

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



### **Galenfeha, Inc.**

2390 Circle Drive  
West Palm Beach, Florida 33406

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561-801-3710  
www.galenfeha.com  
info@galenfeha.com  
SIC Code 6719

## **Six Month Report**

**For the period ending June 30, 2023**

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

83,825,679 as of June 30, 2023

83,825,679 as of March 31, 2023

83,825,679 as of December 31, 2022

### **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**

#### **None**

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.

NONE

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):

Active No issues during the past 5 years

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

NONE

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

NONE

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

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

*XX 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**

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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.

**Transfer Agent**

Name: Transfer Online, Inc.  
Phone: 503-227-2950  
Email: info@transferonline.com  
Address: 512 SE Salmon Street  
Portland OR 97214

**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:	GLFH
Exact title and class of securities outstanding:	Common Stock
CUSIP:	363377102
Par or stated value:	No Par Value
Total shares authorized:	150,000,000 as of date: June 30, 2023
Total shares outstanding:	83,825,679 as of date: June 30, 2023
Total number of shareholders of record:	149 as of date: June 30, 2023

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

Trading symbol:	NONE
Exact title and class of securities outstanding:	_____
CUSIP:	_____
Par or stated value:	_____
Total shares authorized:	_____ as of date: _____
Total shares outstanding:	_____ as of date: _____
Total number of shareholders of record:	_____ as of date: _____

**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:	Preferred A
CUSIP (if applicable):	NONE
Par or stated value:	\$0.001
Total shares authorized:	20,000,000 as of date: June 30, 2023
Total shares outstanding (if applicable):	19,300,000 as of date: June 30, 2023
(if applicable):	3 as of date: June 30, 2023

Exact title and class of the security:	Preferred B
CUSIP (if applicable):	-
Par or stated value:	\$0.001
Total shares authorized:	29,000,000 as of date: June 30, 2023
Total shares outstanding (if applicable):	12,700,000 as of date: June 30, 2023

Total number of shareholders of record (if applicable):	<u>1</u>	as of date: <u>June 30, 2023</u>
Exact title and class of the security:	<u>Preferred C</u>	
CUSIP (if applicable):	<u>NONE</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>1,000,000</u>	as of date: <u>June 30, 2023</u>
Total shares outstanding (if applicable):	<u>1</u>	as of date: <u>June 30, 2023</u>
Total number of shareholders of record (if applicable):	<u>1</u>	as of date: <u>June 30, 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.**

All common shares are entitled to vote on a one vote for one share basis for all corporate votes and elections. The Preferred stock votes with the common stock as a single class

Common shares are entitled to dividends approved by the Board of Directors.

The Common stock does not have pre-emptive rights.

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

### **PREFERRED STOCK**

The authorized stock of the Company consists of 20,000,000 preferred A shares and 29,000,000 preferred B shares with a par value of \$0.001 and 1,000,000 shares of Preferred C, no par value.

#### **Preferred A**

Series A votes 1:1 with common stock; converts to common on a 1:1 basis; is not subject to splits in order to facilitate mergers, acquisitions, or meeting the requirements of a listed exchange; and cannot be converted to common stock for resale in the open market until a 30 day VWAP of \$3.50 per share has been met in the Company's public trading market.

#### **Preferred B**

The Series B votes 1:1 with the common stock; is subject to all splits the same as common; converts to common on a 1:1; and cannot be converted to common for resale in the open market until a 30 day VWAP (volume weighted average price) of \$.45 cents has been met in the Company's public trading market.

#### **Preferred C**

Series C Preferred stock is entitled to vote more than one -half of all votes entitled to be cast by all holders of voting capital stock of the Company on any matters submitted to shareholders so as to ensure the votes entitled to be cast by the holder of the Series C Preferred Stock are equal to a least a majority of the total of all votes entitled to be cast by the Common shareholders.

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

None.

### **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: XX      (If yes, you must complete the table below)

**[ THE BALANCE OF THIS PAGE IS LEFT INTENTIONALLY BLANK ]**

Shares Outstanding as of Second Most Recent Fiscal Year End:  Opening Balance  Date <u>12/31/19</u> Common: 82,325,679 Preferred A: 19,300,000 Preferred B: 12,700,000			*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.  *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.
3/11/2020	Cancellation	(800,000)	Common	\$0.0100	No	Trey Moore	N/A	Restricted	4(a)(2)
3/11/2020	Issuance	700,000	Common	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
3/11/2020	Issuance	100,000	Common	\$0.0100	No	Trey Moore	N/A	Restricted	4(a)(2)
3/11/2020	Cancellation	(700,000)	Common	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
3/11/2020	Issuance	700,000	Preferred B	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
12/30/2020	Cancellation	(18,750,000)	Preferred A	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
12/30/2020	Issuance	17,300,000	Preferred A	\$0.0100	No	Ryan Tisko LLC (2)	N/A	Restricted	4(a)(2)
12/30/2020	Issuance	1,450,000	Preferred A	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
12/30/2020	Cancellation	(12,700,000)	Preferred B	\$0.0100	No	KTNR, Inc. (1)	N/A	Restricted	4(a)(2)
12/30/2020	Issuance	12,700,000	Preferred B	\$0.0100	No	Ryan Tisko LLC (2)	N/A	Restricted	4(a)(2)
1/29/2021	Issuance	1,500,000	Common	\$0.0100	No	Ryan Tisko LLC (2)	Emp Agreement	Restricted	4(a)(2)
1/29/2021	Issuance	1,500,000	Common	\$0.0100	No	Darrell L.Peterson	Emp Agreement	Restricted	4(a)(2)
2/9/2021	Issuance	1,250,000	Common	\$0.0100	No	Ryan Daniello	Acquisition	Restricted	4(a)(2)
2/9/2021	Issuance	1,250,000	Common	\$0.0100	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
6/15/2021	Issuance	1,000,000	Common	\$0.0100	No	Wyatt Poff	Acquisition	Restricted	4(a)(2)
6/15/2021	Issuance	1,000,000	Common	\$0.0100	No	Robert Poff	Acquisition	Restricted	4(a)(2)
6/15/2021	Issuance	500,000	Common	\$0.0100	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)

8/12/2021	Issuance	1	Preferred C	\$0.0100	No	Ryan Tisko LLC (2)	Agreement	Restricted	4(a)(2)
11/25/2021	Cancellation	(500,000)	Common	\$0.0500	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1,250,000)	Common	\$0.0500	No	Darrell Peterson	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1,250,000)	Common	\$0.0500	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1,000,000)	Common	\$0.0500	No	Wyatt Poff	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1,000,000)	Common	\$0.0500	No	Robert Poff	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1,500,000)	Common	\$0.0500	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(17,300,000)	Preferred A	\$0.0100	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(12,700,000)	Preferred B	\$0.0100	No	Ryan Tisko LLC (2)	Acquisition	Restricted	4(a)(2)
11/25/2021	Cancellation	(1)	Preferred C	\$0.0100	No	Ryan Tisko LLC (2)	Agreement	Restricted	4(a)(2)
11/25/2021	Issuance	17,300,000	Preferred A	\$0.0100	No	Darrell L. Peterson	Acquisition	Restricted	4(a)(2)
11/25/2021	Issuance	12,700,000	Preferred B	\$0.0100	No	Darrell L. Peterson	Acquisition	Restricted	4(a)(2)
11/25/2021	Issuance	1	Preferred C	\$0.0100	No	Darrell L. Peterson	Acquisition	Restricted	4(a)(2)
Shares Outstanding on Date of This Report:									
		Ending Balance							
Ending Balance:									
Date <u>June 30, 2023</u>		Common:							
83,825,679									
		Preferred A: 19,300,000							
		Preferred B: 12,700,000							
		Preferred C: 1							

- (1) James Ketner was the past President and KTNR is subject to "control person" rules.  
(2) Ryan Tyzkow was the past President of the company

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## 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: xx 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.)

## 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.

The Company is currently providing consulting to one client and as a result the Company recognized one-half of the fees earned and will accrue the balance over the first 6 months of 2023.

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

None

C. Describe the issuers' principal products or services.

The Company provides consulting services for new and mature companies. We consult and network with a wide range of sources for financing and have a network of professional services companies to assist as needed.

## 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.

Currently, the Company conducts a consulting business located at:



2390 Circle Drive  
West Palm Beach, Florida 33406

The current Chief Executive Officer provides office space at no cost to the Company. There are no other physical assets currently owned by the Company.

## 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
<u>Ryan C Peterson</u>	<u>Investor 5% or more</u>	<u>Palm Beach Gardens, Florida</u>	<u>10,652,000</u>	<u>Common (1)</u>	<u>12.7%</u>	
<u>Darrell L. Peterson</u>	<u>CEO/CFO Director</u>	<u>West Palm Beach, Florida</u>	<u>270,000</u> <u>12,700,000</u> <u>17,300,000</u> <u>1</u> <u>250,000</u>	<u>Common</u> <u>Series B</u> <u>Series A</u> <u>Series C</u> <u>Common)</u>	<u>.5 %</u> <u>100%</u> <u>89.6%</u> <u>100%</u> <u>.3%.</u>	
<u>KTNR, Inc.</u>	<u>Investor 5% or more</u>	<u>Ft. Worth, Texas</u>	<u>1,750,000</u>	<u>Series A</u>	<u>7.9%</u>	<u>James Ketner</u>

(1) Mr. Tyszkow's shares were purchased in the open market and the current balance is as of 06/30/2023

## 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);  
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

## 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: Jonathan D. Leinwand  
Firm: Jonathan D. Leinwand P.A.  
Address 1: 18305 Biscayne Blvd Suite 200  
Address 2: Aventura, Florida 33160  
Phone: 954-903-7856  
Email: jonathan@jdlpa.com

Accountant or Auditor

Name: NONE  
Firm:  
Address 1:  
Address 2:  
Phone:  
Email:

Investor Relations

Name: NONE

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

*All other means of Investor Communication:*

Twitter: NONE  
Discord: NONE  
LinkedIn: NONE  
Facebook: <https://www.facebook.com/profile.php?id=100080265564244>  
[Other] NONE

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: NONE  
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<sup>2</sup>:

Name: Darrell L. Peterson  
Title: CFO  
Relationship to Issuer: CFO

Describe the qualifications of the person or persons who prepared the financial statements: **Mr. Peterson has a B.S. in Accounting from Long Island University, CW Post Center. Upon graduation, cum laude, Mr. Peterson joined Peat Marwick, Mitchell & Co, working from the Long Island office and Park Avenue. Mr. Peterson obtained Senior Accountant status and worked in many industries and specialized in the S&L industry.**

**Mr. Peterson has been a Chief Executive and Chief Financial Officer for private and public companies over his 40 year career.**

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<sup>2</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.

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

## **FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

**Galenfeha, Inc.**

**Six Months Ending June 30, 2023 and Year Ended December 31, 2022**

### **Index to Consolidated Financial Statements**

**Consolidated Balance Sheets**

**Consolidated Statements of Operations**

**Consolidated Statement of Changes in Shareholders' Equity (Deficit)**

**Consolidated Statements of Cash Flows**

**Notes to Consolidated Financial Statements**

	GALENFEHA, INC.		
	CONSOLIDATED BALANCE SHEET		
	(UNAUDITED)		
	Six Months Ending June 30, 2023 and Year Ended December 31, 2022		
	6/30/2023		12/31/2022
	ASSETS:		
	CURRENT ASSETS		
	Cash and cash equivalents	\$ 55	\$ 55
	Accounts receivable	\$ -	\$ -
	Employee Receivable	\$ -	\$ -
	Inventory	\$ -	
	Other Current Asset	\$ -	\$ -
	Due to Affiliates	\$ -	\$ -
	Prepaid Asset	\$ -	\$ -
	Total current assets	\$ 55	\$ 55
	Property and equipment, (net of accumulated depreciation)	\$ -	\$ -
			\$ -
	Goodwill	\$ -	\$ -
	Deposits	\$ -	\$ -
	Other	\$ -	
	TOTAL ASSETS	\$ 55	\$ 55
	LIABILITIES AND STOCKHOLDERS' EQUITY		
	CURRENT LIABILITIES		
	Accounts payable and accrued liabilities	\$ 100,000	\$ 200,000
	Tax Benefits Realized	\$ -	\$ -
	State and Local Taxes Payable	\$ -	\$ -
	Due to officer and related parties	\$ 15,950	\$ 11,950
	Total current liabilities	\$ 115,950	\$ 211,950
	Long term notes payable	\$ -	\$ -
	Total liabilities	\$ 115,950	\$ 211,950
	STOCKHOLDERS' EQUITY (DEFICIT)		
	Preferred stock		
	Preferred A shares: Authorized: 20,000,000 shares		
	\$0.001 par value		
	19,300,000 issued and outstanding	\$ 19,300	\$ 19,300
	Preferred B shares: Authorized: 29,000,000 shares		
	\$0.001 par value		
	12,700,000 issued and outstanding	\$ 12,700	\$ 12,700
	Preferred C shares: Authorized: 1,000,000 shares		
	\$0.001 par value		
	1 share issued and outstanding	\$ 1	\$ 1
	Common stock		
	Authorized: 150,000,000 common shares,		
	\$0.001 par value,		
	83,825,679 issued and outstanding	\$ 83,825	\$ 83,825
	Additional paid-in capital	\$ 3,794,169	\$ 3,794,169
	Treasury Stock	\$ (70,437)	\$ (70,437)
	Accumulated deficit	\$ (3,853,057)	\$ (4,051,452)
	Net Income	\$ 47,000	\$ -
	Total stockholders' equity (deficit)	\$ (115,950)	\$ (211,894)
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY(DEFICIT)	\$ 55	\$ 55
	The accompanying notes are an intergral part of these consolidated financial statements		



GALENFEHA, INC.												
Consolidated Statements of Equity (Deficit)												
For the Six Months Ending June 30, 2023, and Fiscal Year End 2022												
(UNAUDITED)												
	Preferred Series A		Preferred Series B		Preferred Series C		Common Stock		Additional		Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in	Accumulated	Equity	
									Capital	Deficit	(Deficit)	
Balance -												
31-Dec-19	-											
	19,300	\$19,300	12,000,000	\$ 12,001			83,025,679	\$ 83,025	\$ 3,763,437	\$ (3,879,923)	\$ (2,251)	
Conversion debt to shares							-	\$ -	\$ -		\$ -	
Conversion Pfd to shares			0	\$ -			-	\$ -				
Conversion Common to Pfd	0	\$ -	700,000	\$ 700			(700,000)	\$ (700)			0	
Repurchase and												
cancellation of common shares	-						-	\$ -	\$ -		\$ -	
Derivative liability												
extinguished on conversion												
Net income	-									\$ 102,211	\$ 102,211	
Balance -												
31-Dec-20	-											
	19,300	\$19,300	12,700,000	\$ 12,701			82,325,679	\$ 82,325	\$ 3,763,437	\$ (3,777,712)	\$ 99,960	
Prior Period adjustments							-	\$ -	\$ -		\$ (128,240)	
Issue Pfd C shares			0	\$ -	1	\$ 1	-	\$ -			1	
Conversion Common to Pfd	0	\$ -	-	\$ -			-	\$ -				
Repurchase and												
cancellation of common shares	-						-	\$ -	\$ -			
Employment stock Issued							1,500,000	\$ 1,500	\$ 148,500		\$ 150,000	
Sale of Subsidiaries									\$ (117,768)	\$ (96,005)	\$ (213,773)	
Net income	-									\$ -	\$ -	
Balance -												
31-Dec-21	-											
	19,300	\$19,300	12,700,000	\$ 12,701.00		\$ 1	83,825,679	\$ 83,825	\$ 3,794,169	\$ (3,873,717)	\$ (92,052)	
Net Income										\$ (119,842)	\$ -	
12/31/2022	19,300	\$19,300	12,700,000	\$ 12,701.00	1	\$ 1	83,825,679	\$ 83,825	\$ 3,794,169	\$ (3,993,559)	\$ (163,520)	
Net Income										\$ 46,000	\$ -	
6/30/2022	19,300	\$19,300	12,700,000	\$ 12,701.00	0	\$ 1	83,825,679	\$ 83,825	\$ 3,794,169	\$ (3,853,057)	\$ (115,950)	
The accompanying notes are an integral part of these consolidated financial statements												





[illegible]

### CASH AND CASH EQUIVALENTS

All cash, other than held in escrow, is maintained with a major financial institution in the United States. Deposits with this bank may exceed the amount of insurance provided on such deposits. Temporary cash investments with an original maturity of three months or less are considered to be cash equivalents.

### ACCOUNTS RECEIVABLE

Accounts receivable represents the uncollected portion of amounts recorded as revenues. Management performs periodic analyses to evaluate all outstanding accounts receivable to estimate an allowance for doubtful accounts that may not be collectible, based on the best facts available to management. Management considers historical collection patterns, accounts receivable aging trends and specific identification of disputed invoices in its analyses. After all reasonable attempts to collect a receivable have failed, the receivable is directly written off. As of March 31, 2022 the balance of the allowance for doubtful accounts was \$0.

### INVENTORIES

Inventories are stated at the lower of cost, using an average cost method, or net realizable value.

### MARKETABLE SECURITIES

The Company reports investments in marketable securities at fair value on a recurring basis in accordance with ASC 820. Realized and unrealized gains and losses on equity securities are included in net income (loss). Equity securities are periodically reviewed for impairment using both quantitative and qualitative criteria.

### PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost. Depreciation is computed using the straight-line method overestimated useful lives of three to ten years for furniture, fixtures, and equipment and for 15 years for improvements. Expenditures for repairs and maintenance are charged to expense as incurred.

### LONG-LIVED ASSETS

The Company reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate the related carrying amounts may not be recoverable. An impairment loss is recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. When impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Assets to be disposed of are recorded at the lower of net book value or fair market value less cost to sell at the date management commits to a plan of disposal. There were no impairment losses recognized in any period presented.

### ADVERTISING EXPENSES

Advertising expenses are expensed as incurred.

### DEFERRED INCOME TAXES AND VALUATION ALLOWANCE

The Company accounts for income taxes under FASB ASC 740 Topic "Income Taxes." Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences

between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. 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. No deferred tax assets were recognized at June 30, 2023.

### NET INCOME (LOSS) PER COMMON SHARE

Net income (loss) per share is calculated in accordance with FASB ASC 260 topic, "Earnings Per Share." The weighted-average number of common shares outstanding during each period is used to compute basic earnings or loss per share. Diluted earnings or loss per share is computed using the weighted average number of shares and diluted potential common shares outstanding. Dilutive potential common shares are additional common shares assumed to be exercised.

Basic net income (loss) per common share is based on the weighted average number of shares of common stock outstanding for the period from December 31, 2022 through June 30, 2023.

### FAIR VALUE ACCOUNTING

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC 820, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities; Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

### SHARE-BASED EXPENSES

FASB ASC 718 "Compensation—Stock Compensation" prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights.

Share-based payments to employees, including grants of employee stock options, are recognized as compensation 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).

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

## RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In preparing the financial statements, management considered all new pronouncements through the date of the report.

In January 2016, the FASB issued Accounting Standards Update ("ASU") 2016-01, Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. ASU 2016-01 affects the accounting for equity investments, financial liabilities under the fair value option and the presentation and disclosure requirements of financial instruments. ASU 2016-01 is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company adopted this standard as of January 1, 2018. The adoption of this standard did not have a significant impact on the Company's financial statements.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230). This ASU applies to all entities that are required to present a statement of cash flows under Topic 230. The amendments provide guidance on eight specific cash flow issues and includes clarification on how these items should be classified in the statement of cash flows and is designed to help eliminate diversity in practice as to where items are classified in the cash flow statement. Furthermore, in November 2016, the FASB issued additional guidance on this Topic that requires amounts generally described as restricted cash and restricted cash equivalents to be included with cash and cash equivalents when reconciling the statement of cash flows. This ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with earlier application permitted for all entities. The Company adopted this standard as of January 1, 2018. The adoption of this standard did not have a significant impact on the Company's financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation-Stock Compensation (Topic 718) -Improvements to Non-employee Share-Based Payment Accounting*, which aligns the accounting for share-based payment awards issued to employees and nonemployees. Under ASU No. 2018-07, the existing employee guidance will apply to nonemployee share-based transactions (as long as the transaction is not effectively a form of financing), with the exception of specific guidance related to the attribution of compensation cost. The cost of nonemployee awards will continue to be recorded as if the grantor had paid cash for the goods or services.

Effective January 1, 2018, the Company adopted the provisions of ASU 2017-01 - "Business Combinations (Topic 805): Clarifying the Definition of a Business" ("ASU 2017-01"). ASU 2017-01 provides revised guidance to determine when an acquisition meets the definition of a business or alternatively should be accounted for as an asset acquisition. ASU 2017-01 requires that, when substantially all of the fair value of an acquisition is concentrated in a single identifiable asset or a group of similar identifiable assets, the asset or group of similar identifiable assets does not meet the definition of a business and therefore is required to be accounted for as an asset acquisition. Transaction costs will continue to be capitalized for asset acquisitions and expensed as incurred for business combinations. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

The Company does not believe that any other recently issued effective pronouncements, or pronouncements issued but not yet effective, if adopted, would have a material effect on the accompanying financial statements.

## **NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of the related assets, ranging from three to fifty years.

## NOTE 5-CONVERTIBLE LOANS

**There were no convertible notes outstanding as of June 30, 2023.**

## NOTE 6 - SHAREHOLDERS' EQUITY

### *PREFERRED STOCK*

The authorized stock of the Company consists of 20,000,000 Preferred A shares and 29,000,000 preferred B shares with a par value of \$0.001 and 1,000,000 shares of Class C shares with a par value of \$0.001

On December 20, 2016, shareholders of the company approved an amendment to the Bylaws for the creation of Preferred stock. The preferred class of stock will consist of two (2) series, Series A, and Series B. All affiliates of the company who purchased stock during the formation of the company and who purchased stock for financing activities at prices below market will move their common shares into the Series B preferred stock, effective immediately. The Series B votes 1:1; is subject to all splits the same as common; converts back to common 1:1; and cannot be converted back to common for resale in the open market until a 30 day VWAP (volume weighted average price) of \$.45 cents has been met in the Company's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

Affiliates who purchased stock at offering prices that were current at the time of purchase, and affiliates who make open market purchases and are directly responsible for a merger/acquisition that brings retained earnings to the company, can convert these common shares 1:1 into Series A Preferred stock. Series A votes 1:1; converts back to common 1:1; is not subject to splits in order to facilitate mergers, acquisitions, or meeting the requirements of a listed exchange; and cannot be converted back to common for resale in the open market until a 30 day VWAP of \$3.50 per share has been met in the Company's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

On August 12, 2021 the Company amended the maximum number of Preferred Series B stock to 29,000,000, and authorizes the Issuance of up to 1,000,000 Preferred Series C stock with the following rights:

Series C share votes together with the holders of the common stock and Preferred stock on all matters submitted to a vote of Company shareholders, with the share of Series C Preferred Stock being entitled to one vote more than one-half of all votes entitled to be cast by all holders of voting capital stock of the Company on any matter submitted to shareholders so as to ensure that the votes entitled to be cast by the holder of the Series C Preferred Stock are equal to at least a majority of the total of 1 votes entitled to be cast by the common shareholders.

The Company subsequently approved a change in the preferences for the Preferred C stock, as of November 25, 2021 whereby in exchange for eliminating the 4 for 1 increase in voting rights of the Series B, the Preferred C will stay in place.

As of June 30, 2023 19,300,000 shares of the Company's Preferred stock Series A were issued and outstanding. As of June 30, 2023, 12,700,000 shares of the Company's Preferred stock Series B were issued and outstanding. As of March 30, 2023 there was 1 share issued and outstanding for preferred stock Series C.

## 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, Darrell L. Peterson certify that:

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

8/12/2023 [Date]

/s/ Darrell L. Peterson [CEO's Signature]

*Principal Financial Officer:*

I, [identify the certifying individual] certify that:

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

08/12/2023 [Date]

/s/ Darrell L. Peterson [CFO's Signature]