

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Carsmartt, Inc

Via S. Tommaso D'acquino 79 Roma Italy 00136

917-336-2733

www.smarttholdings.com

info@carsmartt.com

7322

[Quarterly] Report

For the period ending [September 30, 2023] (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

596,304,566 as of 09/30/2023

596,304,566 as of 06/31/2023

Shell Status

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Change in Control

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

Yes: ☐ No: ☒

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

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

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

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

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

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

The exact name of the issuer is Carsmartt, Inc. (herein sometimes called the "Company" or the "Issuer").

We were incorporated as Cynergi Holdings, Inc., on February 27, 2007, in the State of Nevada for the purpose of is the acquisition and exploration of mineral resource. On January 16, 2009, the company changed its name to Sports Supplement Group, Inc to reflect a change in direction. On January 17, 2017, we entered into the Exchange Agreement with Luthor Web Development, Inc., a Florida corporation ("LWD"), whereby we acquired all of the issued and outstanding common stock of LWD. On January 17, 2017, LWD transferred all of its assets and liabilities to LWD Acquisition, Inc., our wholly owned subsidiary. On March 28, 2017, the Company filed with FINRA to change the company name to CarSmartt, Inc. and requested a symbol change. FINRA hs approuve these corporate actions and the Company name has changed to CarSmartt,Inc

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

The State of incorporation is Nevada and the company is active.

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:

On 06/21/21 Carsmartt,Inc. has completed the acquisition of Blackbrick Construction, Inc. a Florida corporation specialized in Ground up construction, remodeling and data centers.
On August 6, 2021, Carsmartt Inc signed an agreement for the acquisition of 100% of the shares of Immobilfin S.P.A., Inc. The company owns a commercial building in the center of Naples Italy. The building is leased to the Italian government.

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

Via S. Tommaso D'acquino 79 Roma Italy 00136

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

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

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

2) Security Information

Transfer Agent

Name: Empire Stock Transfer
Phone: 702-818-5898
Email: info@empirestock.com

Address: 1859 Whitney Mesa DR.Henderson, NV 89014

Publicly Quoted or Traded Securities:

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

Trading symbol:	<u>CRSM</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>14575N 105</u>	
Par or stated value:	<u>\$0.00001</u>	
Total shares authorized:	<u>900.000.000</u>	<u>as of date: 09/30/2023</u>
Total shares outstanding:	<u>596,304,566</u>	<u>as of date: 09/30/2023</u>
Total number of shareholders of record:	<u>67</u>	<u>as of date: 09/30/2023</u>

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

Trading symbol:	<u> </u>	
Exact title and class of securities outstanding:	<u> </u>	
CUSIP:	<u> </u>	
Par or stated value:	<u> </u>	
Total shares authorized:	<u> </u>	<u>as of date: </u>
Total shares outstanding:	<u> </u>	<u>as of date: </u>
Total number of shareholders of record:	<u> </u>	<u>as of date: </u>

Trading symbol:	<u> </u>	
Exact title and class of securities outstanding:	<u> </u>	
CUSIP:	<u> </u>	
Par or stated value:	<u> </u>	
Total shares authorized:	<u> </u>	<u>as of date: </u>
Total shares outstanding:	<u> </u>	<u>as of date: </u>
Total number of shareholders of record:	<u> </u>	<u>as of date: </u>

Other classes of authorized or outstanding equity securities:

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

Exact title and class of the security:	<u> </u>	
CUSIP (if applicable):	<u> </u>	
Par or stated value:	<u> </u>	
Total shares authorized:	<u> </u>	<u>as of date: </u>
Total shares outstanding (if applicable):	<u> </u>	<u>as of date: </u>
Total number of shareholders of record	<u> </u>	

(if applicable): _____ as of date: _____

Exact title and class of the security: _____

CUSIP (if applicable): _____

Par or stated value: _____

Total shares authorized: _____ as of date: _____

Total shares outstanding (if applicable): _____ as of date: _____

Total number of shareholders of record
(if applicable): _____ as of date: _____

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.**

_____ None _____

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

_____ None _____

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.

As of June 30 2023, there are **596,304,566** shares of the Company's common stock issued and outstanding.

During the preceding two (2) years, the Company has issued the following securities:

NONE

A. Changes to the Number of Outstanding Shares

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

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

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2020</u> Common: <u>477,304,566</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
Shares Outstanding on Date of This Report: <u>Ending Balance</u> <u>Ending Balance</u> Date <u>09/30/2023</u> Common: <u>596,304,566</u> Preferred: <u>1,000,000</u>			00						

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:

none

B. Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *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:

none

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")

Carsmartt,Inc. is an emerging holdings company with subsidiaries in the industries of Technology, Real Estate and Construction. We have presence in the United States and Europe.

- B. List any subsidiaries, parent company, or affiliated companies.
Blackbrick construction, Immobilfin.

- C. Describe the issuers' principal products or services.
Technology-Real Estate-Construction

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.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

6) Officers, Directors, and Control Persons

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

[illegible]

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: Morgan E Petitti
Firm: Morgan E. Petitti esq
Address 1: 118 W Streetsboro rd. 317
Address 2: Hudson , OH 44236
Phone: 303 697 8548
Email: petitilaw@gmail.com

Accountant or Auditor

Name: _____

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

Investor Relations

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

All other means of Investor Communication:

Twitter: _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

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

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

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

☐ IFRS
☒ U.S. GAAP

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

Name: **Giovanni Ferrigno**
Title: **CEO**
Relationship to Issuer: **Director**

Describe the qualifications of the person or persons who prepared the financial statements:
accounting

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.

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

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

Important Notes:

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

CARSMARTT, INC
BALANCE SHEET
AS AT JUNE 30, 2023

ASSETS

CURRENT ASSETS:

Cash	\$ 2,153
Inventory	-
Other	<u>-</u>
Total Current Assets	2,153
Investments	107,595
Deposit - Acquisition	1,765,707
Computer software	72,000
Loan receivable	<u>218,337</u>
Total Assets	<u><u>\$ 2,165,972</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Due to related party	\$ 148,804
Total Current Liabilities	<u>148,804</u>
Commitments and Contingencies	<u>-</u>

STOCKHOLDERS' EQUITY

Common stock; 900,000,000 shares authorized, 596,304,566 issued and outstanding, \$0.00001 par value	\$ 5,963
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, 1,000,000 shares issued and outstanding	10,000
Subscribed stock	-
Additional paid-in capital	2,088,624
Accumulated deficit	(87,599)
Total Stockholders' Equity	<u>2,016,988</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 2,165,792</u></u>

CARSMARTT, INC
STATEMENT OF EARNINGS
FOR THE SIX MONTHS ENDED JUNE 30, 2023

	Three Months Ended <u>September 30, 2023</u>	Six Months Ended <u>September 30, 2023</u>
REVENUES:		
Consulting fees	\$ 32,700	\$ 104,200
OPERATING EXPENSES		
:		
Contract labor	16,444	55,824
Professional fees	7,100	14,960
General and administrative	388	2,042
Total Operating Expenses	<u>23,932</u>	<u>49,323</u>
INCOME FROM OPERATIONS	8,768	31,374
OTHER INCOME (EXPENSE)		
Interest income	96	119
Gain on sale of securities	28,433	33,810
NET INCOME	<u>\$ 37,297</u>	<u>\$ 65,303</u>

CARSMARTT, INC
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JUNE 30, 2023

OPERATING ACTIVITIES:

Net Income	\$ 65,303
Adjustments to reconcile Net(Loss) to	
Net Cash provided by (used for) Operating Activities:	

_____ -

Net Cash - Operating Activities

65,006

INVESTING ACTIVITIES:

Other investments	(33,590)
Loan receivable	(33,884)

_____ -

Net Cash - Investing Activities

(67,474)

FINANCING ACTIVITIES:

Proceeds from Issuance of Common Stock	
Loan related party	

_____ (0)

Net Cash - Financing Activities

(0)

**NET INCREASE (DECREASE) IN CASH AND
CASH EQUIVALENTS**

(2,171)

**CASH AND CASH EQUIVALENTS AT
BEGINNING OF PERIOD**

4,324

**CASH AND CASH EQUIVALENTS AT
END OF PERIOD**

\$2,153

CARSMARTT, INC									
STATEMENTS OF STOCKHOLDERS' EQUITY									
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023									
	Common Stock		Preferred Stock		Subscribed Stock	Paid in Capital	Retained Earnings	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount					
Balance - December 31, 2022	596,304,566	\$ 5,963	1,000,000	\$10,000		\$ 2,088,624	\$ (152,902)	\$ -	\$ 1,951,685
Net Income							11,834		11,834
Balance - March 31, 2023	596,304,566	\$ 5,963	1,000,000	\$10,000		\$ 2,088,624	\$ (141,068)	\$ -	\$ 1,963,519
Net Income							16,172		16,172
Balance - June 30, 2023	596,304,566	\$ 5,963	1,000,000	\$10,000		\$ 2,088,624	\$ (124,896)	\$ -	\$ 1,979,691
Net Income							37,297		37,297
Balance - September 30, 2023	596,304,566	\$ 5,963	1,000,000	\$10,000		\$ 2,088,624	\$ (87,599)	\$ -	\$ 2,016,988

NOTES TO FINANCIAL STATEMENTS

Note 1. Organization, History and Business

Carsmart, Inc. ("the Company") was incorporated in Nevada on February 27, 2007.

Note 2. Summary of Significant Accounting Policies Revenue Recognition

Revenue is derived from contracts with our consumers. Revenue is recognized in accordance with ASC 605. As such, the Company identifies performance obligations and recognizes revenue

over the period through which the Company satisfies these obligations. Any contracts that by nature cannot be broken down by specific performance criteria will recognize revenue on a straight-line basis over the contractual term of period of the contract.

The Company evaluates the presentation of revenue on a gross vs. net basis based on whether it acts as a principal by controlling the transportation service provided to the passenger or whether it acts as an agent by arranging for third parties to provide the service to the passenger. The Company facilitates the provision of a transportation service by a driver to a passenger (the driver's customer) in order for the driver to fulfill their contractual promise to the passenger. The driver fulfills their promise to provide a transportation service to their customer through use of the Carsmartt Platform. While the Company facilitates setting the price for transportation services, the drivers and passengers have the discretion in accepting the transaction price through the platform. The Company is not responsible for fulfilling transportation services being provided to the passenger nor does the Company have inventory risk related to these services. The Company is acting as an agent in facilitating the ability for a driver to provide a transportation service to a passenger. The Company reports revenue on a net basis, reflecting the fee owed to the Company from a passenger as revenue, and not the gross amount collected from the driver. The Company determined that it is not primarily responsible for the services since it does not promise the transportation services, does not contract with drivers to provide transportation services on the Company's behalf, does not control whether the driver accepts or declines the transportation request via the Carsmartt Platform, and does not control the provision of transportation services by drivers to passengers at any point in time either before, during or after the ride. For the year years ended Decemberr 31, 2022 revenues recognized was \$0 from transportation and \$237,500 in revenues from construction related activities earned by the recent acquisition of Blackbrick Construction

Accounts Receivable

Accounts receivable is reported at the customers' outstanding balances, less any allowance for doubtful accounts. Interest is not accrued on overdue accounts receivable.

Allowance for Doubtful Accounts

An allowance for doubtful accounts on accounts receivable is charged to operations in amounts sufficient to maintain the allowance for uncollectible accounts at a level management believes is adequate to cover any probable losses. Management determines the adequacy of the allowance based on historical write-off percentages and information collected from individual customers. Accounts receivable are charged off against the allowance when collectability is determined to be permanently impaired.

Stock Based Compensation

When applicable, the Company will account for stock-based payments to employees in accordance with ASC 718, "Stock Compensation" ("ASC 718"). Stock-based payments to employees include grants of stock, grants of stock options and issuance of warrants that are recognized in the consolidated statement of operations based on their fair values at the date of grant.

The Company accounts for stock-based payments to non-employees in accordance with ASC 505-

50, "Equity-Based Payments to Non-Employees." Stock-based payments to non-employees include grants of stock, grants of stock options and issuances of warrants that are recognized in

the consolidated statement of operations based on the value of the vested portion of the award over the requisite service period as measured at its then-current fair value as of each financial reporting date.

The Company calculates the fair value of option grants and warrant issuances utilizing the Binomial pricing model. The amount of stock-based compensation recognized during a period is based on the value of the portion of the awards that are ultimately expected to vest. ASC 718 requires forfeitures to be estimated at the time stock options are granted and warrants are issued to employees and non-employees, and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term "forfeitures" is distinct from "cancellations" or "expirations" and represents only the unvested portion of the surrendered stock option or warrant. The Company estimates forfeiture rates for all unvested awards when calculating the expense for the period. In estimating the forfeiture rate, the Company monitors both stock option and warrant exercises as well as employee termination patterns. The resulting stock-based compensation expense for both employee and non-employee awards is generally recognized on a straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period.

Loss per Share

The Company reports earnings (loss) per share in accordance with ASC Topic 260-10, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share has not been presented since there are no dilutive securities

Cash and Cash Equivalents

For purpose of the statements of cash flows, the Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less.

Concentration of Credit Risk

The Company primarily transacts its business with one financial institution. The amount on deposit in that one institution may from time to time exceed the federally-insured limit.

Depreciation

Equipment is stated at cost less accumulated depreciation. Major improvements are capitalized while minor replacements, maintenance and repairs are charged to current operations. Depreciation is computed by applying the straight-line method over the estimated useful lives, which are generally three to five years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial

statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business segments

ASC 280, "*Segment Reporting*" requires use of the "*management approach*" model for segment reporting. The management approach model is based on the way a company's management organizes segments within the company for making operating decisions and assessing performance. The Company determined it has one operating segment as of December 31, 2022.

Advertising Expense

It is the Company's policy to expense advertising costs as incurred. Advertising expenses for the year ended September 30, 2023 was \$0 .

Income Taxes

The Company accounts for its income taxes under the provisions of ASC Topic 740, "Income Taxes." The method of accounting for income taxes under ASC 740 is an asset and liability method. The asset and liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax bases and financial reporting bases of other assets and liabilities.

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change. The Company currently does not have any recent accounting pronouncements that they are studying and feel may be applicable.

Accounting policies Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary. All Carsmartt transactions, balances, income and expenses are eliminated. Investments in associates Investments in associates are accounted for at cost less any accumulated impairment losses. Dividend income from investments in associates is recognized when the Carsmartt's right to receive payment has been established. It is included in other income. Revenue recognition Revenue from sales is recognized.. Royalty revenue from licensing candle-making patents for use by others is recognized on a straight-line basis over the license period. Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognized for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered. The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognized in profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which management expects the deferred tax asset to be realized or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

Intangible assets

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortized over its estimated life of five years using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations. Impairment of assets at each reporting date, property, equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss. Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Employee benefits long-service payment

The liability for employee benefit obligations relates to government-mandated long service payments. All full-time staff, excluding directors, are covered by the programmed. A payment is made of 5 per cent of salary (as determined for the twelve months before the payment) at the end of each of five years of employment. The payment is made as part of the December payroll in the

fifth year. Carsmartt does not fund this obligation in advance. Carsmartt's cost and obligation to make long-service payments to employees are recognized during the employees' periods of service. The cost and obligation are measured using the projected unit credit method, assuming a 4 per cent average annual salary increase, with employee turnover based on the Carsmartt's recent experience.

An entity shall disclose in the notes information about the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In respect of those assets and liabilities, the notes shall include details of: (a) their nature. (b) their carrying amount as at the end of the reporting period. Notes Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period. For example, in the absence of recently observed market prices used to measure the following assets and liabilities, future-oriented estimates are necessary to measure the recoverable amount of classes of property, plant and equipment, the effect of technological obsolescence of inventories, provisions subject to the future outcome of litigation in progress, and long-term employee benefit liabilities such as pension obligations. These estimates involve assumptions about items such as the risk adjustment to cash flows or discount rates used, future changes in salaries and future changes in prices affecting other costs. No matter how diligently an entity estimates the carrying amounts of assets and liabilities subject to significant estimation uncertainty at the end of the reporting period, the reporting of point estimates in the statement of financial position cannot provide information about the estimation uncertainties involved in measuring those assets and liabilities and the implications of those uncertainties for the period's profit or loss. Disclosure of information about assumptions and other major sources of estimation uncertainty at the end of the reporting period enhances the relevance, reliability and understandability of the information reported in financial statements.

The disclosure does not apply to assets and liabilities measured at fair value based on recently observed market prices. When assets and liabilities are measured at fair value on the basis of recently observed market prices, future changes in carrying amounts would not result from using estimates to measure the assets and liabilities at the end of the reporting period. Using observed market prices to measure assets or liabilities obviates the need for estimates at the end of the reporting period. The market prices properly reflect the fair values at the end of the reporting period, even though future market prices could be different. In other words, such fair values might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting period. The objective of fair value measurement is to reflect fair value at the measurement date, not to predict a future value. Beyond specifying that, in respect of those assets and liabilities, the notes shall include details of their nature and their carrying amount as at the end of the reporting period, the IFRS for SMEs does not prescribe the particular form or detail of the disclosures. Circumstances differ from entity to entity, and the nature of estimation uncertainty at the end of the reporting period has many facets. Paragraph 8.7 limits the scope of the disclosures to items that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The longer the future period to which the disclosures relate, the greater the range of items that would qualify for disclosure, and the less specific are the disclosures that could be made about particular assets or liabilities. A period longer than the next financial year might obscure the most relevant information with other disclosures. The Significant Estimates and Other Judgements section of each module of the IASC Foundation training material for the IFRS for SMEs sets out information about the key assumptions concerning the future, and other key sources of estimation

uncertainty at the reporting date, that may have a significant risk of causing a material adjustment within the next financial year to the carrying amounts of the assets and liabilities that are the subject of that module.

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, Giovanni Ferrigno certify that:

1. I have reviewed this Disclosure Statement for Carsmartt 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.

11/10/23 [Date]

Giovanni ferrigno [CEO's Signature]

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

Principal Financial Officer:

I, Diego Visconti certify that:

1. I have reviewed this Disclosure Statement for Carsmartt 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.

11/10/2023 [Date]

Diego Visconti [CFO's Signature]

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