

Disclosure Statement Pursuant
to the Pink Basic Disclosure Guidelines

UMBRA APPLIED TECHNOLOGIES GROUP, INC.

A Delaware Corporation
14391 Spring Hill Drive, Suite 455
Spring Hill, FL 34609
Tel: (888) 926-4682 and Tel: (813) 607-4682

Annual Report

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

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,000,000,000 as of April 15, 2024

1,000,000,000 as of December 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 Control⁴ of the company has occurred during 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 and names used by predecessor entities, along with the dates of the name changes.

Current Name of the Issuer: Umbra Applied Technologies, Group, Inc.

Umbra Applied Technologies Group, Inc. (the "Company") was incorporated on April 13,

2019 in the State of Delaware under the name Green Technologies, Inc. and in December 2013 the Company changed its name to “Umbra Applied Technologies Group, Inc.

Current State and Date of Incorporation or Registration: Delaware on April 13, 2019

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

N/A

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

None

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

None

Address of the issuer’s principal executive office:

14391 Spring Hill Drive, Suite 455 Spring Hill, FL 34609

Address of the issuer’s principal place of business:

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

14391 Spring Hill Drive, Suite 455 Spring Hill, FL 34609

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:

N/A

2) Security Information

Name: Clear Trust, LLC.
Phone: 813-235-4490
Email: inbox@cleartrusttransfer.com
Address: Clear Trust, LLC.
16540 Pointe Village Dr.,
Lutz, FL 33558

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

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:

UATG

Exact title and class of securities

outstanding: Common CUSIP:	90419P100
Par or stated value:	\$0.001
Total common shares authorized:	1,000,000,000 as of: April 11, 2024
Total common shares outstanding:	1,000,000,000 as of: April 11, 2024

Total number of shareholders of record: 2,850 as of date: September 30, 2022

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.

Additional class of securities):

Preferred Series A

Trading symbol:	N/A
Exact title and class of securities outstanding:	Preferred Series A
CUSIP:	N/A
Par or stated value:	\$0.001
Total Preferred Series A authorized:	20,000,000 as of: April 11, 2024
Total Preferred Series A outstanding:	20,000,000 as of: April 11, 2024

Preferred Series A has fifty (50) shares votes per one Preferred Series A.

Additional class of securities:

Preferred Series B

Trading symbol:	N/A
Exact title and class of securities outstanding:	Preferred Series B
CUSIP:	N/A
Par or stated value:	\$0.001
Total Preferred Series B authorized:	15,000,000 as of April 11, 2024
Total Preferred Series B outstanding:	10,089,586 as of April 11, 2024

Preferred Series B can convert into Common shares at one (1) share of Preferred Series B into twenty (20) Common shares subject to 1% of the outstanding common shares.

Additional class of securities:

Preferred Series C

Trading symbol:	N/A
Exact title and class of securities outstanding:	Preferred Series C
CUSIP:	N/A
Par or stated value:	\$0.001
Total Preferred Series B authorized:	25,000,000 as of April 11, 2024
Total Preferred Series B outstanding:	18,178,922 as of April 11, 2024

Preferred Series C can convert into Common shares at one (1) Preferred Series C into ten (10) Common Shares.

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.

Currently common equity (shares) does not receive any dividends. Common equity (shares) does not have any preemption rights,

Common shares are entitled to one vote per share.

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

Preferred Series A has fifty (50) shares votes per one Preferred Series A. Preferred Series A do not have rights to dividends and there is no redemption or sinking fund provisions.

Preferred Series B can convert into Common shares at one (1) share of Preferred Series B into twenty (20) Common shares subject to 1% of the outstanding common shares. Preferred Series B has twenty (20) shares votes per one Preferred Series B. Preferred Series B do not have rights to dividends and there is no redemption or sinking fund provisions.

Preferred Series C can convert into Common shares at one (1) Preferred Series C into ten (10) Common Shares. Preferred Series C has ten (10) shares votes per one Preferred Series B. Preferred Series C do not have rights to dividends and there is no redemption or sinking fund provisions.

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 for the two most recently completed fiscal years and any subsequent period.

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)

Number of Shares outstanding as of January 1, 2022	<u>Opening Balance:</u> Common: 971,141,633 Preferred A: <u>15,000,000</u> Preferred B: <u>15,089,586</u> Preferred C: <u>18,178,922</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)	Reason for share issuance (e.g., for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
21-Jan-22	New Issue	28,658,367	Common	\$0.00	yes	EROP Capital LLC Control person is Vince Sbarra	Debit/cash	Unrestricted	Exemption
4-Aug-22	New Issue	5,000,000	Preferred Series A	\$0.00	yes	Alexander L. Umbra	Services	Restricted	Exemption
Shares Outstanding on December 31, 2023	<u>Ending Balance:</u> Common: <u>1,000,000,000</u> Preferred A: <u>20,000,000</u> Preferred B: <u>10,089,586</u> Preferred C: <u>18,178,922</u>								

No shares were issued from December 31, 2023 through the date of this Annual Report (April 11, 2024.)

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.)
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

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

N/A

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. 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")

Our focus (3-year time frame) will be expanding H2O on water treatment and its Iron Removal System treating crude oil.

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

UATG has two (2) operating subsidiaries (Umbra Applied Technologies Inc. "UAT" and H2O Processing Inc "H2O").

1-Umbra Applied Technologies Inc ("UAT") focuses on aerospace, defense, security services & technologies

2- H2O Processing Inc ("H2O") focuses on: Water and Oil treatment.

C. Describe the issuers' principal products or services.

Our principal current product focus (3-year time frame) is on our Iron Removal System treating crude oil and Water treatment.

During 2023 the Company disposed of its investments and other subsidiaries.

5) Issuer's Facilities

The goal of this section is to provide investors 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. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

Corporate office leases space and is located at:
 Umbra Applied Technologies Group, Inc.
 14391 Spring Hill Dr
 Suite 455
 Spring Hill FL 34609

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. 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. 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 investors 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 owners.

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Alexander L Umbra	Sole Director, CEO and President	Spring Hill, FL 34609	558,868	Common	0.06%	N/A
Alexander L Umbra	Sole Director, CEO and President	, Spring Hill, FL 34609	20,000,000	Preferred Series A	100.00%	N/A
Alexander L Umbra	Sole Director, CEO and President	Spring Hill, FL 34609	7,280,319	Preferred Series B0.06	72.16%	N/A
Alexander L Umbra	Sole Director, CEO and President	Spring Hill, FL 34609	4,000,000	Preferred Series C	22.00%	N/A

Thomas L. Crom III	Chief Financial Officer	Spring Hill, FL 34609	500,000	Preferred Series B	3.61%	N/A
Thomas L. Crom III	Chief Financial Officer	Spring Hill, FL 34609	364,000	Preferred Series C	0.28%	N/A

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject 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

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

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 to 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.

The Company may be party to various legal actions normally associated with its business activities, the aggregate effect on which, in management opinion, would not be material to the future financial condition of the Company.

In 2023 the Alex L. Umbra, its President and Thomas L. Crom III, its Chief Financial Officer, who collectively are owed over \$4.5 million in unpaid salary and fees have a lien on all of the Companies assets.

The Company is subject to a number of pending or threatened litigation involving an individual, H. Mark Estrada, either individually or with entities under his control.

The following is a summary of those actions.

The damage *estimates and other amounts UATG seeks are estimates which are subject to change, revision to reflect ongoing discovery and evidence as it is obtained. UATG seeks recovery of the \$19.2 million previously paid and damages as may be proved in court. The outcome of any legal action cannot be determined at this time.

- 1) Party name-H Mark Estrada, an individual; dispute failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud.

Amount of dispute - \$10,000,000 repayment of the amounts paid, plus interest and other damages. Included in the \$10,000,000 is the initial \$2,500,000 payment originally made to H Mark Estrada.

- 2) Rigid FX Corporation, control person H Mark Estrada

Dispute: failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud.

Amount of dispute: \$7,350,000 amount paid, plus damages and ownership of IP associated with Orthopedic implants.

- 3) Elements Corporation, control person H. Mark Estrada Dispute: failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud

amount of dispute: - \$1,900,000 repayment of amount paid, plus interest and other damages.

- 4) Ossifix Technologies, control person H Mark Estrada

Ossifix Technologies, Inc. (Ossifix), a Texas corporation based in Lakeway, Texas, has filed a lawsuit against Umbra Applied Technologies Group, Inc. in the United States District Court in the Western District of Texas, Austin Division.

Ossifix claims in its Verified Original Complaint, Request for Declaratory Judgment and Application for Preliminary and Permanent Injunction, that UAT Group has failed to pay. Ossifix in their claim allege of their claim they allege no shares were issued by UATG and only a nominal amount of cash paid, they seek injunctions to control IP associated with orthopedic implants. Cease & desist and 100% ownership.

Ossifix Technologies, Inc. (Ossifix), a Texas corporation based in Lakeway, Texas, has filed a lawsuit against Umbra Applied Technologies Group, Inc. in the United States District Court in the Western District of Texas, Austin Division. Ossifix claims in its Verified Original Complaint, Request for Declaratory Judgment and Application for Preliminary and Permanent Injunction, that UAT Group has failed to pay. Ossifix in their claim allege of their claim they allege no shares were issued by UATG and only a nominal amount of cash paid, they seek injunctions to control IP associated with orthopedic implants. Cease & desist and 100% ownership.

UATG received notice that a default judgment was entered against it on January 17, 2024, in the case styled *Ossifix Technologies, Inc. d/b/a Ossifix Orthopedics v. Umbra Applied Technologies Group, Inc.*, Civil Action No. 1:23-cv-752, in the United States District Court for the Western District of Texas, in which the Court ordered that UATG pay actual damages of \$1,955,750.00 plus pre-judgment interest of \$58,061.66, exemplary damages of \$2,000,000.00; Attorney's fees of \$14,372.75; post-judgment interest on the full amount of the \$4,060,074.39 judgment and also entered a permanent injunction against UATG and its agents from making any further claims that Ossifix is a subsidiary or is otherwise affiliated with UATG.

UATG intends to seek to set aside the default judgment and oppose any claims asserted against it.

- 5) Next Casting Technologies, control person H. Mark Estrada Two stock purchase agreements for 26% stock position of Next Cast for payment of \$5,200,000. Amount of dispute cancels stock purchase and associated UATG \$5 million additional damages.

- 6) Bacter Scientific Corporation, control person H. Mark Estrada

The amount of dispute cancels stock purchase and associated UATG \$5 million additional damages.

In the above cases involving H. Mark Estrada the Company claims that the patents referred to in each agreement did not exist. The Company continued to work with H. Mark Estrada with an objective to develop those patents and that collaboration continued until May 2023 when UATG announced an investment by a strategic partner into Ossifix as discussed above. H. Mark Estrada position is that he was not paid and did not receive any UATG shares and in case involving Ossifix does not address the existence or non-existence of patents.

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: Culhane Meadows PLLC
Address 1: 1100 Pennsylvania Ave NW, Suite 1600
Address 2: Washington, D.C. 20004
Phone: 1-844-CULHANE
Email: N/A

Accountant or Auditor

Name: N/A
Firm: BF Borgers
Address 1: 5400 W. Cedar Ave
Address 2: Lakewood, CO 80226
Phone: 1-303-953-1454
Email: N/A

Investor Relations

Name: N/A
Firm: None
Address 1: N/A
Address 2: N/A
Phone: N/A
Email: N/A

All other means of Investor Communication:

X (Twitter): Yes
Discord: No
LinkedIn: Yes
Facebook: Yes
[Other] N/A

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: N/A
Firm: None
Nature of Services: N/A
Address 1: N/A
Address 2: N/A
Phone: N/A
Email: N/A

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Alexander L. Umbra and Thomas L. Crom III
Title: President and CFO
Relationship to Issuer: Corporate Officers of Umbra Applied Technologies Group Inc.

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

- ☐ IFRS
☒ U.S. GAAP

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

Name: Thomas L. Crom III
Title: Chief Financial Officer

Relationship to Issuer: Chief Financial Officer

Describe the qualifications of the person or persons who prepared the financial statements:⁵

Mr. Crom is a former Certified Public Accountant (expired), Certified Management Accountant (inactive) and has an undergraduate degree in Accounting and a MS degree in taxation.

The following qualifying financial statements are included:

- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

BALANCE OF THIS PAGE LEFT INTENTIONALLY BLANK

UMBRA APPLIED TECHNOLOGIES GROUP, INC.

FINANCIAL STATEMENTS

(A Development Stage Company)

December 31, 2023
Financial Statements
(Unaudited)

Page

Financial Statements:

Balance Sheets	F-2
Statements of Income (Loss)	F-3
Statements of Cash Flow	F-4
Statements of Stockholders Equity (Deficit)	F-5
Notes to Financial Statements	F-6 to F-17

Notice of No Auditor Review

These unaudited consolidated financial statements of Umbra Applied Technologies Group, Inc. “Company”) have not been reviewed by the auditors of the Company. These statements have been prepared by the Company in accordance with US GAAP.

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Balance Sheets (Unaudited)

	Period Ended <u>December 31, 2023</u>	Year Ended <u>Dec 31, 2022</u>
ASSETS		
Current Assets		
Cash	\$ 58,430	\$ 2,792
Accounts Receivable	1,751	86,426
Inventory	<u>-0-</u>	<u>106,356</u>
Total Current Assets	60,181	195,473
Equipment (net of accumulated depreciation)	138,902	74,292
Investments (See Note 9 and Note 12)	-0-	10,200,000
Other Assets		
Intellectual Property (See Note 6 and 7)	5,280,000	14,330,411
Purchase Contract (See Note 8)	<u>56,800,000</u>	<u>56,800,000</u>
Total other assets	62,080,000	71,800,411
Total Assets	\$ <u>62,279,083</u>	\$ <u>81,600,176</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current		
Accounts Payable (See Note 5 and 6)	\$ 8,007,000	1,655,079
Investment Note Payable (See Note 9)	<u>-0-</u>	<u>10,200,000</u>
Total Current Liabilities	8,007,000	11,855,079
Investment Note Payable (See Note 9)	-0-	-0-
Deferred Purchase Contract Income (See Note 8)	\$ <u>56,800,000</u>	<u>56,800,000</u>
Total Liabilities	\$ 64,807,000	68,655,079
STOCKHOLDERS' EQUITY		
Authorized: 1,000,000,000 common Issued and outstanding, \$0.001 par value		
December 31, 2023, and December 31, 2022-1,000,000,000 and 1,000,000,000		
common shares, respectively	1,000,000	1,000,000
Preferred shares, Series A \$0.001 par value 20,000,000 Authorized		
20,000,000 issued as of December 31, 2023, and December 31, 2022	20,000	20,000
Preferred shares, Series B, \$0.001 par value 15,000,000 Authorized		
December 31, 2023, and December 31, 2022, outstanding 10,089,586 and 10,089,586		
respectively	399,332	399,332
Preferred shares, Series C, \$0.001 par value 25,000,000 Authorized		
December 31, 2023, and December 31, 2022, 18,178,922 and 18,178,922		
respectively		
(See Note 11)	9,528,970	9,528,970
Additional paid-in capital -	20,256,832	20,256,832
Deficit Accumulated During the Developmental Stage	<u>(33,733,051)</u>	<u>(18,260,037)</u>
Total Stockholders' Equity	(2,527,917)	12,945,097
Total Liabilities and Stockholders' Equity	\$ <u>62,279,083</u>	\$ <u>81,600,176</u>

The accompanying notes are an integral part of these Financial Statements

F-2

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Statements of Income (Loss)
(Unaudited)

	Period Ended September 31, 2023	Year Ended December 31, 2022
<u>Revenue</u>		
Income	\$ 2,607,126	\$ 1,488,581
Less: Cost of Goods Sold	<u>1,841,331</u>	<u>581,504</u>
Gross Profit	\$ <u>765,965</u>	\$ <u>907,077</u>
<u>Expenses</u>		
Professional Fees	457,076	269,949
Stock Transfer Fees	6,600	12,248
Advertising and Marketing	615,700	807,905
General, Office and Rent	240,175	379,076
Depreciation	10,196	31,557
New Product Development	<u>-0-</u>	<u>13,663</u>
Total Expenses	1,329,747	1,514,398
Net (Loss) from Operations	(563,952)	(269,825)
<u>Other Income and (Expenses)</u>		
Interest expense	(126,032)	(41,958)
Corporate reorganization	(15,352,570)	-0-
Cancellation of Debt	<u>569,540</u>	<u>-0-</u>
	14,909,062	(41,958)
Income (Loss) for the Period	\$ <u>(15,473,014)</u>	\$ <u>(311,783)</u>

The accompanying notes are an integral part of these Financial Statements

F-3

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

	Period Ended December 31, <u>2023</u>	Year Ended December 31, <u>2022</u>
Cash Flows from Operating Activities		
Net Income (Loss)	\$ (15,473,014)	(311,783)
Adjustments to Reconcile Net Loss to Net Cash		
Provided by Operations		
Depreciation	10,196	23,400
(Increase) in accounts receivable	84,675	(670)
(Increase) Decrease in inventory	(106,356)	73,253
Increase (decrease) in Accrued Liabilities and Payables	<u>6,290,869</u>	<u>140,372</u>
Net Cash Provided (Used) by Operating Activities	<u>(9,930,262)</u>	<u>(75,428)</u>
Cash Flows from Investing Activities		
(Decrease) of Intellectual Property	9,050,411	-0-
Investment	-0-	-0-
(Purchase) equipment	<u>(64,610)</u>	<u>-0-</u>
Net Cash Provided (Used) by Investing Activities	<u>8,930,801</u>	<u>-0-</u>
Cash Flows from Financing Activities		
Increase (decrease) in shares to be issued	-0-	-0-
Issuance of stock	<u>-0-</u>	<u>50,000</u>
Net Cash Provided (Used) by Financing Activities	<u>-0-</u>	<u>50,000</u>
Increase (Decrease) in Cash from Continuing Operations	55,639	(25,428)
Cash and Cash Equivalents at Beginning of Period	\$ 2,791	28,219
Cash and Cash Equivalents at End of Period	\$ 58,430	2,791
Supplemental Information		
Cash Paid For:		
Interest	126,032	31,531
Income Taxes	-0-	-0-

The accompanying notes are an integral part of these Financial Statements

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Statement of Stockholders Equity (Deficit)
(Unaudited)

STATEMENT OF CHANGES IN STOCKHOLDER EQUITY (DEFICIT)

	Common	Preferred	Preferred	Preferred	Par	Additional	Accum	Stockholder
	<u>Shares</u>	<u>A Shares</u>	<u>B Shares</u>	<u>C Shares</u>	<u>Value</u>	<u>Capital</u>	<u>Deficit</u>	<u>Equity</u>
Balance December 31, 2018	991,313,443	15,000,000	690	400,859	\$1,013,557	\$20,211,733	(\$13,553,221)	\$7,672,069
Issuance (Cancellation) of Stock	(34,294,982)	0	2,021,617	15,233,528	\$153,452	\$0	\$0	\$153,452
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$3,633,235)	(\$3,633,235)
Balance December 31, 2019	957,018,461	15,000,000	2,022,307	15,634,387	\$1,167,009	\$20,211,733	(\$17,186,456)	\$4,192,286
Issuance (Cancellation) of Stock	42,981,539	0	364,529	6,000	\$56,333	\$0	\$0	\$56,333
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$312,942)	(\$312,942)
Balance December 31, 2020	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>2,386,836</u>	<u>15,640,387</u>	<u>\$1,223,342</u>	<u>\$20,211,733</u>	<u>(\$17,499,398)</u>	<u>\$3,935,677</u>
Issuance (Cancellation) of Stock	(28,858,367)	0	7,702,750	2,538,535	\$9,690,401	\$29,658	\$0	\$9,720,059
Issuance of Stock	0				\$0	\$0		
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$448,856)	(\$448,856)
Balance Dec 31, 2021	<u>971,141,633</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>	<u>\$10,913,743</u>	<u>\$20,241,391</u>	<u>(\$17,948,254)</u>	<u>\$13,206,880</u>
Issuance of Stock					\$34,559	\$15,441		\$50,000
Net (Loss)	<u>28,858,367</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$311,783)	(\$311,783)
Balance December 31, 2022	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>	<u>\$10,948,302</u>	<u>\$20,256,832</u>	<u>(\$18,260,037)</u>	<u>\$12,945,097</u>
Issuance of Stock	0	0	0	0	\$0	\$0	\$0	\$0
Net (Loss) Income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$15,473,014)	(\$15,473,014)
Balance December 31, 2023	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>	<u>\$10,948,302</u>	<u>\$20,256,832</u>	<u>(\$33,733,051)</u>	<u>(\$2,527,917)</u>
Subsequent to December 31, 2023								
Issuance of Stock	0	0	0	0				
Balance April 11, 2024	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>				

The accompanying notes are an integral part of these Financial Statements

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 1 - BASIS OF PRESENTATION AND DESCRIPTION OF BUSINESS

a) Basis of Presentation: The information presented in the accompanying financial statements for the periods ended December 31, 2023, and December 31, 2022, are unaudited and includes all adjustments, which are, in the opinion of the management of Umbra Applied Technologies Group, Inc. (the “Company”), necessary to present fairly the financial position, results of operations and cash flows in the periods presented. Certain column totals may be off by \$1 due to rounding.

b) Reclassifications and Restatement: Certain reclassifications have been made to the prior years’ financial statements to conform to the current year’s presentation.

c) Development Stage Activities: The Company is in the development stage and has not yet realized any revenues from its planned operations. Based upon the Company's business plan, it is a development stage enterprise.

d) Organization: Umbra Applied Technologies Group, Inc. (the “Company”) was incorporated in the State of Delaware under the name Green Technologies, Inc.

In December 2013 the Company changed its name to “Umbra Applied Technologies Group, Inc. (hereinafter “UATG”). The Company entered a purchase transaction to acquire Umbra Applied Technologies, Inc. in December 2013 that was approved by the Company’s Board of Directors in January 2014. This transaction has been accounted for as a reverse acquisition.

e) Going Concern: These consolidated interim financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company has no source of operating revenue, has incurred operating losses and on December 31, 2023, had a deficit of \$33,733,051 (December 31, 2022 - \$18,260,037). The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

f) Consolidated Financial Statements: These consolidated financial statements of December 31, 2023 include the following companies:

Umbra Applied Technologies Group Inc Umbra Applied Technology Inc

H2O Processing Inc.

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION AND DESCRIPTION OF BUSINESS -continued

f) Consolidated Financial Statements: -continued
as well as investments (December 31, 2022 only) in:

Next Cast Technologies Inc (26%) and Bacter
Scientific Inc (10%) (See Notes 6 and 12)

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company disposed of these investments during 2023.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements. The financial statements are stated in United States of America dollars.

b) Organizational and Start-up Costs: Costs of start-up activities, including organizational costs, are expensed as incurred in accordance with ASC 720-15.

c) Income Taxes: The Company uses the asset and liability method of accounting of income taxes. Under the asset and liability method deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES –continued

d) Basic and Fully Diluted Loss Per Share: The basic loss per common share is computed by dividing the net loss available to common stockholders by the weighted average number of common shares outstanding. Fully- Diluted loss per common share is computed similar to basic loss per common 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. On December 31, 2023, and December 31, 2022, the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

e) Estimated Fair Value of Financial Instruments: The carrying value of the Company's financial instruments, consisting of accounts payable and accrued liabilities, approximate their fair value due to the short- term maturity of such instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial statements.

f) Revenue Recognition: It is the Company's policy that product revenues (or service revenues) will be recognized when persuasive evidence of an arrangement exists, delivery has occurred (or service has been performed), the sales price is fixed and determinable and collectability is reasonably assured.

g) Concentrations: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. On December 31, 2023, and December 31, 2022, the Company had \$58,430 and \$2,792 respectively, in funds in deposits in a business bank account, which are not insured by agencies of the U.S. Government.

h) Currency: The functional currency of the Company is the United States Dollar.

i) Use of Estimates: The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America require the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions and could have a material effect on the reported amounts of the Company's financial position and results of operations.

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES-continued

j) Cash and Cash Equivalents: The Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

k) Recent Accounting Pronouncements: The Company management has reviewed recent accounting pronouncements issued through the date of the issuance of financial statements. In the management's opinion, except for those pronouncements detailed below, no other pronouncements apply or will have a material effect on the Company's financial statements.

In May 2009, the FASB issued ASC 855 Subsequent Events, which establishes principles and requirements for subsequent events. In accordance with the provisions of ASC 855, the Company currently evaluates subsequent events through the date the financial statements are available to be issued.

NOTE 3 - BASIS OF PRESENTATION – GOING CONCERN

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America, which contemplates the Company's continuation as a going concern. However, the Company has losses to date of approximately \$33,733,051. These matters raise substantial doubt about its ability to continue as a going concern. In view of these matters, realization of certain of the assets in the accompanying balance sheet is dependent upon its ability to meet its financing requirements, raise additional capital, and the success of its future operations. The Company acquired operating capital through equity offerings to the public and through the sale of notes to related parties, to fund its business plan. There is no assurance that the funds received will be sufficient to assure the Company's eventual profitability. Management believes that actions planned and presently being taken to revise its operating and financial requirements provide the opportunity for it to continue as a going concern. The financial statements do not include any adjustments that might result from these uncertainties.

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Unaudited)

NOTE 4 - INCOME TAXES

The Company is subject to U.S. federal income taxes. It has had losses to date, and therefore, has paid no income tax. Deferred income taxes arise from temporary timing differences in the recognition of income and expenses for financial reporting and tax purposes. The Company's deferred tax assets consist entirely of the benefit from net operating loss ("NOL") carry-forwards. Its deferred tax assets are offset by a valuation allowance due to the uncertainty of the realization of the NOL carry-forwards. NOL carry-forwards may be further limited by a change in Company ownership and other provisions of the tax laws.

NOTE 5 – RELATED PARTY TRANSACTIONS

The officers and directors of the Company are involved in other business activities, and they may, in the future, become involved in additional business ventures, which may also require their time and attention. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

On August 9, 2022, the Company issued Alex L Umbra, its President 5,000,000 Preferred B Series shares for compensation for prior services.

In 2023 the Alex L. Umbra, its President and Thomas L. Crom III, its Chief Financial Officer, who collectively are owed over \$4.5 million in unpaid salary and fees have a lien on all of the Companies assets.

Included in Accounts Payable is a success fee due to the former owners of H2O Processing Inc for the commercial success of the Iron Removal System of \$2.5 million.

BALANCE OF THIS PAGE LEFT INTENTIONALLY BLANK

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Unaudited)

NOTE 6 – INTELLECTUAL PROPERTY AND ACCOUNTS PAYABLE

During 2012 Umbra Applied Technologies, Inc. (“UAT”) executed five (5) technology purchase agreements with unrelated parties. The buyer (UAT) and seller mutually agreed on the purchase prices which were paid in UAT shares. UAT was acquired by UATG in November 2013. The total purchase price for those assets was. \$35,390,000 which was recorded on the UATG financial statements originally as goodwill then amended to Intellectual Property and effective with the September 30,2017and had a valuation adjustment of \$30,922,850.

	<u>Purchase Price</u>
Intellectual Property -2012	\$35,390,000
Associated debt at time of purchase	\$819,650
Valuation Adjustment	<u>(\$30,922,850)</u>
Net Intellectual Property-2012	<u>\$5,286,800</u>

During 2021 Umbra Applied Technology the acquired a number of companies if of the excess of their respective book assets, net of adjustments, which was recorded as Intellectual property.

During 2023 the company wrote off that intellectual property with the exception of that relating to H2O Processing Inc.

Property:

Intellectual Property-2022	<u>\$9,043,611</u>
Sub-total 2022	<u>\$14,330,411</u>
Written off in 2023	<u>(\$9,050,411)</u>
Net Intellectual Property-December 31, 2023	<u>\$5,280,000</u>

NOTE 7-PURCHASE OF SUBSIDIARIES IN 2021

A-H2O Processing Inc.: On February 25, 2021, the Company announced the acquisition of Denver, Co based company H2O Processing Inc (herein after called “H2O”). H2O has a mobile on-site water treatment. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$8,000,000 of which \$2,720,000 is in cash (to be provided to UATG’s subsidiary to facilitate its growth) and the balance of \$5,280,000 was paid by issuance of 98,400 /UATG Preferred C shares issued by issued April 1, 2021. The effective date of the Purchase was April 1, 2021. On July 7, 2022, the Company announced that its subsidiary H2O Processing had purchased the assets of Nathaniel Energy Ltd (herein after called NE) which holds various intellectual property right including intellectual property when combined with its existing intellectual property rights has been successfully tested in removing metal ion particulate reducing costs of oil refining and reducing the environmental impact of refineries. NE was acquired from the same prior owner of H2O Processing and the parties have agreed that no additional compensation will be paid to NE.

Included in Accounts Payable is a success fee due to the former owners of H2O Processing Inc for the commercial success of the Iron Removal System of \$2.5 million.

As of December 31, 2023 the Company had disposed of any remaining interests in historically mentioned subsidiaries or investments with the exception of: Umbra Applied Technologies, Inc and H2O Processing Inc.

NOTE 8- PURCHASE CONTACT AND DEFERRED INCOME

In February 2022 the Company’s wholly owned subsidiary, H2O Processing Inc. announced a purchase contract for \$7.6 million (rounded from the contractual obligation of \$7,623,789), which represents the sale of three (3) units of H2O’s mobile water treatment equipment and in December 2022 announced additional contract to reduce the iron content in crude oil. In total the Company now has contracts for \$56.8 million The Company has recorded these agreements as Deferred (unearned) income and a corresponding receivable until such time as the equipment has been constructed, delivered to the Customer and services commence at such time revenue will be recognized as permitted under GAAP (Generally Accepted Accounting Principles).

Since those services have not commenced the Company has not recognized any receivables from those service contracts.

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 9- INVESTMENTS

A-Next Cast Technologies Inc: On March 4, 2021, the Company announced the acquisition of 20% of Next Cast Technologies (“Next Cast”) based in Austin, Texas. Next Cast had projected first year revenues of \$16.1 million once it launches with a five-year evaluation in excess of \$80 million. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$5,000,000 which has not yet been paid. Payment is due 90 days after certain conditions have been met. On August 26, 2021, the Company purchased an additional 6% which for financial accounting purposes was effective October 1, 2021. The Company does not believe those conditions relating to Intellectual Property and sales agreements will be met within the next 12 months and has classified this as a long-term obligation which is consistent with the long-term nature of the investment. (See Note 12).

During the 3rd quarter of 2023 the Company unwound this purchase and no longer has a financial interest in this Company resulting in both the elimination of the investment and its associated liability.

B-Bacter Scientific Inc.: On March 18, 2021, the Company announced the acquisition of 10% of Bacter Scientific Inc. (“Bacter”) based in Texas, at a cost of \$5 million. Bacter had first year sales projected in excess of \$100 million and a projected 3-year valuation in excess of \$500 million. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$5,000,000 which has not yet been paid. The Company does not believe those conditions relating to Intellectual Property and sales agreements will be met within the next 12 months and has classified this as a long-term obligation which is consistent with the long-term nature of the investment. (See Note 12).

During the 3rd quarter of 2023 the Company unwound this purchase and no longer has a financial interest in this Company resulting in both the elimination of the investment and its associated liability.

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Unaudited)

NOTE 11- STOCKHOLDERS' EQUITY

The Company has the following share structure:

	<u>Common</u>	<u>Preferred A</u> 50:1 voting	<u>Preferred B</u> 20:1 conversion	<u>Preferred C</u> 10:1 conversion
Shares outstanding, December 31, 2017	<u>373,783,339</u>	<u>15,000,000</u>	<u>690</u>	<u>-0-</u>
Shares issued for cash	619,768,700	-0-	-0-	
Shares (cancelled)issued on exchange	<u>(2,238,596)</u>	<u>-0-</u>	<u>-0-</u>	<u>400,859</u>
Shares outstanding, December 31, 2018	<u>991,313,443</u>	<u>15,000,000</u>	<u>690</u>	<u>400,859</u>
Shares issued for cash	-0-	- 0-	2,021,617	11,804,030
Shares (cancelled)issued on exchange	<u>(34,294,982)</u>	<u>-0-</u>	<u>-0-</u>	<u>3,429,498</u>
Shares outstanding, December 31, 2019	<u>957,018,461</u>	<u>15,000,000</u>	<u>2,022,307</u>	<u>15,634,387</u>
Shares issued for cash	50,332,113	- 0-	-0-	6,000
Shares (cancelled)issued on exchange	<u>(7,350,574)</u>	<u>-0-</u>	<u>364,529</u>	<u>-0-</u>
Shares outstanding, December 31, 2020	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>2,386,836</u>	<u>15,640,387</u>
Shares issued for cash	-0-	- 0-	58,750	2,366,135
Shares issued for Acquisitions	-0-	- 0-	-0-	172,400
Shares (cancelled) issued on exchange	<u>(28,858,367)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Shares issued for services	<u>-0-</u>	<u>-0-</u>	<u>7,644,000</u>	<u>-0-</u>
Shares outstanding, December 31, 2021	<u>971,341,633</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>
Shares issued for cash	-0-	-0-	-0-	-0-
Shares issued for services	-0-	-0-	-0-	-0-
Shares (cancelled)issued on exchange	<u>28,858,367</u>	<u>5,000,000</u>	<u>-0-</u>	<u>-0-</u>
Shares outstanding, December 31, 2022	<u>1,000,000,000</u>	<u>20,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>
Shares issued for cash or services	-0-	-0-	-0-	-0-
Shares (cancelled)issued on exchange	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Shares outstanding, December 31, 2023	<u>1,000,000,000</u>	<u>20,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>
Subsequent to December 31, 2023				
Shares issued for cash or services	-0-	-0-	-0-	-0-
Shares (cancelled)issued on exchange	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Shares outstanding, April 11, 2024	<u>1,000,000,000</u>	<u>20,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 12- LITIGATION

The Company may be party to various legal actions normally associated with its business activities, the aggregate effect on which, in management opinion, would not be material to the future financial condition of the Company.

In 2023 the Alex L. Umbra, its President and Thomas L. Crom III, its Chief Financial Officer, who collectively are owed over \$1.5 million in unpaid salary and fees have a lien on all of the Companies assets.

The Company is subject to a number of pending or threatened litigation involving an individual, H. Mark Estrada, either individually or with entities under his control.

The following is a summary of those actions.

The damage *estimates and other amounts UATG seeks are estimates which are subject to change, revision to reflect ongoing discovery and evidence as it is obtained. UATG seeks recovery of the \$19.2 million previously paid and damages as may be proved in court. The outcome of any legal action cannot be determined at this time.

- 1) Party name-H Mark Estrada, an individual; dispute failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud.

Amount of dispute - \$10,000,000 repayment of the amounts paid, plus interest and other damages. Included in the \$10,000,000 is the initial \$2,500,000 payment originally made to H Mark Estrada.

- 2) Rigid FX Corporation, control person H Mark Estrada

Dispute: failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud.

Amount of dispute: \$7,350,000 amount paid, plus damages and ownership of IP associated with Orthopedic implants.

- 3) Elements Corporation, control person H. Mark Estrada Dispute: failure to deliver Intellectual property, materially false and misleading statements. Unjust enrichment and fraud

amount of dispute: - \$1,900,000 repayment of amount paid, plus interest and other damages.

Umbra Applied Technologies Group, Inc.

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

NOTE 12- LITIGATION

- 4) Ossifix Technologies, control person H Mark Estrada.

Ossifix Technologies, Inc. (Ossifix), a Texas corporation based in Lakeway, Texas, has filed a lawsuit against Umbra Applied Technologies Group, Inc. in the United States District Court in the Western District of Texas, Austin Division. Ossifix claims in its Verified Original Complaint, Request for Declaratory Judgment and Application for Preliminary and Permanent Injunction, that UAT Group has failed to pay. Ossifix in their claim allege of their claim they allege no shares were issued by UATG and only a nominal amount of cash paid, they seek injunctions to control IP associated with orthopedic implants. Cease & desist and 100% ownership.

UATG received notice that a default judgment was entered against it on January 17, 2024, in the case styled *Ossifix Technologies, Inc. d/b/a Ossifix Orthopedics v. Umbra Applied Technologies Group, Inc.*, Civil Action No. 1:23-cv-752, in the United States District Court for the Western District of Texas, in which the Court ordered that UATG pay actual damages of \$1,955,750.00 plus pre-judgment interest of \$58,061.66, exemplary damages of \$2,000,000.00; Attorney's fees of \$14,372.75; post-judgment interest on the full amount of the \$4,060,074.39 judgment and also entered a permanent injunction against UATG and its agents from making any further claims that Ossifix is a subsidiary or is otherwise affiliated with UATG.

UATG intends to seek to set aside the default judgment and to oppose any claims asserted against it.

- 5) Next Casting Technologies, control person H. Mark Estrada Two stock purchase agreements for 26% stock position of Next Cast for payment of \$5,200,000. Amount of dispute cancels stock purchase and associated UATG \$5 million additional damages.
- 6) Bacter Scientific Corporation, control person H. Mark Estrada

The amount of dispute cancels stock purchase and associated UATG \$5 million additional damages.

In the above cases involving H. Mark Estrada the Company claims that the patents referred to in each agreement did not exist. The Company continued to work with H. Mark Estrada with an objective to develop those patents and that collaboration continued until May 2023 when UATG announced an investment by a strategic partner into Ossifix as discussed above. H. Mark Estrada position is that he was not paid and did not receive any UATG shares and in case involving Ossifix does not address the existence or non-existence of patents.

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Unaudited)

NOTE 13- SUBSEQUENT EVENTS

The Company has reviewed subsequent events up to and including the issuance date of these statements, and determined that except for those events disclosed herein, the following subsequent events have occurred.

In the first quarter of 2024 the H2O's Iron Removal System ("IRS") unit arrived customer site. The IRS system Unit was set up, calibrated & loaded with oil. Testing is ongoing during this evaluation period. The initial excellent results are excellent and meet or exceed design parameters.

In addition, a second IRS is already partially constructed and will incorporate modifications to further improve the design as a result of this evaluation period.

BALANCE OF THIS PAGE LEFT INTENTIONALLY BLANK

. 10) Issuer Certification

Principal Executive Officer:

The certifications shall follow the format below:

I, Alexander L. Umbra, certify that:

1. I have reviewed this Disclosure Statement for Umbra Applied Technologies Group 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.

April 11, 2024

/s/ Alexander L. Umbra

Principal Financial Officer:

I, Thomas L Crom III certify that:

1. I have reviewed this Disclosure Statement for Umbra Applied Technologies Group 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.

April 11, 2024

/s/ Thomas L. Crom III