date: February 28, 2023

Exact title and class of the security:	<b>Series C Preferred Stock</b>
CUSIP (if applicable):	<b>N/A</b>
Par or stated value:	<b>\$.001</b>
Total shares authorized:	<b>1,000</b> as of date: February 28, 2023
Total shares outstanding (if applicable):	<b>1,000</b> as of date: February 28, 2023
Total number of shareholders of record	<b>Two (2)</b> as of date: February 28, 2023

**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 our common stock are entitled to one vote per share on all matters submitted to a vote of the shareholders, including the election of directors. Generally, all matters to be voted on by shareholders must be approved by a majority (or,

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

in the case of election of directors, by a plurality) of the votes entitled to be cast by all shares of our common stock that are present in person or represented by proxy. Except as otherwise provided by law, amendments to our Articles of Incorporation generally must be approved by a majority of the votes entitled to be cast by all outstanding shares of our common stock. Our Article of Incorporation does not provide for cumulative voting in the election of directors. Holders of our common stock will be entitled to such cash dividends as may be declared from time to time by the Board from funds available. Holders of our common stock have no preemptive rights to purchase shares of our common stock. The issued and outstanding shares of our common stock are not subject to any redemption provisions and are not convertible into any other shares of our capital stock. Upon our liquidation, dissolution or winding up, the holders of our common stock will be entitled to receive pro rata all assets available for distribution to such holders.

We have never declared or paid any cash dividends on our common stock.

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

Series A Preferred Stock. The Series A Preferred Stock has the following voting rights: each share of the Series A Preferred Stock may vote the equivalent of 1,000 shares of our common stock on all matters submitted to our shareholders. The shares of Series A Preferred Stock shall be entitled to no dividends. In the event of liquidation, dissolution, or winding up of our company, either voluntary or involuntary, the holder(s) of the Series A Preferred Stock will not be entitled to receive any of the assets of our company. The shares of Series A Preferred Stock do not possess rights of conversion.

Series B Preferred Stock. The Series B Preferred Stock has the following voting rights: with respect to each matter submitted to a vote of our shareholders, each holder of Series B Preferred Stock shall be entitled to cast that number of votes which is equivalent to the number of shares of Series B Preferred Stock owned by such holder. The shares of Series B Preferred Stock shall be entitled to dividends as may be declared by our Board of Directors. In the event of liquidation, dissolution, or winding up of our company, either voluntary or involuntary, the holders of the Series B Preferred Stock will be entitled to receive out of the assets of our company, the amount of \$0.001 per share, before any payment is made or assets distributed to holders of our common stock; provided, however, that, with respect to liquidation preference, the Series B Preferred Stock shall be on par with our shares of Series A Preferred Stock. Each share of Series B Preferred Stock is convertible into 1,667 shares of our common stock, at any time.

Series C Preferred Stock. The shares of Series C Preferred Stock do not possess voting rights. The shares of Series C Preferred Stock shall be entitled to no dividends. In the event of liquidation, dissolution, or winding up of our company, either voluntary or involuntary, the holders of the Series C Preferred Stock will be entitled to receive out of the assets of our company, the amount of \$100.00 per share, before any payment is made or assets distributed to holders of our common stock; provided, however, that, with respect to liquidation preference, the Series C Preferred Stock shall be junior to our shares of Series A Preferred Stock and Series B Preferred Stock. Each share of Series C Preferred Stock is convertible into 13,334 shares of our common stock, at any time.

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

None that haven't been previously disclosed

**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.**

There have been no material modifications to rights of holders of the company's securities that occurred over the reporting period covered by this report.

**3) Issuance History**

The goal of this section is to provide disclosure with respect to each event that resulted in any 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

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☐ (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End:			*Right-click the rows below and select "Insert" to add rows as needed.						
<u>Opening Balance</u> Date <u>2/28/22</u> Common: <u>115,100,000</u> Preferred: <u>10,076,000</u>									
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.  *You must disclose the control person(s) for any entities listed.	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>6/3/22</u>	<u>New Issuance</u>	<u>5,743,491</u>	<u>Common</u>	<u>\$0.045</u>	<u>No</u>	<u>ML Squares – Matt Long</u>	<u>Services Provided</u>	<u>Restricted</u>	
<u>7/12/22</u>	<u>New Issuance</u>	<u>5,336,516</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Altus Advisors, LLC – Bryan Kessinger</u>	<u>Services Provided</u>	<u>Restricted</u>	
<u>7/12/22</u>	<u>New Issuance</u>	<u>5,336,516</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Synnestvedt, LLC – Ben Oates</u>	<u>Services Provided</u>	<u>Restricted</u>	
<u>7/12/22</u>	<u>New Issuance</u>	<u>5,336,516</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Real Transition Capital, LLC – Andrew Van Noy</u>	<u>Services Provided</u>	<u>Restricted</u>	
<u>12/1/22</u>	<u>New Issuance</u>	<u>1,492,000</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Altus Advisors, LLC – Bryan Kessinger</u>	<u>Services Provided</u>	<u>Restricted</u>	

<u>12/1/22</u>	<u>New Issuance</u>	<u>1,492,000</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Synnestvedt, LLC – Ben Oates</u>	<u>Services Provided</u>	<u>Restricted</u>	
<u>12/1/22</u>	<u>New Issuance</u>	<u>1,492,000</u>	<u>Common</u>	<u>\$0.03</u>	<u>No</u>	<u>Real Transition Capital, LLC – Andrew Van Noy</u>	<u>Services Provided</u>	<u>Restricted</u>	
Shares Outstanding on Date of This Report:									
<u>Ending Balance:</u>									
<u>Date 5/31/23</u>									
<u>Common: 141,329,039</u>									
<u>Preferred: 10,076,000</u>									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

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

\_\_\_\_\_

#### B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

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. <small>*You must disclose the control person(s) for any entities listed.</small>	Reason for Issuance (e.g. Loan, Services, etc.)
10/19/22	2,749	2,725	24	10/19/23	Unsecured Promissory Note – not convertible	Real Transition Capital, LLC – Andrew Van Noy	Operating costs
_____	_____	_____	_____	_____	_____	_____	_____

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

\_\_\_\_\_

#### 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.  
(Please ensure that these descriptions are updated on the Company's Profile on [www.otcmarkets.com](http://www.otcmarkets.com)).

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

#### Overview

Our company intends to develop and market our planned Bokoo TV over-the-top (OTT) video streaming platform, which is to offer an affordable TVlike experience with hundreds of live channels and On Demand services. Bokoo TV will be available on the internet, mobile devices, Roku, Amazon Fire, Samsung and other prominent smart-TV platforms. Our initial marketing will be focused on Diaspora communities within the United States.

### Over-the-Top (OTT)

Over-the-top (OTT) is the term used to describe the delivery of digital video and TV content via the internet to users, without requiring users to subscribe to a traditional cable or satellite pay-TV service, like Comcast, Time Warner Cable or DirecTV.

### Bokoo TV

In General. Bokoo TV is our planned OTT video streaming platform that will offer subscribers an affordable TV-like experience with hundreds of live channels and On Demand services available on the internet, on mobile devices and on ROKU, Amazon Fire Stick, Android, Chromecast, IOS, Apple TV and other smart TV platforms.

Initially, we intent to focus our marketing and programming efforts towards Diaspora communities, first, in the United States, and, thereafter, internationally, including communities of Indian, Russian, Filipino, Chinese, Vietnamese origin. Currently, the total Diaspora population in North America approaches 60 million, led in numbers by the following countries and regions of origin: India, Mexico, Russia, China, Vietnam, Pakistan, Philippines, by Central America, South America, Africa, Asia and the Caribbean.

By creating our own Bokoo TV channels, both in English and in other native languages, as well as by partnering with content creators, content owners and aggregators, who will manage their own branded channels to upload to the Bokoo TV video streaming digital platform and control their channel's content, programming and design, we expect that we will be able to get Bokoo TV to scale across available video streaming platforms, including ROKU, Amazon Fire Stick, Android, Chromecast, IOS and Apple TV.

We believe Bokoo TV is capable of becoming a leading OTT video streaming service for the Diaspora communities on all digital platforms, for linear, VOD and live channels, with a hybrid, affordable monthly subscription model, including a free first month and a limited advertising option, to achieve scale and continuous ongoing monthly revenue, as well as a premium-based service to use without commercials.

### Background.

Bokoo TV is the brand name for our planned OTT video streaming subscription service which is to be delivered to subscribers by and through the Bookoo TV App, and which will include our interconnected BokooTV.com website, will compete in the OTT content delivery industry. Bokoo TV subscribers will be able to access and watch Bokoo TV's video streaming content as much as they want, anytime, anywhere, on nearly any internet-connected device.

We expect Bokoo TV will be well positioned in a rapidly expanding industry segment. Once our Bokoo TV digital platform is completed, our initial strategy is to expand the Bokoo TV subscriber base, with an initial focus on the Diaspora communities in the United States. In conjunction with these efforts, we intend always to seek to improve the programming options available to Bokoo TV subscribers.

B. List any subsidiaries, parent company, or affiliated companies.

Currently, we have one subsidiary: Bokoo TV, Inc.

C. Describe the issuers' principal products or services.

The Bokoo TV OTT platform will offer an affordable TV like experience with hundreds of live channels and On Demand available on the web, mobile device apps, Roku, Amazon Fire, Samsung and other prominent smart TV platforms targeting and genres of content and focused not only on English language but content focused on the diaspora populations globally i.e. Indian, Russian, Filipino, Chinese, Vietnamese etc. in their native languages, first in North America and then globally.

## 5) 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 leases shared office space in 26 S Rio Grande St #2072, Salt Lake City, UT 84101. Due to the recent pandemic, the Company determined it was not in its best interest to secure any long-term lease right now but rather to have the ability/flexibility to scale up or down as needed.

## 6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, 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.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Barry Grunberger	Chairman, CEO	Campbell, CA	1,400,000 10,500	Pref. Series A  Pref. Series B	14%  14%	



Deepankar Katyal	Director	Seattle, WA	1,400,000 10,500	Pref. Series A Pref. Series B	14% 14%	
ML Squared	> 5% shareholder	Lehi, UT	500	Pref. Series C	50%	Matt Long
Altus Advisors, LLC	> 5% shareholder	Spanish Fork, UT	500	Pref. Series C	50%	Bryan Kessinger
Andrew Van Noy	> 5% shareholder	Lehi, UT	58,000,000 – self 5,336,516 – Real Transition Capital	Common	41%	
7P CAPITAL LLC	> 5% shareholder	Santa Fe, NM	13,639,492	Common	9.7%	Brian Guinn
OTT Media- Cap LLC	> 5% shareholder	LEWES, DE	7,200,000	Pref. Series A	72%	Barry Grunberger
OTT Media Cap LLC	> 5% shareholder	LEWES, DE	54,000	Pref. Series B	72%	Barry Grunberger

## 7) Legal/Disciplinary History

A. 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);

na

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;

na

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

na

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.

na

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.

na

## 8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Eric Newlan  
Firm: NEWLAN LAW FIRM, PLLC  
Address 1: 2201 Long Prairie Road – Suite 107-762 Flower Mound, Texas 75022  
Address 2:  
Phone: 940-367-6154  
Email: eric@newlanpllc.com

Accountant or Auditor

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

Investor Relations

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

*All other means of Investor Communication:*

Twitter: \_\_\_\_\_  
Discord: \_\_\_\_\_  
LinkedIn: \_\_\_\_\_  
Facebook: \_\_\_\_\_  
[Other ] \_\_\_\_\_

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), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## 9) Financial Statements

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

- ☐ IFRS
- ☐ U.S. GAAP

B. The following financial statements were prepared by (name of individual)<sup>3</sup>:

Name: **Greg Boden**

Title: **CPA**

Relationship to Issuer: **Consultant**

Describe the qualifications of the person or persons who prepared the financial statements: **Many years of experience preparing financial statements and footnotes.**

Provide the following financial statements 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.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

Important Notes:

- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- All financial statements for a fiscal period must be published together with the disclosure statement in one Annual or Quarterly Report.

## 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, Barry Grunberger certify that:

1. I have reviewed this Disclosure Statement for the quarter ended May 31, 2023;
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.

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<sup>3</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

July 20, 2023 [Date]

/s/Barry Grunberger [CEO's Signature]

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

*Principal Financial Officer:*

I, Barry Grunberger certify that:

1. I have reviewed this Disclosure Statement for the quarter ended May 31, 2023;
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.

July 20, 2023 [Date]

/s/Barry Grunberger [CFO's Signature]

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

**Transnational Group, Inc.**  
Consolidated Balance Sheet  
unaudited

	May 31, 2023	February 28, 2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ (106)	\$ 263
Trade and other receivables	325	325
Prepaid expenses	-	-
<b>TOTAL CURRENT ASSETS</b>	<u>219</u>	<u>588</u>
<b>OTHER ASSETS</b>		
Goodwill and intangible assets	7,500,000	7,500,000
<b>TOTAL OTHER ASSETS</b>	<u>7,500,000</u>	<u>7,500,000</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 7,500,219</u></u>	 <u><u>\$ 7,500,588</u></u>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>		
<b>CURRENT LIABILITIES</b>		
Loans and advances from stockholders	\$ 3,533	\$ 3,533
Accrued liabilities	8,324	2,749
<b>TOTAL CURRENT LIABILITIES</b>	<u>11,857</u>	<u>6,282</u>
<b>TOTAL LIABILITIES</b>	<u><b>11,857</b></u>	<u><b>6,282</b></u>
 <b>SHAREHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, \$0.001 par value; 100,000,000 authorized		
Series A, 10,000,000 authorized and 10,000,000 and 10,000,000	10,000	10,000
outstanding, respectively.		
Series B, 75,000 authorized and 75,000 and 75,000 outstanding,	75	75
respectively.		
Series C, 6,000 authorized and 1,000 and 1,000 outstanding,	1	1
respectively.		
Common stock, \$0.001 par value;		
500,000,000 authorized shares; 141,329,039 and 115,100,000 shares		
issued and outstanding, respectively	141,329	141,329
Additional paid in capital	26,523,507	26,523,507
Accumulated deficit	(19,186,550)	(19,180,606)
<b>TOTAL SHAREHOLDERS' EQUITY (DEFICIT)</b>	<u><b>7,488,362</b></u>	<u><b>7,494,306</b></u>
 <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>	 <u><u><b>\$ 7,500,219</b></u></u>	 <u><u><b>\$ 7,500,588</b></u></u>

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

**Transnational Group, Inc.**  
Consolidated Income Statement  
unaudited

	Three months ended	
	May 31, 2023	May 31, 2022
REVENUE	\$ -	\$ -
COST OF REVENUE	-	-
Gross Profit	-	-
OPERATING EXPENSES		
Salaries and outside services	-	12,000
Selling, general and administrative expenses	5,879	24,812
Depreciation and amortization	-	-
TOTAL OPERATING EXPENSES	5,879	36,812
INCOME (LOSS) FROM OPERATIONS BEFORE OTHER INCOME AND TAXES	(5,879)	(36,812)
OTHER INCOME (EXPENSE)		
Other expense	-	-
Gain on extinguishment of debt	-	-
Interest expense	(65)	-
TOTAL OTHER INCOME (EXPENSE)	(65)	-
INCOME/(LOSS) FROM OPERATIONS BEFORE PROVISION FOR TAXES	(5,944)	(36,812)
PROVISION (BENEFIT) FOR INCOME TAXES	-	-
NET INCOME/(LOSS)	(5,944)	(36,812)
NET INCOME/(LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	<u>\$ (5,944)</u>	<u>\$ (36,812)</u>
NET LOSS PER SHARE		
BASIC	\$ (0.00)	\$ (0.00)
DILUTED	\$ (0.00)	\$ (0.00)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING		
BASIC	141,329,039	115,100,000
DILUTED	141,329,039	115,100,000

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

**Transnational Group, Inc.**  
Consolidated Statement of Cash Flows  
unaudited

	Three months ended	
	May 31, 2023	May 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net gain (loss) from continued operations	\$ (5,944)	\$ (36,812)
Adjustment to reconcile net loss to net cash (used in) operating activities		
Change in assets and liabilities:		
(Increase) Decrease in:		
Accrued expenses	65	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(5,879)	(36,812)
CASH FLOWS FROM INVESTING ACTIVITIES:		
No investing activities		
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of debt	5,510	
NET CASH USED IN FINANCING ACTIVITIES	5,510	-
NET INCREASE / (DECREASE) IN CASH	(369)	(36,812)
CASH, BEGINNING OF PERIOD	263	63,273
CASH, END OF PERIOD	<u>\$ (106)</u>	<u>\$ 26,461</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Taxes paid	<u>\$ -</u>	<u>\$ -</u>
Non-cash financing activities:		
Issuance of common stock to lenders	<u>\$ -</u>	<u>\$ -</u>

**Transnational Group, Inc.**  
Consolidated Statement of Stockholders' Equity  
unaudited

	Preferred Stock Shares	Amount	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Quarter ended May 31, 2022							
<b>Balance, February 28, 2022</b>	<b>10,076,000</b>	<b>\$ 10,076</b>	<b>115,100,000</b>	<b>\$ 115,100</b>	<b>\$ 25,676,713</b>	<b>\$ (18,242,149)</b>	<b>\$ 7,559,740</b>
Net loss	-	-	-	-	-	(36,812)	(36,812)
<b>Balance, May 31, 2022</b>	<b>10,076,000</b>	<b>\$ 10,076</b>	<b>115,100,000</b>	<b>\$ 115,100</b>	<b>\$ 25,676,713</b>	<b>\$ (18,278,961)</b>	<b>\$ 7,522,928</b>
Quarter ended May 31, 2023							
<b>Balance, February 28, 2023</b>	<b>10,076,000</b>	<b>\$ 10,076</b>	<b>141,329,039</b>	<b>\$ 141,329</b>	<b>\$ 26,523,507</b>	<b>\$ (19,180,606)</b>	<b>\$ 7,358,067</b>
Net loss	-	-	-	-	-	(5,944)	(5,944)
<b>Balance, May 31, 2023</b>	<b>10,076,000</b>	<b>\$ 10,076</b>	<b>141,329,039</b>	<b>\$ 141,329</b>	<b>\$ 26,523,507</b>	<b>\$ (19,186,550)</b>	<b>\$ 7,352,123</b>

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



**TRANSNATIONAL GROUP, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED**  
**May 31, 2023**

**1. BASIS OF PRESENTATION**

The accompanying unaudited Consolidated Financial Statements of Transnational Group, Inc. (“Transnational Group,” “we,” “us,” “our,” or the “Company”), have been prepared in accordance with the instructions to interim financial reporting as prescribed by the Securities and Exchange Commission (the “SEC”). The results for the interim periods are not necessarily indicative of results for the entire year. In the opinion of management, the unaudited Consolidated Financial Statements contained in this report include all known accruals and adjustments necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods reported herein. Any such adjustments are of a normal recurring nature.

Going Concern

The accompanying Consolidated Financial Statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and liabilities and commitments in the normal course of business. The accompanying Consolidated Financial Statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern. The Company does not generate significant revenue, and has negative cash flows from operations, which raise substantial doubt about the Company’s ability to continue as a going concern. The ability of the Company to continue as a going concern and appropriateness of using the going concern basis is dependent upon, among other things, raising additional capital. Historically, the Company has obtained funds from investors since its inception through sales of our securities. The Company will also seek to generate additional working capital from increasing sales from its operations, and continue to pursue its business plan and purposes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Transnational Group is presented to assist in understanding the Company’s Consolidated Financial Statements. The Consolidated Financial Statements and notes are representations of the Company’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the Consolidated Financial Statements.

Accounts Receivable

The Company has not yet extended credit to its customers. Accounts receivable are customer obligations due under normal trade terms. Once the Company resumes offering credit to its customers, we will perform continuing credit evaluations of our customers’ financial condition. Management will review accounts receivable on a regular basis, based on contractual terms and how recently payments have been received to determine if any such amounts will potentially be uncollected. The Company will include any balances that are determined to be uncollectible in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable would be written off. The balance of the allowance account at May 31, 2023 and February 28, 2023 were both zero.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities, disclosures of contingent 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. Since the Company has limited operations, estimates are primarily used in measuring liabilities, fair value assumptions in accounting for business combinations and analyzing goodwill, intangible assets, and long-lived asset impairments and adjustments.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of May 31, 2023, the Company had a cash balance of (\$106).

Property and Equipment

Property and equipment are stated at cost, and are depreciated or amortized using the straight-line method over the following estimated useful lives:

Furniture, fixtures & equipment	7 Years
Computer equipment	5 Years
Commerce server	5 Years
Computer software	3 - 5 Years
Leasehold improvements	Length of the lease

Since the Company had no depreciable assets, depreciation expense was zero for the quarter ended May 31, 2023.

#### Revenue Recognition

During the period, the Company had no revenue. However, when we do record revenue, it will be in accordance with ASC 606. The deferred revenue and customer deposits as of May 31, 2023, and February 28, 2023 were both zero.

#### Research and Development

Research and development costs are expensed as incurred. Total research and development costs were zero for the quarter ended May 31, 2023.

#### Advertising Costs

The Company expenses the cost of advertising and promotional materials when incurred. Total advertising cost was zero for the quarter ended May 31, 2023.

#### Fair value of financial instruments

The Company's financial instruments, including cash and cash equivalents and notes payable, are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments. As of May 31, 2023 and February 28, 2023, the Company's notes payable have stated borrowing rates that are consistent with those currently available to the Company and, accordingly, the Company believes the carrying value of these debt instruments approximates their fair value.

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

ASC Topic 820 established a nine-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

#### Indefinite Lived Intangibles and Goodwill Assets

The Company accounts for business combinations under the acquisition method of accounting in accordance with ASC 805, "Business Combinations," where the total purchase price is allocated to the tangible and identified intangible assets acquired and liabilities assumed based on their estimated fair values. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. The purchase price is allocated using the information currently available, and may be adjusted, up to one year from acquisition date, after obtaining more information regarding, among other things, asset valuations, liabilities assumed and revisions to preliminary

estimates. The purchase price in excess of the fair value of the tangible and identified intangible assets acquired less liabilities assumed is recognized as goodwill.

The Company tests for indefinite lived intangibles and goodwill impairment in the fourth quarter of each year and whenever events or circumstances indicate that the carrying amount of the asset exceeds its fair value and may not be recoverable. In accordance with its policies, during the quarter ended February 28, 2023, the Company performed a qualitative assessment of indefinite lived intangibles and goodwill related to any acquisitions completed during the fiscal year.

The impairment test was conducted by the Company and included a three-step approach to determine whether it is more likely than not that impairment exists. It was determined that during the quarter ended February 28, 2023 that no triggering event had occurred that may have compromised the value of the goodwill and intangible assets recorded by the Company. Because it was determined, after step one, that it is not more likely than not, that impairment exists, no further analysis was conducted. The steps are as follows:

1. Based on the totality of qualitative factors, determine whether the carrying amount of the intangible asset may not be recoverable. Qualitative factors and key assumptions reviewed include the following:
  - Increases in costs, such as labor, materials or other costs that could negatively affect future cash flows. The Company assumed that costs associated with labor, materials, and other costs should be consistent with fair market levels. If the costs were materially higher than fair market levels, then such costs may adversely affect the future cash flows of the Company or reporting units.
  - Financial performance, such as negative or declining cash flows, or reductions in revenue may adversely affect recoverability of the recorded value of the intangible assets. During our analysis, the Company assumes that revenues should remain relatively consistent or show gradual growth month-to-month and quarter-to-quarter. If we report revenue declines, instead of increases or flat levels, then such condition may adversely affect the future cash flows of the Company or reporting units.
  - Legal, regulatory, contractual, political, business or other factors that could affect future cash flows. During our analysis, the Company assumes that the legal, regulatory, political or business conditions should remain consistent, without placing material pressure on the Company or any of its reporting units. If such conditions were to become materially different than what has been experienced historically, then such conditions may adversely affect the future cash flows of the Company or reporting units.
  - Entity-specific events such as losses of management, key personnel, or customers, may adversely affect future cash flows. During our analysis, the Company assumes that members of management, key personnel, and customers will remain consistent period-over-period. If not effectively replaced, the loss of members of management and key employees could adversely affect operations, culture, morale and overall success of the company. In addition, if material revenue from key customers is lost and not replaced, then future cash flows will be adversely affected.
  - Industry or market considerations, such as competition, changes in the market, changes in customer dependence on our service offerings, or obsolescence could adversely affect the Company or its reporting units. We understand that the markets we serve are constantly changing, requiring us to change with them. During our analysis, we assume that we will address new opportunities in service offering and industries served. If we do not make such changes, then we may experience declines in revenue and cash flow, making it difficult to re-capture market share.
  - Macroeconomic conditions such as deterioration in general economic conditions or limitations on accessing capital could adversely affect the Company. During our analysis, we acknowledge that macroeconomic factors, such as the economy, may affect our business plan because our customers may reduce budgets for

our services. If there are material declines in the economy, which lead to reductions in revenue then such conditions may adversely affect the Company.

2. Compare the carrying amount of the intangible asset to the fair value.
3. If the carrying amount is greater than the fair value, then the carrying amount is reduced to reflect fair value.

#### Business Combinations

The acquisition of subsidiaries will be accounted for using the purchase method. The cost of the acquisition will be measured at the aggregate of the fair value, at the acquisition date, of assets received, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree. Any costs directly attributable to the business combination are expensed in the period incurred. The acquiree's identifiable assets and liabilities will be recognized at their fair values at the acquisition date.

Goodwill arising on acquisition will be recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized.

#### Stock-Based Compensation

As of May 31, 2023, the Company had no stock-based compensation arrangements. However, if issued, the Company will address the accounting for share-based payment transactions in which an enterprise receives employee services in exchange for either equity instruments of the enterprise or liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. The transactions will be accounted for using a fair-value-based method and recognized as expenses in our statement of operations.

Stock-based compensation expense recognized during the period will be based on the value of the portion of stock-based payment awards that is ultimately expected to vest. The stock-based compensation expense recognized in the consolidated statements of operations during the quarter ended May 31, 2023 was zero.

#### Basic and Diluted Net Income (Loss) per Share Calculations

Income (Loss) per Share dictates the calculation of basic earnings per share and diluted earnings per share. Basic earnings per share are computed by dividing income available to common shareholders by the weighted-average number of common shares available. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

Dilutive per share amounts are computed using the weighted-average number of common shares outstanding and potentially dilutive securities, using the treasury stock method if their effect would be dilutive.

#### Recently Adopted Accounting Pronouncements

The Company does not elect to delay complying with any new or revised accounting standards, but to apply all standards required of public companies, according to those required application dates. Management reviewed accounting pronouncements issued during the quarter ended May 31, 2023, and no pronouncements were adopted during the period.

#### Recently Issued Accounting Pronouncements Not Yet Adopted

In June 2016, the FASB issued Accounting Standards Update No. 2016-13 (ASU 2016-13) "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. ASU 2016-13 is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2022. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In January 2017, the FASB issued 2017-04, Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this ASU simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test and eliminating the requirement for a reporting unit with a zero or negative carrying amount to perform a

qualitative assessment. Instead, under this pronouncement, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment change for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized is not to exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects will be considered, if applicable. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures.

### Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. The measurement of deferred tax assets and liabilities is based on provisions of applicable tax law. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance based on the amount of tax benefits that, based on available evidence, is not expected to be realized. For the quarter ended May 31, 2023, we used the federal tax rate of 21% in our determination of the deferred tax assets and liabilities balances.

For the quarter ended

May 31, 2023

#### Current tax provision:

##### Federal

Taxable income	\$	-
Total current tax provision	\$	-

#### Deferred tax provision:

##### Federal

Loss carryforwards	\$	7,593
Change in valuation allowance	\$	(7,593)
Total deferred tax provision	\$	-

### 3. REVENUE RECOGNITION

Although the Company currently does not have any revenue, when revenue recognition resumes, the Company will record the transactions in accordance with ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASC 606"). In accordance with ASC 606, revenues are recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

The core principles of revenue recognition under ASC 606 includes the following five criteria:

#### 1. Identify the contract with the customer

Contract with our customers may be oral, written, or implied. A written and signed contract stating the terms and conditions is the preferred method and is consistent with most customers. The terms of a written contract may be contained within the body of an email, during which proposals are made and campaign plans are outlined, or it may be a stand-alone document signed by both parties. Contracts that are oral in nature are consummated in status and pitch meetings and may be later followed up with an email detailing the terms of the arrangement, along with a proposal document. No work is commenced without an understanding between the Company and our customers, that a valid contract exists.

#### 2. Identify the performance obligations in the contract

Our sales and account management teams define the scope of services to be offered, to ensure all parties are in agreement and obligations are being delivered to the customer as promised. The performance obligation may not be fully identified in a mutually signed contract, but may be outlined in email correspondence, face-to-face meetings, additional proposals or scopes of work, or phone conversations.

### 3. Determine the transaction price

Pricing is discussed and identified by the operations team prior to submitting a proposal to the customer. Based on the obligation presented, third-party service pricing is established, and time and labor are estimated, to determine the most accurate transaction pricing for our customer. Price is subject to change upon agreed parties, and could be fixed or variable, milestone focused or time and materials.

### 4. Allocate the transaction price to the performance obligations in the contract

If a contract involves multiple obligations, the transaction pricing is allocated accordingly, during the performance obligation phase (criteria 2 above).

### 5. Recognize revenue when (or as) we satisfy a performance obligation

The Company will evaluate the performance obligations as revenue recognition materializes.

## 4. LIQUIDITY AND OPERATIONS

The Company had a net loss of \$5,944 for the quarter ended May 31, 2023, and net cash used in operating activities of \$5,879.

As of May 31, 2023, the Company did not have short-term borrowing relationship with any lenders.

While the Company hopes that its capital needs in the foreseeable future may be met by operations, there is no assurance that the Company will be able to generate enough positive cash flow to finance its growth and business operations in which event, the Company may need to seek outside sources of capital. There can be no assurance that such capital will be available on terms that are favorable to the Company or at all.

## 5. BUSINESS ACQUISITIONS

On July 18, 2021, the Company completed the acquisition of On OTT Now, Inc. ("On OTT Now"). As of that date, the Company's operating subsidiary, Bokoo TV, Inc. ("Bokoo TV"), merged with On OTT Now and the name of the combined subsidiary was Bokoo TV. The total purchase price of \$7,500,000, was paid in the form of the issuance of ten thousand (75,000) shares of the Company's Series B Convertible Preferred Stock, at a liquidation preference of one hundred dollars (\$100) per share.

Under the purchase method of accounting, the transactions were valued for accounting purposes at \$7,500,000, which was the fair value of WebTegrity at the time of acquisition. The acquisition date estimated fair value of the consideration transferred and purchase price allocation consisted of the following:

Current assets	\$	-
Fixed assets		-
Liabilities		-
Net assets		-
Brand name		-
Trade Secrets		4,500,000
Goodwill		3,000,000
Total purchase price	\$	7,500,000
Issuance of Series B Convertible Preferred Stock	\$	7,500,000

The On OTT Now acquisition is based on a preliminary purchase price allocation, and include identifiable intangible assets, which were based on their estimated fair values as of the acquisition date. The excess of purchase price over the estimated fair value of the net tangible and identifiable intangible assets acquired was recorded as goodwill. The allocation of the purchase price required management to make significant estimates in determining the fair values of assets acquired and liabilities assumed, especially with respect to identifiable intangible assets. These estimated fair values were based on information obtained from management of the acquired companies and historical experience and, with respect to the long-lived tangible and intangible assets, and have not been evaluated by an independent valuation firm.

## 5. INTANGIBLE ASSETS

## Trade Secrets

On July 18, 2021, the Company acquired On OTT Now, and has calculated the value of the trade secrets as \$4,500,000, which is included in other assets on the balance sheet. The Company has determined that the trade secrets have an indefinite useful life and are therefore not amortized. The Company will evaluate this intangible asset for impairment annually.

## Goodwill

On July 18, 2021, the Company acquired On OTT Now, and has calculated the value of the goodwill as \$3,000,000, which is included in other assets on the balance sheet.

## 6. NOTES PAYABLE

On April 25, 2009, the Company issued a promissory note (the “April 2009 Note”) in the amount of \$150,000, at which time the entire balance of \$150,000 was received to cover operational expenses. The April 2009 Note bore interest at a rate of 10% per year and was payable upon demand. On May 11, 2021, the April 2009 Note was exchanged for common stock. At the time of the exchange, the balance due was \$329,971, which included \$179,971 of accrued interest. As of May 31, 2023, the balance due on the April 2009 Note was zero.

On September 23, 2014, the Company issued a promissory note (the “September 2014 Note”) in the amount of \$135,000, at which time the entire balance of \$135,000 was received to cover operational expenses. The September 2014 Note bore interest at a rate of 12% per year and was payable upon demand. On May 11, 2021, the September 2014 Note was exchanged for common stock. At the time of the exchange, the balance due was \$242,227, which included \$107,227 of accrued interest. As of May 31, 2023, the balance due on the September 2014 Note was zero.

On September 16, 2015, the Company issued a promissory note (the “September 2015 Note”) in the amount of \$159,174, at which time the entire balance of \$159,174 was received to cover operational expenses. The September 2014 Note bore interest at a rate of 10% per year and was payable upon demand. On May 11, 2021, the September 2015 Note was exchanged for common stock. At the time of the exchange, the balance due was \$249,184, which included \$90,010 of accrued interest. As of May 31, 2023, the balance due on the September 2015 Note was zero.

On January 1, 2019, the Company issued a promissory note (the “January 2019 Note”) in the amount of \$127,900, at which time the entire balance of \$127,900 was received to cover operational expenses. The January 2019 Note bore interest at a rate of 5% per year and was payable upon demand. On May 11, 2021, the January 2019 Note was exchanged for common stock. At the time of the exchange, the balance due was \$142,985, which included \$15,085 of accrued interest. As of May 31, 2023, the balance due on the January 2019 Note was zero.

On October 19, 2022, the Company issued an unsecured promissory note (the “October 2022 Note”) in the amount of \$825, at which time the entire balance of \$825 was received to cover operational expenses. Additional tranches were received as follows, \$300 on December 5, 2022, \$500 on January 3, 2023, \$300 on January 24, 2023, \$500 on February 2, 2023, and \$300 on February 21, 2023, for total cumulative proceeds of \$2,725. The October 2022 Note accrues interest at a rate of 5% per year and was payable upon demand, but in no case later than October 19, 2023. As of May 31, 2023, the balance due on the October 2022 Note was \$2,783, which include \$58 of accrued interest.

On March 17, 2023, the Company issued an unsecured promissory note (the “March 2023 Note”) in the amount of \$10,000, at which time \$1,000 was received to cover operational expenses. Additional tranches were received as follows, \$350 on April 24, 2023, \$3,660 on April 28, 2023, and \$500 on May 3, 2023, for total cumulative proceeds of \$5,510. The March 2023 Note accrues interest at a rate of 5% per year and was payable upon demand, but in no case later than March 17, 2024. As of May 31, 2023, the balance due on the March 2023 Note was \$5,541, which include \$31 of accrued interest.

Below is a summary of the debt-for-equity exchange on May 11, 2021:

Note Date	Principal	Accrued Interest	Total Due	Gain on Exchange	Common Shares Issued
April 25, 2009	\$ 150,000	\$ 179,971	\$ 329,971		
September 23, 2014	135,000	107,227	242,227		

September 16, 2015	159,174	90,010	249,184		
January 1, 2019	127,900	15,085	142,985		
Total	\$ 572,074	\$ 392,293	\$ 964,367	\$ 665,927	3,600,000

The gain of \$665,927 was calculated as the total amount due (\$964,367) minus the value of the stock issued (3,600,000 x \$0.0829 = \$298,440).

## 7. CAPITAL STOCK

At May 31, 2023 and February 28, 2023, the Company's authorized stock consists of 500,000,000 shares of common stock, par value \$0.001 per share, and 100,000,000 shares of preferred stock, par value of \$0.001 per share. The rights, preferences and privileges of the holders of the preferred stock will be determined by the Board of Directors prior to issuance of such shares. The conversion of certain outstanding preferred stock could have a significant impact on our common stockholders. As of the date of this report, the Board has designated 10,000,000 shares of preferred stock, as Series A, 75,000 shares as Series B and 6,000 shares as Series C.

### Series A Preferred

The Company designated 10,000,000 shares of preferred stock as Series A Preferred. The shares of Series A are not convertible to common stock, but each share of Series A preferred may cast the equivalent of 1,000 shares of common stock. Therefore, 10,000,000 shares of Series A preferred have the voting rights of 10,000,000,000 shares of common stock. As of May 31, 2023, the Company had 10,000,000 shares of Series A Preferred stock outstanding.

### Series B Preferred

The Company designated 75,000 shares of preferred stock as Series B Preferred stock. Each shares of Series B Preferred is convertible into 1,667 shares of common stock and values at \$100. The Series B Preferred Stock does not have voting rights except as required by law and with respect to certain protective provisions set forth in the Certificate of Designation of Series B Preferred Stock. The Company issued 75,000 shares of Series B Preferred stock to the owners of On OTT Now, Inc. from the merger with Bokoo TV. As of May 31, 2023, the Company had 75,000 shares of Series B Preferred stock outstanding.

### Series C Preferred

The Company designated 6,000 shares of preferred stock as Series C Preferred stock. Each share of Series C preferred stock converts into 13,334 shares of common stock and is valued at \$100. The Series C Preferred Stock does not have voting rights except as required by law and with respect to certain protective provisions set forth in the Certificate of Designation of Series C Preferred Stock. The Company issued 1,000 shares of Series C Preferred stock to investors for \$100,000. As of May 31, 2023, the Company had 1,000 shares of Series C Preferred stock outstanding.

## 8. STOCK OPTIONS AND WARRANTS

As of May 31, 2023, no stock options or warrants were outstanding.

## 9. RELATED PARTIES

None noted

## 10. CONCENTRATIONS

None noted

## 11. COMMITMENTS AND CONTINGENCIES

### Leases

In February 2016, the FASB issued ASU 2016-02, "Leases" Topic 842, which amends the guidance in former ASC Topic 840, Leases ("ASC 840"). The new standard increases transparency and comparability most significantly by requiring the recognition by lessees of right-of-use ("ROU") assets and lease liabilities on the balance sheet for all leases longer than 12 months. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. For lessees, leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement, over the expected term on a



straight-line basis. Operating leases are recognized on the balance sheet as right-of-use assets, current operating lease liabilities and non-current operating lease liabilities. We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities on our consolidated balance sheets. Finance leases are included in property and equipment, current liabilities, and long-term liabilities on our consolidated balance sheets.

When the Company initiates a lease, we will record the transaction in accordance with ASC 840.

#### Legal Matters

The Company may be involved in legal actions and claims arising in the ordinary course of business, from time to time, none of which at this time the Company considers to be material to the Company’s business or financial condition.

#### 12. SUPPLEMENTAL STATEMENT OF CASH FLOWS INFORMATION

During the quarter ended May 31, 2023, there were no non-cash activities.

During the quarter ended May 31, 2022, there were no non-cash activities.

#### 13. SUBSEQUENT EVENTS

Management has evaluated subsequent events according to ASC TOPIC 855 as of the date of the financial statements and has determined that no event qualifies as a subsequent event.