

Hannover House, Inc.

1621 Central Avenue, Cheyenne, WY 82001

818-481-5277

www.HannoverHouse.com

Eric@HannoverHouse.com

SIC Codes: 7822 / 2731

QUARTERLY REPORT

For the 3-Month Period Ending March 31, 2024

(the "Reporting Period")

**With Comparable Financial Information regarding the
Quarterly Report For the 3-Month Period Ending: March 31, 2023**

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,052,481,276 is the number of shares as of March 31, 2024, the CURRENT REPORTING PERIOD,

1,037,765,343 was the number of shares as of December 31, 2023, the MOST RECENT COMPLETED FISCAL YEAR END;

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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 "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.

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

The Public Company was originally incorporated in 1999 as ECKLAN CORPORTION and has endured several name changes since that date as described below. The privately held company (Truman Press, Inc., dba "Hannover House") that is now the operating entity, was incorporated in 1993 and merged into the Public Company in December, 2009.

Hannover House, Inc.

Ticker Symbol: HHSE

Hannover House, Inc. - Predecessor Entity Details

Entity Name	Active From	Active Until
Ecklan Corporation	12/30/1999	3/5/2001
Mindset Interactive, Inc.	3/5/2001	8/15/2005
Target Development Group, Inc.	8/15/2005	12/15/2009
Truman Press, Inc./Hannover House	9/15/1993	12/15/2009
TDGI / Hannover House, Inc.	12/15/2009	CURRENT

The Target Development Group, Inc. / Publicly-traded company was incorporated on January 29, 2009 in **Wyoming**; the predecessor privately-held company (Truman Press, Inc.) was originally incorporated in California on Sept. 15, 1993.

Current State and Date of Incorporation of Registration: January 29, 2009 WYOMING

Standing in this jurisdiction: **GOOD STANDING**

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

There have been no trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception.

The company has not implemented any stock split, stock dividend, recapitalization, merger, acquisition, spin-off or reorganization within the past 12 months or which is presently anticipated.

Address of issuer's principal executive office

The issuer's executive production office is located at: 1275 Sunchase Circle, Fayetteville, AR 72701, and the primary address for receipt of mail is: 1722 N. College Ave., # C303, Fayetteville, AR 72703.

Address of the issuer's principal place of business:

The issuer's principal place of business is: 1621 Central Ave., Cheyenne, WY 82001

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

Yes: ☐ No: ☒

2) Security Information

Transfer Agent

Name: Standard Registrar & Transfer Co., Inc.

Phone: 801-571-8844

Email: Amy@StandardRegistrar.com

Address: 440 East 400 South, Suite 200, Salt Lake City, UT 84111

Is the Transfer Agent registered under the Exchange Act?² Yes: ☒ No: ☐

To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Publicly Quoted or Traded Securities:

Trading symbol:	HHSE
Exact title and class of securities outstanding:	Common Stock Shares
CUSIP:	410686 101
Par or stated value:	\$.001

Total shares authorized:	1,100,000,000 as of: March 31, 2024
Total shares outstanding:	1,052,481,276 as of: March 31, 2024
Number of shares in the Public Float ³ :	773,561,391 as of: March 31, 2024
Total number of shareholders of record:	224 as of date: March 31, 2024

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.

Trading symbol:	HHSE
Exact title and class of securities outstanding:	Series "A" Preferred Shares
CUSIP:	410686 101
Par or stated value:	\$.001
Total shares authorized:	10,000,000 as of date: March 31, 2024
Total shares outstanding:	8,000,000 as of date: March 31, 2024

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

The Issuer does not current issue dividends for shareholders. Common stock holders have a one-vote-per-share voting power. Preemption rights are not applicable;

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

The preferred stock shares are solely and exclusively for Issuer management – and feature a 1,000-to-one voting power per share; the preferred stock shares may also be converted into Common Stock shares at a 100-Common Stock Shares per share of preferred stock, subject to sufficient authorized shares in issue. Preferred shares cannot be liquidated, sold, hypothecated or transferred, unless converted by the preferred shareholder into Common Stock shares. Preferred shares are forfeited and cancelled if not converted into Common Stock shares within six (6) months following the death or the termination of employment by the manager holding preferred shares,

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

See above.

³“Public Float” shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a “control person”), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

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.

Not applicable

) Issuance History

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

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12-31-2021</u> Common: 936,492,996 Preferred: <u>4,000,000</u>									
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$ /per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (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.
Mar. 16, 2021	Return of Collateral Shares to Treasury	<500,000>	Common	\$6,500	NO	Martin Langert	Return of stock certificate issued as collateral	Restricted	Shares issued as corp. loan collateral returned
July 30, 2021	New Issuance	19,000,000	Common	\$416,100	NO	Getting Grace, LLC, Daniel Roebuck Managing Partner	Settlement Agreement re: Prior Legal dispute	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	7,500,000	Common	\$164,250	NO	Eric Parkinson (Officer)	Conversion of officer loans to restricted shares	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	4,000,000	Preferred	\$40.00	NO	Eric Parkinson (Officer)	Exercise of earned option to gain addl. preferred shares	Restricted	HHSE Preferred stock shares are not currently registered

July 30, 2021	New Issuance	3,000,000	Common	\$65,700	NO	Sentient Asset Management Trust (Jon Cheng, Mgr)	Shares Issued per Production and MyFlix financing	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	1,500,000	Common	\$32,850	NO	Suzanne Holmquist	Shares Issued per Production and MyFlix financing	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	1,000,000	Common	\$21,900	NO	Christian K. Large (Board Advisory Sign-On Shares)	Shares issued for Board Advisors	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	1,000,000	Common	\$21,900	NO	Kyle Martens (Board Advisory Sign-On Shares)	Shares issued for Board Advisors	Restricted	HHSE common stock shares are not currently registered
July 30, 2021	New Issuance	1,000,000	Common	\$21,900	NO	Steven M. Kay (Board Advisory Sign-On Shares)	Shares issued for Board Advisors	Restricted	HHSE common stock shares are not currently registered
Aug. 27, 2021	New Issuance	3,343,750	Common	\$60,187	NO	Morten Stisen	Shares Issued per Production and MyFlix financing	Restricted	HHSE common stock shares are not currently registered
Oct. 18, 2021	New Issuance	9,482,758	Common	\$55,000	NO	Nordic Food Services APS (Morten Stisen authorized signatory)	Restricted shares issued as collateral to Corp. Loan	Restricted	HHSE common stock shares are not currently registered
Oct. 18, 2021	New Issuance	10,689,655	Common	\$62,000	NO	Accounting for Value APS (multiple Morten Stisen authorized signatory)	Restricted shares issued as collateral to Corp. Loan	Restricted	HHSE common stock shares are not currently registered
Nov. 1, 2021	New Issuance	9,224,137	Common	\$50,000	NO	Accounting for Value APS (multiple Morten Stisen authorized signatory)	Restricted shares issued as collateral to Corp. Loan	Restricted	HHSE common stock shares are not currently registered
Nov. 1, 2021	New Issuance	2,675,000	Common	\$20,000	NO	Nordic Food Services APS (Morten Stisen authorized signatory)	Restricted shares issued as collateral to Corp. Loan	Restricted	HHSE common stock shares are not currently registered
Dec. 28, 2021	New Issuance	25,000,000	Common	\$1,650,000	NO	Lewin Family Irrevocable Trust (Bruce Lewin, primary beneficiary)	Shares issued per legal settlement resolution	Restricted	HHSE common stock shares are not currently registered

[illegible]

Sept. 18, 2023	New Issuance	12,454,914	Common	\$40,000	YES, per convertible note terms	Graham Financial Services, Inc. (Paul Graham)	Conversion of aged, eligible promissory note	Not Restricted	HHSE common stock shares are not currently registered
Oct. 6, 2023	New Issuance	25,000,000	Common	\$100,000	NO, shares issued as part of global legal settlement agreement	Uptone Pictures, Inc. (Mike Davis)	Conversion of aged, eligible promissory note	Restricted from sale under Rule 144 hold backs.	HHSE common stock shares are not currently registered
Jan. 11, 2024	New Issuance	14,715,933	Common	\$42,000	YES, per convertible note terms.	Graham Financial Services, Inc. (Paul Graham)	Conversion of aged, eligible promissory note	Not Restricted	HHSE common stock shares are not currently registered
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date	Common: 1,052,481,276								
Mar. 31, 2024	Preferred: 8,000,000								

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or 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)

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

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 (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
Aug. 1, 2010	\$127,706	\$100,000	\$126,429	Aug. 1, 2011	50% discount to market price based on 10-day VWAP	Jo Lynn Anderson	Theatrical Releasing for "Twelve"
Aug. 1, 2010	\$127,706	\$100,000	\$126,429	Aug. 1, 2011	50% discount to market price based on 10-day VWAP	Dennis Anderson	Theatrical Releasing for "Twelve"
Aug. 10, 2012	\$77,500	\$50,000	\$27,500	Aug. 10, 2013	50% discount to market price based on 10-day VWAP	Sue Bartholomew, Southwinds Homes	"Toys in the Attic" Star Cast Funding
Sept. 14, 2012	\$155,000	\$100,000	\$55,000	Sept. 14, 2013	50% discount to market price based on 10-day VWAP	Sue Bartholomew, Southwinds Homes	General O/H and "Toys in the Attic" Prod.
Apr. 15, 2017	\$158,471	\$130,000	\$28,471	Apr. 15, 2018	50% discount to market price based on 10-day VWAP	Genautica, LLC (Dan Scholefield, primary beneficiary)	Legal Fees & Settlement re: TCA
Oct. 13, 2018	\$12,849	\$11,628	\$1,221	Oct. 13, 2019	50% discount to market price based on 10-day VWAP	Daniel Roebuck	DVD Replication Loan
Nov. 18, 2019	\$57,887	\$55,000	\$2,887	Nov. 18, 2020	50% discount to market price based on 10-day VWAP	Graham Financial Services, Inc. (Paul Graham, Pres.)	General O/H, Audit and Legal Fees

Nov. 28, 2019	\$16,003	\$15,443	\$560	Nov. 28, 2020	50% discount to market price based on 10-day VWAP	Graham Financial Services, Inc.(Paul Graham, Pres.)	General O/H, Audit and Legal Fees
Nov. 28, 2019	\$33,048	\$31,400	\$1,648	Nov. 28, 2020	50% discount to market price based on 10-day VWAP	Graham Financial Services, Inc. / Paul Graham, Pres.	General O/H, Audit and Legal Fees
June 30, 2019	\$15,629	\$14,850	\$1,559	June 30, 2020	No conversion formula specified to affiliate holder; funds received during 2020	Eric F. Parkinson	Legal Fees, Overhead, Audit costs
Nov. 20, 2020	\$25,729	\$25,729	\$151	Nov. 20, 2021	No conversion formula specified to affiliate holder; funds received during 2020	Eric F. Parkinson	Legal Fees, Overhead, Audit costs
June 19, 2020	\$17,085	\$17,085	\$0	June 18, 2022	2,847,582 Restricted shares issued as collateral.	Morten Stisen	General Operations & Form 10
Dec. 3, 2020	\$58,250	\$58,250	\$0	Dec. 2, 2022	10,700,000 Restricted shares issued as collateral.	Morten Stisen	Legal fees and Settlements
Dec. 24, 2020	\$33,598	\$33,598	\$0	Dec. 23, 2022	6,050,000 Restricted shares issued as collateral	Jim Durm	General Operations and Form 10
July 6, 2021	\$16,502	\$16,502	\$0	July 5, 2023	2,115,579 Restricted shares issued as collateral	Morten Stisen	Legal fees and Settlements
July 8, 2020	\$155,000	\$155,000	\$0	July 7, 2022	19,496,844 Restricted shares issued as collateral	Nordic Food Svc (Morten Stisen)	Legal, acctng and Form 10
Nov. 25, 2021	\$40,000	\$40,000	\$0	Nov. 24, 2023	6,153,846 Restricted shares issued as collateral	Nordic Food Svc (Morten Stisen)	Legal fees and settlements
Dec. 8, 2021	\$17,150	\$17,150	\$2,188	Dec. 7, 2023	Note is convertible at 50% discount to Market / VWAP	Graham Financial Svs., Inc., / Paul Graham	Correction on prior accrued interest
Sep. 12, 2023	\$36,000	\$36,000	\$455	Sep. 11, 2024	Note is convertible at 50% discount to Market / VWAP	Graham Financial Svc., Inc. / Paul Graham	General Use, audits and legal costs
Oct. 3, 2023	\$25,000	\$25,000	\$0	Oct. 2, 2024	Note is not convertible	Accounting for Value / Morten Stisen	General Use and Wildfire post-Prod.
Dec. 12, 2023	\$30,000	\$30,000	\$0	Dec. 11, 2024	Note is not convertible	Sue Bartholomew, Southwinds	General Use and Indian Territory film
Dec. 15, 2023	\$49,500	\$49,500	\$0	Dec. 14, 2024	Note is not convertible	Eric F. Parkinson	General Use and Wildfire Marketing
Jan. 11, 2024	\$31,000	\$31,000	\$0	Jan. 10, 2025	Note is convertible at 50% discount to-Market / VWAP	Graham Financial Services, Inc. / Paul Graham	General Use, audits, legal and G&A
Mar. 15, 2024	\$23,108	\$23,108	\$0	Mar. 14, 2025	Note is not convertible	Eric F. Parkinson	General Use, audits, legal and G&A

4) Issuer's Business, Products and Services

A. Company is a media production and distribution enterprise, involved in book publishing, feature film and video production, and distribution of feature films and videos through various media platforms and territories worldwide.

B. Wholly-owned subsidiaries are Medallion Releasing, Inc. (for handling non-Hannover House producer clients), Vodwiz, Inc. and Bookworks, Inc. Both Medallion Releasing, Inc., and Vodwiz, Inc. are Arkansas domiciled corporations. Bookworks, Inc., as the Screen Actors Guild signatory entity, was previously registered in Arkansas, but is being moved to a registration in Oklahoma to conform to film incentive

requirements. Income, assets and costs (if any) from these three subsidiaries are incorporated into the Company's consolidated financial statements.

C. Company publishes fiction and non-fiction books; Company's media distribution includes the release of films to theatres, home video, digital streaming formats, television outlets and international licensors. Company is working with MyFlix, LLC for the development and launch of a new digital streaming site to be named "MyFlix." The business model for MyFlix is to consolidate feature films and television series programming owned by a wide range of studios and content owners, into a single destination digital streaming site. The revenue model for MyFlix will be tailored after the hugely successful sites of TUBI and ROKU, both of which are generating hundreds-of-millions-of-dollars from "Advertising Supported Video On Demand" (AVOD) models – in which consumers can watch films for "free" but subject to seeing paid ads. This model is not only more attractive to customers than a "subscription" model, but it also avoids the complications of dealing with consumer credit cards, disputes, billings and such operational issues that add costs, but do not contribute positively to a company's bottom line. As of the date of this filing, forty-three program suppliers, collectively representing over 12,000 titles, had agreed to participate in the MyFlix service, which would position the site as one of the largest sources for total streaming programming. The growth of digital streaming services has created both a boom and bust in the independent film sectors. Consumers are less likely now to purchase DVDs of unknown movies knowing that the same ten-dollar cost could cover a month's subscription to a service such as Netflix with over 1,000 titles at any given time. As other studios scramble to open "studio specific" streaming services, Hannover House believes that the MyFlix model is more like the successful Walmart retail strategy of offering a wider selection of programming at everyday low prices. The success of TUBI.TV (a Disney-Fox owned streaming service) supports the validity of the MyFlix business model. Hannover House has an option to purchase MyFlix subject to the achievement of obtainable corporate benchmarks which include the filing of the Form 10 Registration and the resolution or dismissal of four foreign judgments for which the Company has meritorious defenses and legal strategies to oppose.

5). Issuer's Facilities

The Company is leasing a combination office-warehouse facility in Fayetteville, AR, located at 1275 Sunchase Circle. This facility has over 3,200 square feet of space that is being used for general offices, storage and as a motion-picture "cyclorama" stage for production activities. Company has closed all prior storage facilities and moved most inventories to the new warehouse. Primary assets for the Company are the intellectual property rights granted through distribution licenses or sales agency agreements, none of which are transferrable. The granting of sales rights to film and television programs is very specialized and dependent upon the quality of long-standing relationships between the company as seller, and the outlets (which for HHSE products range from USA based retail stores, to digital streaming platforms, television broadcasters and international licensors). As of the applicable filing period of this report, the company has approximately 19,686 units of DVD and BluRay inventory. Inventory of viable book products is 1,466 units. DVD and BluRay replication equipment, and motion picture related support equipment is also being stored at the new office-warehouse in Arkansas, along with standard office furnishings, desktop computers and fixtures customarily needed for a staff of up to ten persons. Most of the equipment, fixtures and other gear are aged at greater than ten years, and as a result, the Company has elected to significantly reduce the valuation of these items by increasing the reserve for depreciation as of this reporting period.

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

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Eric Parkinson	Officer / Director	Fayetteville, AR	50,641,649	Common Stock	5.82%	Rule 144 Restrictions
Eric Parkinson	Officer / Director	Fayetteville, AR	6,400,000	Series "A" Preferred	100% *	1000-to-1 Voting Value; 100-to-1 conversion
Christian Large	Director	Tulsa, OK	1,000,000	Common Stock	.09%	Rule 144 Restrictions

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile. **CONFIRMED.**

* **Notes to Officer, Directors, and Control Persons – stock ownership** – former company President D. Frederick Shefte retired in March of 2021 due to health issues, and passed away on April 18, 2022. . Until such time that a replacement President can be engaged, Company CEO Eric Parkinson will assume the duties as President, in addition to his existing duties as CEO and Secretary. Per the bylaws and other internal agreements with officers, upon cessation of employment for any reason, an officer (in this case, Shefte), is required to surrender “Preferred” (voting) shares. As of the date of this report, Shefte had 1,600,000 Preferred shares that the company is moving to cancel and return to treasury stock for that class of shares. Christian K. Large and Kyle Martens have provided board consultation services to the Company.

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);

NOT APPLICABLE

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;

NOT APPLICABLE

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;

NOT APPLICABLE

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

NOT APPLICABLE

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.

NOT APPLICABLE

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.

NOT APPLICABLE

- 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.

NOT APPLICABLE – the Issuer has not been involved in any litigation for the past five years.

8) Third Party Providers

Securities Counsel

Name: Morgan Petitti, Esq.
Firm: Petitti Law Firm
Address 1: 118 W. Streetsboro Road, # 117
Address 2: Hudson, OH, 44236
Phone: 330-697-8548
Email: Petittilaw@gmail.com

Accountant or Auditor *

Company does not have a Tax Accounting firm. Corporate 1120 S returns have been reviewed by a licensed CPA. Under advisement, the PCAOB auditing firm will be disclosed upon filing of the Form 10 Registration.

Investor Relations Consultant

Company has elected to defer “promotion” of stock shares and traditional investor relations at this time; it is possible that after the Form 10 Registration has been filed, that resources will be expended to broaden awareness of the Company and its various activities.

Other Service Providers

Name: Steven H. Kay, Esq.
Firm: Steven Kay Law Firm
Nature of Services: Legal Representation
Address 1: 1875 Main Drive
Address 2: Fayetteville, AR 72704
Phone: 479-521-3334 / Email: Steven@Rockhouselaw.com

Name: Jonathan McCallum
Firm: Oleum Rain Studios
Nature of Services: Mastering & Graphic Design
Address 1: 854 N. Willow
Address 2: Fayetteville, AR 72701
Phone: 479-283-1687 / Email: JLMcCallum@aol.com

Name: Raymond Ragues
Firm: RAGUES LAW FIRM
Nature of Services: New York Litigation Representation
Address 1: 521 5th Avenue
Address 2: New York, NY 10175
Phone: 845-481-0086
Email: Ray@RaguesLaw.com

Name: Tomer Tal, Esq.
Firm: NEW VENTURE ATTORNEYS
Nature of Services: Securities Law and Filings
Address 1: 101 Church St., Suite 22
Address 2: Los Gatos, CA 95030
Phone: 845-481-0086
Email: Tomer@NewVentureAttorneys.com

Name: Andy Forman
Firm: New Century Media
Nature of Services: Manufacturing of DVD & BluRay Consumer Products
Address 1: 2727 Pellissier Place
Address 2: City of Industry, CA 90601
Phone: (408) 560-9606
Email: Andy@NewCenturyMediaUSA.com
Name: Jeff Miller
Firm: ARROW MEDIA SERVICES
Nature of Services: Mastering and Formatting of V.O.D. Titles
Address 1: 114 W. Adams St., Suite 601
Address 2: Phoenix, AZ 85003
Phone: (602) 358-0061
Email: Jeff@ArrowMedia.Services

9) Disclosure & Financial Information

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

Name: ERIC PARKINSON
Title: President, C.E.O. & Secy.
Relationship to Issuer: Officer & Director

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: ERIC PARKINSON
Title: President, C.E.O. & Secy.
Relationship to Issuer: Officer & Director

Describe the qualifications of the person or persons who prepared the financial statements:⁵ Parkinson has been working in the film production and distribution business continuously since 1983, and has worked as a C.E.O. of a NASDAQ traded equity (Hemdale Communications, Inc.), overseeing a team of CPA's and accountants in the preparation of quarterly and annual reports, as well as financial statements and asset valuations.

Provide the following qualifying financial statements:

- 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

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

I, ERIC PARKINSON, certify that:

1. I have reviewed this Disclosure Statement for Hannover House, Inc., covering the quarterly period ending March 31, 2024;
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.

May 14, 2024

/s/ [ERIC PARKINSON], C.E.O.

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

Principal Financial Officer:

I, [identify the certifying individual] certify that:

- 1 I have reviewed this Disclosure Statement for Hannover House, Inc., covering the quarterly period-ending March 31, 2024;
- 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.

May 14, 2024

/s/ [ERIC PARKINSON], C.F.O.

HANNOVER HOUSE, INC. AND AFFILIATES AND SUBSIDIARIES
Financial Statements
March 31, 2024 (UNAUDITED / Audit in process)

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F-1 (OTC ITEM “4-C”)

HANNOVER HOUSE, INC., AND AFFILIATES AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (unaudited)

FOR THE THREE MONTH PERIOD ENDING MARCH 31, 2024
(including comparative balance sheet from Q1 of prior year)

	3/31/2023	3/31/2024
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents	3,965	3,394
Accounts Receivable, Net	910,657	(1) 1,235,657
Other Receivables (Notes & Recoupment)	201,252	-
Merchandise Inventory	100,704	100,704
Prepaid Advertising	765,000	(2) -
Prepaid Producer Royalties	2,406,065	2,406,065
Producer Marketing Recoupment	2,847,749	(3) 2,215,432
Film Distribution Rights	1,996,379	1,996,379
Film Production Investments		(4) -
Notes Receivable and Net Recoupment	709,976	(5) 381,052
TOTAL CURRENT ASSETS	<u>9,941,747</u>	<u>8,338,683</u>
PROPERTY & EQUIPMENT		
Office Furnishings, Equip. & Film Gear	180,600	180,600
Less Accumulated Depreciation	(134,264)	(154,264)
Vehicles	-	5,000.00
Less Accumulated Depreciation	-	-
Real Property	-	-
TOTAL PROPERTY & EQUIPMENT	<u>46,336</u>	<u>31,336</u>
OTHER ASSETS		
FILM & TV LIBRARY (incl. VODWIZ)*	<u>28,442,922</u>	(6) <u>28,442,922</u>
TOTAL OTHER ASSETS	<u>28,442,922</u>	<u>28,442,922</u>
	<u>38,431,005</u>	<u>36,812,941</u>

ITEM F 1 – (OTC ITEM “4-C” continued)

LIABILITIES & SHAREHOLDER'S EQUITY

	<u>3/31/2023</u>	<u>3/31/2024</u>
CURRENT LIABILITIES		
Accounts payable	48,210	32,499
Accrued Royalties	528,890	8,500
Acquisition Advances Due		-
Accrued Wages		-
Payroll Taxes Payable		-
Shuttlewood Investments		13,000
Interest on Shuttlewood Note		-
Graham Financial Services Note	89,175	67,770
Interest on Graham Note		1,581
Bartolomew / Southwind Notes		117,500
Interest on Bartholomew Notes		7,391
All Other Notes Payable	1,301,739	(7) 1,049,113
Interest on Above Notes Payable		171,354
All other Legal Settlements	259,000	(8) 157,000
TOTAL CURRENT LIABILITIES	<u>2,227,014</u>	<u>1,625,708</u>
LONG-TERM LIABILITIES		
Long-Term Payables	1,274,612	\$ 827,121
Executive Salary Deferrals		362,949
Lewin Foreign Judgment		90,000
Officer Notes Payable	<u>100,830</u>	<u>176,101</u>
TOTAL LONG-TERM LIABILITIES	<u>1,375,442</u>	<u>1,456,171</u>
TOTAL OF ALL LIABILITIES	<u>3,602,456</u>	<u>3,081,879</u>
SHAREHOLDER'S EQUITY		
Common Stock	31,226,093	31,636,409
Retained Earnings	<u>3,602,456</u>	(1) <u>2,094,653</u>
TOTAL SHAREHOLDER'S EQUITY	<u>34,828,549</u>	<u>33,731,062</u>
	<u>38,431,005</u>	<u>36,812,941</u>

F2 (OTC ITEM “4-D”)

CONSOLIDATED STATEMENT OF INCOME FOR THE THREE MONTH PERIOD ENDING MARCH 31, 2024 (including comparative Income Statement from Q1 of prior year)

	Q1 2023	Q1 2024
REVENUES <i>(all media, fees & licenses)</i>	\$ 25,123	\$ 14,978
Net, Collected Revenues	25,123	14,978
Additional Invoiced Sales	\$ 33,190	\$ 50,000
<i>Reserve for Potential Returns</i>	-	-
ADJUSTED REVENUES FOR PERIOD	\$ 58,313	\$ 64,978
COST OF SALES		
Commissions	-	-
Sales, Marketing & Mastering	\$ -	\$ -
Video Mfg & Releasing Costs	-	-
Film & Book Royalties	\$ 924	\$ -
Freight	-	-
Other Expenses (Ads, PR, Publicity)	\$ -	\$ -
TOTAL COST OF SALES	\$ 924	\$ -
GROSS PROFIT	\$ 57,389	\$ 64,978
GENERAL AND ADMINISTRATIVE EXP.	\$ 28,611	\$ 26,886
INCOME FROM OPERATIONS	\$ 28,778	\$ 38,092
INTEREST EXPENSES	\$ 13,518	\$ 21,789
OTHER EXPENSES (SALARY DEFERRALS)	\$ -	\$ -
INCOME BEFORE TAXES	\$ 15,260	\$ 16,303
PROVISION FOR INCOME TAXES	\$ -	\$ -
NET INCOME	\$ 15,260	\$ 16,303
RETAINED EARNINGS (As of Jan. 1, 2024)		2,078,350
RETAINED EARNINGS (As of Mar. 31, 2024)		2,094,653

F3 (OTC ITEM “4-E”)

Hannover House, Inc.

Consolidated Statement of Cash Flow
For the 3-Month Period Ending March 31, 2024

	3-Mos. Ending 3/31/2024
Cash flows from operating activities	
Net Income	\$ 16,303
Increase in Accounts Receivable	-
Decrease in Prepaid Expenses	-
Decrease in Other Current Assets	-
Increase in Notes Payable	12,108
Increase in Accounts Payable	-
Cash Provided By / Used in Operating Activities	\$ 28,411
Cash Flow from Investing Activities	\$ -
Cash Provided By / Used in Investing Activities	30,256
Cash Flow from Financing Activities	\$ -
Cash Provided by Financing Activities	\$ -
NET INCREASE IN CASH	\$ 1,845
BEGINNING CASH BALANCE (1-1-2024)	\$ 1,549
ENDING CASH BALANCE (3-31-2024)	\$ 3,394

F 4 (OTC ITEM “4-F”)

**STATEMENT OF SHAREHOLDERS EQUITY
FOR THE THREE-MONTH PERIOD ENDING MARCH 31, 2024**

	Common Stock		Retained	Total
	Shares	Amount	Earnings	
Balance at Dec. 31, 2023	1,037,765,343	\$ 31,704,503	\$ 2,078,350	33,782,853
<i>Net Adjustments to Equity</i>		(68,094)	\$	\$
<i>Net Adjustments to Retained Earnings</i>			\$ -	\$ (51,791)
Net Income			\$ 16,303	\$ -
Balances at Mar. 31, 2024	1,052,481,276	31,636,409	2,094,653	33,731,062

F5

**GENERAL AND AMINISTRATIVE EXPENSES
FOR THE THREE-MONTH PERIOD ENDING MARCH 31, 2024**

GENERAL AND ADMINISTRATIVE EXPENSES

CATEGORY	3-Months Ending 3/31/2023	3-Months Ending 3/31/2024	Difference By Item 2023 vs 2024
Auto	\$ -	\$ -	\$ -
Bank Charges	\$ 600	\$ 1,333	\$ 733
Consulting	\$ 7,000	\$ -	\$ (7,000)
Employees and Officers	\$ -	\$ 14,140	\$ 14,140
Entertainment	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -
Fees	\$ -	\$ -	\$ -
Insurance	\$ 375	\$ 335	\$ (40)
Labor	\$ -	\$ -	\$ -
Legal and Accounting	\$ 13,000	\$ 1,472	\$ (11,528)
Misc / Marketing & Promos.	\$ -	\$ 1,469	\$ 1,469
Office & Storage	\$ 935	\$ -	\$ (935)
Rent	\$ 4,260	\$ 6,088	\$ 1,828
Taxes & Payroll Taxes	\$ -	\$ -	\$ -
Telephone	\$ 1,266	\$ 988	\$ (278)
Travel	\$ 809	\$ -	\$ (809)
Utilities & Internet	\$ 366	\$ 1,061	\$ 695
TOTAL OF G&A EXPENSES	\$ 28,611	\$ 26,886	\$ (1,726)

COMPARISONS OF KEY FINANCIAL ITEMS

Q1 2023 VS Q1 2024

		12/31/2023	3/31/2024	Difference	Percentages
Revenues	1	\$ 11,482	\$ 64,978	\$ 53,496	465%
G&A Totals	2	\$ 21,072	\$ 26,886	\$ 5,814	27.60%
Total Assets	3	\$ 36,831,223	\$ 36,812,941	\$ (18,282)	0.0004%
Total Liabilities	4	\$ 3,048,370	\$ 3,081,879	\$ (33,509)	-1%
Retained Earnings	5	\$ 2,078,350	\$ 2,094,653	\$ 16,303	0.78%
Shareholder Equity	6	\$ 33,782,853	\$ 33,731,062	\$ 51,791	-0.0015

FOOTNOTES TO CURRENT QUARTER vs. PRIOR THREE MONTH QUARTER:

- 1). Significant increase in REVENUES for current reporting period is due primarily to the payment of a production company fee to Hannover House on the feature documentary SWEAT IT OUT.
- 2). Modest increase in G&A is due primarily to the move into the company's combo office-warehouse-production center, including construction improvements and labor.
- 3). Modest decrease in ASSETS is due to a careful review of the program rights still in effect from the company's film and television library, as well as a general write-down of costs erroneously listed as both "recoupable notes" and "production loans" (since reclassified solely as recoupable notes).
- 4). Modest decrease in liabilities is the result of payables management.
- 5). Modest change in RETAINED EARNINGS was caused by the modest income for Q1.
- 6). Modest decrease in SHAREHOLDER EQUITY is primarily due to balance sheet adjustments, including interest on bridge loans and long-term liabilities.

F 8\ (OTC ITEM “4-G”)

**NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING MARCH 31, 2024**

The following notes refer to those items marked on Item F1 (consolidated balance sheets) as indicated with red note reference markers.

- (1) Accounts Receivable has been adjusted to include newly invoiced on-boarding & metadata services performed for MyFlix program suppliers. It is relevant to note that the majority of Accounts Receivable are for deferred on-boarding / mastering fees on MyFlix supplier titles, which must be earned-out from digital deliveries of titles in a first position priority payment. The other receivables, the majority of which are to Cinedigm (*as principal wholesaler to Walmart, Target & Best Buy*) are disputed by Cinedigm due to a claim of offset for marketing fees;
- (2) Company had previously capitalized \$765,000 worth of “prepaid advertising” with Tradewell Agency for more than 12 years, including subsequent transfer of the obligation to Tradewell assignees. However, recent efforts to utilize the credits proved futile, so this asset item has been written off. There will be future attempts to utilize these advertising credits, and if successful, the value of such utilized ads will be noted on future statements;
- (3) “Producer Marketing Recoupment” has been written down by \$632,137 as of 12-31-2023 in order to reflect a write-down for expenses that can no longer be recouped, due to loss of title distribution rights;
- (4) Film Production Investments were reconciled to: 1). Remove previously capitalized costs on “abandoned” productions (*e.g., Championship Soccer, Dinosaurs and ShadowVision*), and to correctly identify that funds provided for “Wildfire”, “Belle Starr” and “Indian Territory” are subject to secured, promissory notes, and therefore are not considered Film Production Investments;
- (5) Notes Receivable – See footnote item “4” above;
- (6) The prior Hannover House Film & Television Library report was conducted ten years ago, and this item adjustment represents the new valuation report from a reputable, third-party specialty firm (as required for auditors and Form 10 filing). This valuation represents seventy-seven (77) titles as the majority of titles previously listed in the HHSE library report (455 total) have either expired (and not pursued for relicensing), or have been discontinued for mutual consent or lack of value to the company. The new library report includes the improved valuations for higher-end titles (including WILDFIRE and THE LAST DAYS OF BELLE STARR), and significant adjustments on catalog titles to diminish prior forecasts for DVD and BluRay sales in favor of the growing revenues enjoyed from Video-On-Demand streaming outlets. Most of the titles in the Hannover House Film & Television Library are represented by the Company under sales agency agreements, which do not allow the sales rights to be sold, transferred or otherwise disposed of by Company or successors; a majority of the titles additionally include provisions allowing for the termination of sales rights in the event that Hannover House ceases to operate or that Eric Parkinson (as “key man”) ceases to perform his duties as principal executive of Hannover House. These are customary protections that independent producers usually require when engaging independent distributors for the representation of their title assets. The new library valuation report shows an increase of \$1,029,405 during the next seven-year licensing cycle, which improvement in asset value is represented on the company’s assets balance sheet;
- (7) Notes Payable – The Company did enter into new loans during Q1, 2024 totaling \$54,108;
- (8) Other Legal Settlements are Uptone and Hinds Law balances as of 3-31-2024;
- (9) Retained Earnings has been reduced by \$1,248,819, as of 12-31-2023 to reflect those write-downs described above;

Some of the legal fees paid during Q4, 2023 include payments made to Hinds Law Group, formerly known as Hinds-Shankman, for application to prior legal fees incurred prior to the reporting period.