<u>Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines</u>

<u>Asberry 22 Holdings, Inc.</u>

<u>500 W Broadway, Suite 800, San Diego, CA 92101</u>

<u>619-301-4200</u>
<u>stephen@tptglobaltech.com</u>
<u>None</u>
<u>4813[SIC Code]</u>

Annual Report

For the period ending June 30, 2023 (the "Reporting Period")

<u>Outstanding Shares</u>
The number of shares outstanding of our Common Stock was:

<u>5,430,373</u> as of <u>June 30, 2023</u>

<u>472,056 as of December 31, 2022</u>

<u>Shell Status</u>
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: ☐

<u>Change in Control</u>
Indicate by check mark whether a Change in Control[1] 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.

<u>VH Merger Co. from February 2022 to May 2022</u>

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

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

Asberry 22 Holdings, Inc. from May 2022
Vapor Hub International, Inc. from March 2014 to February 2022
DogInn, Inc. until March 2014

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):

Delaware

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:

An Agreement and Plan of Merger (" Merger Agreement") was made and entered into as of March 24, 2023 by and among TPT SpeedConnect LLC and Asberry 22 Holdings, Inc. resulting in TPT Global Tech, Inc. being issued 4,658,318 common shares of the Company. As a result of the Merger Agreement, TPT Global Tech, Inc. received ownership constituting 86% of the then issued and outstanding common stock. TPT Global Tech, Inc. also has purchased all of the 500,000 Series A Super Majority Voting Preferred Shares of the Company.

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

501 W Broadway, Suite 800, San Diego, CA 92101

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:*

x

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: Issuer Direct Corporation
Phone: (919) 744-2722
Email: info@issuerdirect.com
Address: One Glenwood Ave., Suite 1001, Raleigh, NC 2760

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: ASHI
Exact title and class of securities outstanding: Common
CUSIP: 922104203
Par or stated value: $.001
Total shares authorized: 1,010,000,000 as of date: June 30, 2023
Total shares outstanding: 5,430,373 as of date: June 30, 2023
Total number of shareholders of record: 11 as of date: June 30, 2023

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

Trading symbol: ____
Exact title and class of securities outstanding: ____
CUSIP: ____
Par or stated value: ____
Total shares authorized: ____ as of date: ______
Total shares outstanding: ____ as of date: ______
Total number of shareholders of record: ____ as of date: __

Trading symbol: ____
Exact title and class of securities outstanding: ____
CUSIP: ____
Par or stated value: ____
Total shares authorized: ____ as of date: ______
Total shares outstanding: ____ as of date: ______
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: Series A Super Majority Voting Convertible Preferred Stock
CUSIP (if applicable): none
Par or stated value: $.001
Total shares authorized: 1,000,000 as of date: June 30, 2023
Total shares outstanding (if applicable): 500,000 as of date: June 30, 2023
Total number of shareholders of record (if applicable): 1 as of date: June 30, 2023

Exact title and class of the security: Preferred Stock
CUSIP (if applicable): ____
Par or stated value: $.001
Total shares authorized: 9,000,000 as of date: June 30, 2023
Total shares outstanding (if applicable): 0 as of date: June 30, 2023
Total number of shareholders of record (if applicable): 0 as of date: June 30, 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.**

Full dividend and voting rights – no preemption rights

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

Series A -Super Majority Voting (90% of common) no dividend, preferential liquidation, and convertible to 90% of the common shares at the discretion of the holder-no sinking fund

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

None

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

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any 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: X (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 6/30/2021 Common: 472,056 Preferred: 0			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
5/2020	New (1)	1,000,000 (2)	Series A Preferred	$.001	N/A (3)	Robert Kropf	Managerial Services	Restricted	Section 4(a)2
3-22-23	New	50,000	Common	$.001	No	Redgie Green	Consulting Services	Restricted	Section 4(a)2
3-22-23	New	50,000	Common	$.001	No	Cal Smiley	Director Services	Restricted	_Section 4(a)2
3-22-23	New	100,000	Common	$.001	No	Lori Winther	Services	Restricted	_Section 4(a)_2___
3-22-23	New	100,000	Common	$.001	No	Kyle Winther	Services	Restricted	_Section 4(a)2__
3-27-23	New	4,658,317	Common	$.001	Yes,	TPT Global Tech, Inc., control party- Stephen J Thomas	Merger shares issued to acquire TPT Speed Connect	Restricted	_Section 4(a)2____
Shares Outstanding on Date of This Report: Ending Balance Ending Balance: Date 06/30/2023 Common: 5,430,373 Preferred: 500,000									

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

(1) Issued in May 2020. This is the Series A Super Majority Voting Stock now owned by TPT Global Tech.
(2) Reverse Split one for 2, November 2021
(3) No market value as these shares are not quoted

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:X 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.** ***You must disclose the control person(s) for any entities listed.**	**Reason for Issuance (e.g. Loan, Services, etc.)**
______	______	______	______	______	______	______	______
______	______	______	______	______	______	______	______
______	______	______	______	______	______	______	______

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).

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

Rural High Speed Internet provider.

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

TPT SpeedConnect -subsidiary

C. Describe the issuers' principal products or services.

Services-Rural High Speed Internet Provider

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's subsidiary TPT SpeedConnect leases towers under various lease arrangements upon which it places its internet equipment. The lease arrangements are usually non-cancelable lease agreements for certain of our tower locations with original lease periods expiring between 2023 and 2044. Our lease terms may include options to extend or terminate the lease when it is reasonably certain we will exercise that option. Certain of the arrangements contain escalating rent payment provisions.

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 that 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.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
TPT Global Tech, Inc. Stephen J Thomas-control person	Parent Company	San Diego, CA	500,000	Series A Super Majority Voting Preferred	100%	Super Majority Voting
TPT Global Tech, Inc. Stephen J Thomas-control Person	Parent Company	San Diego, CA	4,658,317	Common	86%	
Stephen J. Thomas III	CEO/Director	San Diego, CA	0	0	0	
Gary L. Cook	CFO	Castle Rock, CO	0	0	0	
Richard Eberhardt	Director	San Diego, CA	0	0	0	

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);

No

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;

No

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

No

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.

No

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: Christen Lambert
Firm: Attorney at Law
Address 1: 2920 Forestville Rd., Ste. 100, PMB 1155
Address 2: Raleigh, NC 27616
Phone: (919) 473-9130
Email: christen@christenlambertlaw.com

Accountant or Auditor

Name: Gary Cook
Firm: N/A
Address 1: 61 W. Surrey Dr., Castle Rock, CO 80108
Address 2:
Phone: 303-748-6305
Email: gcook940@gmail.com

Investor Relations

Name: ______
Firm: ______
Address 1: ______
Address 2: ______

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
X U.S. GAAP

B. The following financial statements were prepared by (name of individual)[2]:

Name: **Gary Cook**
Title: **Accountant**
Relationship to Issuer: **CFO**
Describe the qualifications of the person or persons who prepared the financial statements: **CFO- Accountant.**

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

[2] 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.

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, Stephen J. Thomas III certify that:

1. I have reviewed this Disclosure Statement for Asberry 22 Holdings, 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.

September 27, 2023 [Date]

/s/ Stephen J. Thomas III [CEO's Signature]

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

Principal Financial Officer:

I, Gary L. Cook certify that:

1. I have reviewed this Disclosure Statement for Asberry 22 Holdings, 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.

September 27, 2023 [Date]

/s/ Gary L. Cook [CFO's Signature]

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

ASBERRY 22 HOLDINGS, INC.

(FORMERLY VAPOR HUB INTERNATIONAL, INC.)

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023

(UNAUDITED)

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

C O N T E N T S

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	JUNE 30, 2023	JUNE 30, 2022
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 8,250	$ —
Accounts Receivable – Parent Company	5,670,685	—
Prepaid Expenses and Other	97,395	1,167
Total Current Assets	5,776,330	1,167
Deposits	—	—
Total Assets	$ 5,776,330	$ 1,167
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	$ 1,459,440	$ 25,000
Accrued Expenses	159,087	—
Debt Financing Arrangements	619,532	—
Notes Payable – Related Parties	64,276	26,249
Current Portion of Operating Lease Liabilities	6,803,807	—
Total Current Liabilities	9,106,142	51,249
Operating Lease Liabilities, net of current portion	1,462,326	—
Total Liabilities	10,568,468	51,249
Commitments and Contingencies (Note 8)		
Shareholders' Deficit		
Preferred stock, $0.001 par value; 9,000,000 shares authorized 0 shares issued and outstanding	—	—
Series A preferred stock, $0.001 par value; 1,000,000 shares authorized 500,000 shares issued and outstanding	50,000	50,000
Common stock, $0.001 par value; 1,010,000,000 shares authorized 5,430,373 and 472,056 shares issued and outstanding as of June 30, 2023 and 2022, respectively	5,430	472
Additional Paid in Capital	(3,754,021)	923,450
Accumulated Deficit	(1,093,547)	(1,024,004)
Total Shareholders' Deficit	(4,792,138)	(50,082)
Total Liabilities and Shareholders' Deficit	$ 5,776,330	$ 1,167

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	FOR THE YEARS ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUE	$ 1,184,623	$ —
COST OF SALES	622,970	—
GROSS PROFIT	561,653	—
OPERATING EXPENSES:		
Professional	118,906	—
Payroll and Related	89,683	—
General and administrative expenses	422,607	45,027
Total Operating Expenses	631,196	45,027
OPERATING LOSS	(69,543)	(45,027)
OTHER INCOME (EXPENSE)	—	—
LOSS BEFORE TAXES	(69,543)	(45,027)
TAXES	—	—
NET LOSS	$ (69,543)	$ (45,027)
Weighted average shares outstanding- basic and diluted	1,095,358	472,056
Net loss per share – basic and diluted	$ (0.06)	$ (0.10)

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022
UNAUDITED

	Series A Preferred Shares		Common Shares		Additional Paid-In	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance at June 30, 2022	**500,000**	**$50,000**	**472,056**	**$ 472**	**$ 923,450**	**$ (1,024,004)**	**$ (50,082)**
Common shares issued to directors	—	—	100,000	100	32,000	—	32,100
Common shares issued for consulting	—	—	200,000	200	64,000	—	64,200
Common shares issued to Parent Company	—	—	4,658,317	4,658	(4,773,471)	—	(4,768,813)
Net loss for the period	—	—	—	—	—	(69,543)	(69,543)
Balance at June 30, 2023	**500,000**	**$50,000**	**$5,430,373**	**$ 5,430**	**$(3,754,021)**	**$ (1,093,547)**	**$(4,792,138)**
Balance at June 30, 2021	**500,000**	**$50,000**	**472,056**	**$ 472**	**$ 923,450**	**$ (978,977)**	**$ (5,055)**
Net loss for the period	—	—	—	—	—	(45,027)	(45,027)
Balance at June 30, 2022	**500,000**	**$50,000**	**$ 472,056**	**$ 472**	**$ 923,450**	**$ (1,024,004)**	**$ (50,082)**

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	FOR THE YEARS ENDED JUNE 30, 2023	FOR THE YEARS ENDED JUNE 30, 2022
Cash Flows from Operating Activities:		
Net Loss	$ (69,543)	$ (45,027)
Adjustments to reconcile net loss to net cash used in operating activities:		
Common shares issued to directors and consultants	96,300	—
Changes in working capital items:		
Prepaids, Accounts Payable and Accruals	(675,805)	18,778
Net change in operating lease liabilities	579,129	—
Net Cash Flows Used in Operating Activities	(69,919)	(26,249)
Net Cash Flows Used in Investing Activities – Acquisition Agreement	38,892	—
Cash Flows from Financing Activities		
Increase in Notes Payable - Related Parties	67,777	26,249
Payments towards Notes Payable - Related Parties and Accruals	(28,500)	—
Net Cash Flows from (used in) Financing Activities	39,277	26,249
Net Change in Cash:	8,250	—
Cash beginning of period:	$ —	$ —
Cash end of period:	$ 8,250	$ —
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest	$ —	$ —
Cash paid for tax	$ —	$ —

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

ASBERRY 22 HOLDINGS, INC.
(FORMERLY VAPOR HUB INTERNATIONAL, INC.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023
(UNAUDITED)

NOTE 1. NATURE OF OPERATIONS

Nature of Business

Asberry 22 Holdings, Inc., formerly known as Vapor Hub International Inc., ("the Company," "we" "us") was originally incorporated under the laws of the State of Nevada in 2008 and redomiciled to the State of Delaware effective July 2022. In conjunction with this change, our trading symbol changed from "VHUB" to "ASHI".

An Agreement and Plan of Merger (" Merger Agreement") was made and entered into as of March 24, 2023 by and among TPT SpeedConnect LLC, a Colorado Limited Liability Company ("TPT SpeedConnect", wholly-owned subsidiary of TPT Global Tech, Inc. "TPT", "TPT Global Tech" or "Parent Company"), and Asberry 22 Holdings, Inc., a Delaware Corporation ("ASHI") resulting in TPT Global Tech being issued 4,658,318 common shares of ASHI. As a result of the Merger Agreement, TPT received ownership constituting 86% of the then issued and outstanding common stock. TPT Global Tech, Inc. also has purchased all of the 500,000 Series A Super Majority Voting Preferred Shares of ASHI.

Previous to the closing of the Merger Agreement, a change of control occurred on December 23, 2021 by virtue of the sale of 500,000 shares of Series A Supermajority Voting Preferred Stock, which were purchased by the Michael A. Littman Atty, Defined Benefit Plan. These shares were subsequently acquired by TPT Global Tech.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Consolidation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and have been consistently applied. Our consolidated financial statements include the wholly-owned accounts, as well as, non-controlling interests where appropriate. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. The Company's consolidated financial statements reflect all adjustments that management believes are necessary for the fair presentation of their financial condition and results of operations for the periods presented.

Revenue Recognition

We use the following criteria described below in more detail for each business unit:

Identify the contract with the customer.
Identify the performance obligations in the contract.
Determine the transaction price.
Allocate the transaction price to performance obligations in the contract.
Recognize revenue when or as we satisfy a performance obligation.

Reserves are recorded as a reduction in net sales and are not considered material to our consolidated statements of operations for the years ended June 30, 2023 and 2022. In addition, we invoice our customers for taxes assessed by governmental authorities such as sales tax and value added taxes, where applicable. We present these taxes on a net basis.

TPT SpeedConnect: ISP and Telecom Revenue

TPT SpeedConnect is a rural Internet provider operating in 5 Midwestern States under the trade name SpeedConnect. TPT SC's primary business model is subscription based, pre-paid monthly reoccurring revenues, from wireless delivered, high-speed internet connections. In addition, the company resells third-party satellite and DSL internet and IP telephony services. Revenue generated from sales of telecommunications services is recognized as the transaction with the customer is considered closed and the customer receives and accepts the services that were the result of the transaction. There are no financing terms or variable transaction prices. Due date is detailed on monthly invoices distributed to customer. Services billed monthly in advance are deferred to the proper period as needed. Deferred revenue are contract liabilities for cash received before performance obligations for monthly services are satisfied. Deferred revenue for TPT SpeedConnect as of June 30, 2023 is $0. Certain of our products require specialized installation and equipment. For telecom products that include installation, if the installation meets the criteria to be considered a separate element, product revenue is recognized upon delivery, and installation revenue is recognized when the installation is complete. The Installation Technician collects the signed quote containing terms and conditions when installing the site equipment at customer premises.

Revenue for installation services and equipment is billed separately from recurring ISP and telecom services and is recognized when equipment is delivered and installation is completed. Revenue from ISP and telecom services is recognized monthly over the contractual period, or as services are rendered and accepted by the customer.

The overwhelming majority of our revenue continues to be recognized when transactions occur. Since installation fees are generally small relative to the size of the overall contract and because most contracts are for two years or less, the impact of not recognizing installation fees over the contract is immaterial.

Cost of Sales

Cost of sales includes all of the costs and expenses directly related to the production of goods and services included in revenues.

Advertising Costs

We expense advertising costs when advertisements occur. No advertising costs were incurred during the years ended June 30, 2023 and 2022.

Stock-Based Compensation

The cost of equity instruments issued to employees and non-employees in return for goods and services is measured by the grant date fair value of the equity instruments issued in accordance with ASC 718, Compensation – Stock Compensation. The related expense is recognized as services are rendered or vesting periods elapse.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement 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 year 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 our income tax provision in the period of enactment.

We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversal of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations, including taxable income in carryback periods. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce our income tax provision.

We account for uncertain tax positions using a "more-likely-than-not" recognition threshold. We evaluate uncertain tax positions on a quarterly basis and consider various factors, including, but not limited to, changes in tax law, the measurement of tax positions taken or expected to be taken in tax returns, the effective settlement of matters subject to audit, new audit activity and changes in facts or circumstances related to a tax position.

It is our policy to record costs associated with interest and penalties related to tax in the selling, general and administrative line of the consolidated statements of operations.

Net Loss per Share Calculation

Basic net loss per common share is computed by dividing loss available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net income by the weighted average shares outstanding, assuming all dilutive potential common shares were issued. Diluted earnings per share is not presented when their effect is anti-dilutive. The Company's shares of Series A Preferred Stock are convertible into such number of common shares as represents 90% of the total shares of common stock issued and outstanding. The potentially dilutive shares have not been included in the calculation of net loss per share for the periods presented as their inclusion would be anti-dilutive as the Company recognized losses for all periods presented.

Cash and Cash Equivalents

The Company considers all investments with a maturity date of three months or less when purchased to be cash equivalents. There are no cash equivalents as of June 30, 2023 and 2022.

Accounts and Notes Receivable

We establish an allowance for potential uncollectible accounts and notes receivable. All accounts and notes receivable 60 days past due are considered uncollectible unless there are circumstances that support collectability. Those circumstances are documented. As of June 30, 2023 and 2022, the allowance for uncollectible accounts and notes receivable was $0 and $0, respectively. Receivables are charged off when collection efforts cease.

Property and Equipment

Property and equipment are stated at cost or fair value if acquired as part of a business combination. Depreciation is computed by the straight-line method and is charged to operations over the estimated useful lives of the assets. Maintenance and repairs are charged to expense as incurred. The carrying amount of accumulated depreciation of assets sold or retired are removed from the accounts in the year of disposal and any resulting gain or loss in s included in results of operations. The estimated useful lives of property and equipment are telecommunications network - 5 years, telecommunications equipment - 7 to 10 years, and computers and office equipment - 3 years.

Business Acquisitions

Our business acquisitions have historically been made at prices above the fair value of the assets acquired and liabilities assumed, resulting in goodwill or some identifiable intangible asset. Significant judgment is required in estimating the fair value of intangible assets and in assigning their respective useful lives. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management but are inherently uncertain.

We generally employ the income method to estimate the fair value of intangible assets, which is based on forecasts of the expected future cash flows attributable to the respective assets. Significant estimates and assumptions inherent in the valuations reflect a consideration of other marketplace participants and include the amount and timing of future cash flows (including expected growth rates and profitability), the underlying product life cycles, economic barriers to entry, a brand's relative market position and the discount rate applied to the cash flows. Unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions.

Net assets acquired are recorded at their fair value and are subject to adjustment upon finalization of the fair value analysis.

Leases

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) and subsequent amendments to the initial guidance: ASU 2017-13, ASU 2018-10, ASU 2018-11, ASU 2018-20 and ASU 2019-01 (collectively, Topic 842). Topic 842 requires lessees to classify leases as either finance or operating leases and to record a right-of-use asset and a lease liability for all leases with a term greater than 12 months regardless of the lease classification. We adopted Topic 842 using the effective date, January 2019, as the date of our initial application of the standard. Consequently, financial information for the comparative periods has been updated. Our finance and operating lease commitments are subject to the new standard and we recognize as finance and operating lease liabilities and right-of-use assets.

Financial Instruments and Fair Value of Financial Instruments

Our primary financial instruments at June 30, 2023 consisted of cash equivalents, accounts receivable, accounts payable and debt. We apply fair value measurement accounting to either record or disclose the value of our financial assets and liabilities in our financial statements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy requires an entity to maximize the use of observable inputs, where available, and minimize the use of unobservable inputs when measuring fair value.

Described below are the three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recently Issued Financial Accounting Standards

Management has reviewed recently issued accounting pronouncements and has determined there are not any that would have a material impact on the condensed consolidated financial statements.

NOTE 3. ACQUISITIONS

Agreement and Plan of Merger

The Merger Agreement was made and entered into as of March 24, 2023 by and among TPT SpeedConnect and ASHI, and SPC Acquisition, Inc., a wholly-owned subsidiary of ASHI, domiciled in Colorado ("Acquisition Sub") primarily for the opportunities of capital raising. TPT SpeedConnect then converted to a Corporate entity and Acquisition Submerged with and into TPT SpeedConnect (the "Merger"). The separate corporate existence of Acquisition Sub ceased and TPT SpeedConnect continues as the surviving corporation in the Merger and as wholly-owned subsidiary of ASHI. The shares of common stock of Acquisition Sub issued and outstanding immediately prior to the Effective Time is converted into and exchange for 1,000 validly issued, fully paid and non-assessable shares of the Subsidiary's common stock.

TPT Global Tech, Inc. was issued a total of 4,658,318 common shares of ASHI, as a result of the Merger, constituting 86% of the then issued and outstanding common stock. TPT Global Tech, Inc. also has purchased all of the 500,000 Series A Super Majority Voting Preferred Shares of ASHI.

ASHI shall file a Form S-1 Registration Statement with the Securities Exchange Commission within 120 days after closing, to register for resale: a) the common shares of ASHI, issued at closing, b) conversion shares for the Series A Supermajority Preferred Stock and c) those outstanding shares of the shareholders of ASHI existing as of the day prior to closing, and shall pursue such S-1 filing diligently to effectiveness. The filing has not yet occurred.

The officers of ASHI resigned effective upon the appointment of the new officers, as designated. The Current Directors of ASHI were to remain as directors until the Series A Preferred Stock (500,000 shares) of ASHI shall have been redeemed or converted. TPT Global Tech designated two new directors for appointment effective at closing and appointed new officers.

The Company evaluated this acquisition in accordance with ASC 805-10-55-4 to discern whether the assets and operations of the assets purchased met the definition of a business. The company concluded that there were processes and sufficient inputs into outputs. Accordingly, the Company accounted for this transaction as a business acquisition and allocated the purchase price as follows:

Consideration given at fair value:		
Accounts payable and accrued expenses	$	1,513,391
Operating lease liabilities		8,081,728
Debt financing arrangements		619,532
Common shares		450,000
	$	10,664,651
Assets acquired at fair value:		
Cash and cash equivalents	$	38,892
Accounts receivable – Parent Company		5,366,160
Prepaids and other		40,786
Adjustment to equity		5,218,813
	$	10,664,651

Revenue and net income contributed by TPT SpeedConnect since date of acquisition was $1,184,623 and $40,449, respectively.

Had the acquisition of IST occurred on July 1, 2021, unaudited proforma results of operations for the years ended June 30, 2023 and 2022, respectively, would be as follows:

		2023		2022
Revenue	$	4,556,700	$	6,574,512
Cost of Sales		4,242,718		5,052,898
Gross Profit	$	313,982	$	1,521,614
Expenses, including impairments and interest		(5,839,497)		(2,795,724)
Net Loss	$	(5,525,515)	$	(1,274,110)
Loss per share	$	(5.04)	$	(2.70)

NOTE 4. GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern.

We incurred $69,543 and $45,027, respectively, in losses, and we used $69,919 and $26,249, respectively, in cash for operations for the years ended June 30, 2023 and 2022. We calculate the net cash used by operating activities by decreasing, or increasing in case of gain, our let loss by those items that do not require the use of cash such as depreciation, amortization, gain on extinguishment of debt and share-based compensation which totaled to a net $96,300 for 2023 and $0 for 2022.

In addition, we report increases and reductions in liabilities as uses of cash and decreases in assets and increases in liabilities as sources of cash, together referred to as changes in operating assets and liabilities. For the years ended June 30, 2023 and 2022, respectively, we had a net decrease and increase, respectively, in our assets and liabilities of $96,676 and $18,778.

Cash flows from financing activities were $39,277 and $26,249 for the years ended June 30, 2023 and 2022, respectively from amounts payable – related parties offset in 2023 by payments to those related parties.

Cash flows used in investing activities were $38,892 and $0, respectively, for the years ended June 30, 2023 and 2022 primarily related to the Merger Agreement and acquisition of TPT SpeedConnect in March 2023.

These factors raise substantial doubt about the ability of the Company to continue as a going concern for a period of one year from the issuance of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In order for us to continue as a going concern for a period of one year from the issuance of these financial statements, we will need to obtain additional debt or equity financing and look for companies with cash flow positive operations that we can acquire. There can be no assurance that we will be able to secure additional debt or equity financing, that we will be able to acquire cash flow positive operations, or that, if we are successful in any of those actions, those actions will produce adequate cash flow to enable us to meet all our future obligations. Most of our existing financing arrangements are short-term. If we are unable to obtain additional debt or equity financing, we may be required to significantly reduce or cease operations.

NOTE 5. DEBT FINANCING ARRANGEMENTS

On April 1, 2022, TPT SpeedConnect entered into a Future Receivable Sale and Purchase Agreement ("Mr. Advance Agreement") with Mr. Advance LLC ("Mr. Advance"). The balance to be purchased and sold is $411,000 for which TPT SpeedConnect received $270,715, net of fees. Under the Mr. Advance Agreement, TPT SpeedConnect is to pay $8,935 per week for 46 weeks at an effective interest rate of approximately 36% annually. TPT SpeedConnect is in default with this Agreement for non-payment and is working to restructure its terms. The balance outstanding as of June 30, 2023 is $301,549, net of discounts.

On April 1, 2022, TPT SpeedConnect entered into a Future Receipts Sale and Purchase Agreement ("CLOUDFUND Agreement") with CLOUDFUND LLC ("CLOUDFUND"). The balance to be purchased and sold is $411,000 for which TPT SpeedConnect received $272,954, net of fees. Under the CLOUDFUND Agreement, TPT SpeedConnect is to pay $8,935 per week for 46 weeks at an effective interest rate of approximately 36% annually. TPT SpeedConnect is in default with this Agreement for non-payment and is working to restructure its terms. The balance outstanding as of June 30, 2023 is $244,670, net of discounts.

On April 27, 2022, TPT SpeedConnect entered into a Future Receivables Sale and Purchase Agreement ("Fox Capital Agreement") with Fox Capital Group, Inc. ("Fox Capital"). The balance to be purchased and sold is $138,000 for which TPT SpeedConnect received $90,000, net of fees. Under the Fox Capital Agreement, TPT SpeedConnect is to pay $4,313 per week for 32 weeks at an effective interest rate of approximately 36% annually. TPT SpeedConnect is in default with this Agreement for non-payment and is working to restructure its terms. The balance outstanding as of June 30, 2023 is $73,313, net of discounts.

All of these financing arrangements are guaranteed by TPT Global Tech and the CEO of the Company Stephen J. Thomas. They are also all in default and have either received default judgements or lawsuit filing notices which is outlined in Note 8.

NOTE 6. NOTES PAYABLE – RELATED PARTIES

As of June 30, 2023 and June 30, 2022, the balance of notes payable- related parties was $64,276 and $26,249, respectively.

During the year ended June 30, 2023, we received $32,000 by way of loan from Legacy Technology Holdings, Inc, $3,751 by way of loan from Michael A Littman Atty, Defined Benefit Plan, $25 by way of loan from one of our directors and repaid $3,500 to Michael A Littman Atty, Defined Benefit Plan.

The Promissory Note with Legacy Technology Holdings, Inc, for $32,000 is due on demand, unsecured and bears no interest unless it defaults after demand and thereafter at 12% per annum. Our directors, Calvin D. Smiley, Sr. and Redgie Green are also directors of Legacy Technology Holdings, Inc. and Mr. Green is the CEO/President of Legacy Technology Holdings, Inc.

We entered into a Promissory Note during the year ended June 30, 2023 in the amount of $30,000 with Michael A Littman Atty, Defined Benefit Plan., an affiliate of our principal shareholder, Michael A Littman in respect of funds he had already advanced to us to finance our working capital requirements. The Note is due on demand, unsecured and bears no interest unless demand is made and then the default rate is 12% per annum.

NOTE 7. INCOME TAXES

We did not provide any current or deferred US federal income tax provision or benefit for the years ending June 30, 2023 and 2022 as we incurred tax losses during both of these years.

When it is more likely than not, that a tax asset cannot be realized through future income, we must record an allowance against any future potential future tax benefit. We have provided a full valuation allowance against the net deferred tax asset, consisting of net operating loss carry forwards, because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred tax assets during the carry forward periods.

The Company has not taken a tax position that, if challenged, would have a material effect on the financial statements for the years ended June 30, 2023 and 2022 as defined under ASC 740, "Accounting for Income Taxes." We did not recognize any adjustment to the liability for uncertain tax position and therefore did not record any adjustment to the beginning balance of the accumulated deficit on the balance sheet.

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to income before provision for income taxes.

The sources and tax effects of the differences for the periods presented are as follows:

	Year Ended June 30, 2023	Year Ended June 30, 2022
Statutory U.S Federal Income Tax Rate	21%	21%
State Income Taxes	5%	5%
Change in Valuation Allowance	(26)%	(26)%
Effective Income Tax Rate	0%	0%

A reconciliation of the income taxes computed at the statutory rate is as follows:

	Year Ended June 30, 2023	Year Ended June 30, 2022
Tax credit (expense) at statutory rate of 26%	$ 18,081	$ 11,707
Increase in valuation allowance	(18,081)	(11,707)
Net deferred tax assets	$ —	$ —

The Company has approximately $335,000 and $265,000 of net operating loss carry forwards as of June 30, 2023 and 2022, respectively, which expire in varying amounts, if unused. Because of the change in ownership of more than 50% of the Company in accordance with Section 382 of the IRS Code, some of these net operating loss carry forwards may be significantly limited to use in future periods.

NOTE 8. COMMITMENTS & CONTINGENCIES

Operating lease obligations

TPT SpeedConnect adopted Topic 842 on January 1, 2019. TPT SpeedConnect elected to adopt this standard using the optional modified retrospective transition method and recognized a cumulative-effect adjustment to the consolidated balance sheet on the date of adoption. Comparative periods have not been restated. With the adoption of Topic 842, the Company's consolidated balance sheet now contains the following line items: Operating lease right-of-use assets, Current portion of operating lease liabilities and Operating lease liabilities, net of current portion.

As all the existing leases subject to the new lease standard were previously classified as operating leases by the Company, they were similarly classified as operating leases under the new standard. The Company has determined that the identified operating leases did not contain non-lease components and require no further allocation of the total lease cost. Additionally, the agreements in place did not contain information to determine the rate implicit in the leases, so we used our estimated incremental borrowing rate as the discount rate. Our weighted average discount rate is 10.0% and the weighted average lease term of 2.61 years.

We have various non-cancelable lease agreements for certain of our tower locations with original lease periods expiring between 2023 and 2044. Our lease terms may include options to extend or terminate the lease when it is reasonably certain we will exercise that option. Certain of the arrangements contain escalating rent payment provisions. An equipment lease described below and leases with an initial term of twelve months have not been recorded on the consolidated balance sheets. We recognize rent expense on a straight-line basis over the lease term.

As of June 30, 2023 and June 30, 2022, operating lease right-of-use assets and liabilities arising from operating leases were $0 and $0, respectively. During the year ended June 30, 2023 cash paid for amounts included for the measurement of lease liabilities was approximately $100,000 and the Company recorded lease expense in the amount of approximately $ 265,000 in cost of sales.

TPT SpeedConnect entered into an operating agreement to lease colocation space for 5 years. This operating agreement starts October 1, 2020 for $7,140 per month. All other lease agreements for office space are under lease agreements for one year or less.

The following is a schedule showing the future minimum lease payments under operating leases by years and the present value of the minimum payments as of June 30, 2023.

2023	$	6,782,399
2024		839,794
2025		508,690
2026		147,486
2027		7,032
Thereafter		66,000
Total operating lease liabilities		8,563,865
Amount representing interest		(297,732)
Total net present value	$	8,266,133

Other Commitments and Contingencies

Litigation

We have been named in a lawsuit by a collection law firm on behalf of American Tower and related entities, against TPT Global Tech, Inc. The claim derives from an outstanding debt or unpaid tower lease payments. The Company believes it has several defenses to this claim and is in the process of communicating with opposing counsel for dismissal or negotiation of the claims which amounts to $2,891,886, including payment due for all future tower payments not yet incurred under various tower lease agreements. The Company has accounted for approximately $2,896,960 in payables and operating lease liabilities on its consolidated balance sheet as of June 30, 2023 for this liability. Management does not believe any negative outcome to this lawsuit would amount to more than this.

In total, lawsuits are being threatened or have been put forth by vendors in relation to tower lease payments in accordance with tower lease agreements that were entered into. The claims are currently being investigated or negotiated and the amount in controversy being claimed is approximately $3,683,388, which the Company has accounted for in its consolidated balance sheet as of June 30, 2023.

TPT SpeedConnect has been named in lawsuits by three merchant debt companies, Mr. Advance, CLOUDFUND and Fox Capital versus TPT SpeedConnect and TPT for non-payment under the debt agreements for which the companies received judgements in the case of Mr. Advance and CLOUDFUND or a filed lawsuit in case of Fox Capital against the TPT SpeedConnect and TPT. The judgements and filed lawsuit in case of Fox Capital totaled $595,105, including legal and other fees for which the Company has $619,531 recorded in Debt Financing Agreements. TPT SpeedConnect is in negotiations with these companies to restructure payment and work out acceptable terms. Management believes it will not have to pay more than what it has recorded in accounts payable.

As of June 30, 2022, we had accrued $25,000 in respect of a litigation contingency reserve for an ongoing legal issue. This contingency was paid during the year ended June 30, 2023, to a related party who assumed the liability prior to the closing of the Merger Agreement.

We are not currently involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect. We anticipate that we (including current and any future subsidiaries) will from time to time become subject to claims and legal proceedings arising in the ordinary course of business. It is not feasible to predict the outcome of any such proceedings and we cannot assure you that their ultimate disposition will not have a materially adverse effect on our business, financial condition, cash flows or results of operations.

NOTE 9. SHAREHOLDERS' DEFICIT

Preferred Stock

We are authorized to issue 10,000,000 shares of preferred stock with the par value of $ 0.001, with such relative rights, preferences and designations as may be determined by our Board of Directors in its sole discretion upon the issuance of any shares of Preferred Stock.

1,000,000 share of Series A Super Majority Voting Convertible Stock were designated effective May 26, 2020.

No other shares of preferred stock have been designated at this time.

Series A Preferred Stock

500,000 shares of Series A Preferred Stock were issued and outstanding as on June 30, 2023 and 2022.

The shares of Series A Preferred Stock carry super majority voting power equivalent to 90% of common stock at all times and are convertible to 90% of the common shares of the Common Stock of the Company. The Series A Preferred Stock outstanding is owned by the Parent Company.

Common Stock

As of June 30, 2023, we were authorized to issue 1,010,000 000 shares of common stock with a par value of $ 0.001.

During the year ended June 30, 2023, 4,958,317 common shares were issued, 4,658,317 to the Parent Company in relation to the Merger Agreement and 300,000 in relation to compensation to consultants and directors.

As of June 30, 2023 and 2022, respectively, 5,430,373 and 472,056 shares of common stock were issued and outstanding.

Warrants

There are no warrants outstanding as of June 30, 2023.

Stock Options

We currently have no stock option plan. There were there any outstanding stock options as of June 30, 2023.

NOTE 10. SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the consolidated financial statements were issued and has determined that it does not have any material subsequent events to disclose in these unaudited consolidated financial statements.