

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

## **DRAZCANNA, Inc.**

P.O. Box 600  
Dearborn Heights, MI 48127

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(313) 800-3004  
www.drazcanna.com  
info@drazcanna.com  
SIC 8200

### **Annual Report** **For the Period Ending: June 30, 2022** (the "Reporting Period")

As of June 30, 2022, the number of shares outstanding of our Common Stock was: 9,949,644

As of March 31, 2022, the number of shares outstanding of our Common Stock was: 9,605,172

As of June 30, 2021, the number of shares outstanding of our Common Stock was: 214,179,295

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: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Sibling Group Holdings, Inc. was incorporated under the laws of the State of Texas on December 28, 1988, as "Houston Produce Corporation". On June 24, 1997, the Company changed its name to "Net Masters Consultants, Inc." On November 27, 2002, the Company changed its name to "Sona Development Corporation". The Company name changed on May 14, 2007 to "Sibling Entertainment Group Holdings, Inc.". On August 15, 2012, the Company name was changed to "Sibling Group Holdings, Inc." On March 25, 2022, the Company name was changed to "DrazCanna, Inc." On May 2, 2022, DrazCanna, Inc.'s OTC symbol changed from "SIBED" to "DZCA".

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

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

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

TEXAS, Active

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

N/A

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

On October 14, 2021, with the consent of the majority of Common shareholders, the Board of Directors authorized a resolution of the Corporation for the officers to effectuate a 1 for 24 reverse stock split, while the authorized shares of common stock shall be 500,000,000 with a record date of October 24, 2021. Filings with FINRA were completed on 11/3/2021. Additionally, the Corporation simultaneously filed for a name change to DrazCanna, Inc. to reflect the organization's intentions to enter the US legal Cannabis industry. On March 25, 2022, the 1 for 24 reverse stock split was processed by FINRA for shareholders of record. On May 6, 2022, DrazCanna's shareholders meeting was held with DrazCanna Shareholder's voting to approve the Reverse Merger Share Exchange Agreement.

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

P.O. Box 600  
Dearborn Heights, MI 48127

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

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

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

Yes: ☒ No: ☐

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

On June 28, 2021 in the Texas 126<sup>th</sup> Judicial District Court ordered that Ben Berry is appointed as receiver for Sibling Group Holdings, Inc. for the purpose of continuing Sibling Group Holdings, Inc. as a going concern for the benefit of its stockholders. On October 29, 2021, the Texas 126th Judicial District Court granted Receiver Ben Berry's Motion to Terminate Receivership and Discharge Receiver.

## 2) Security Information

|   |                     |                               |
|---|---------------------|-------------------------------|
| Trading symbol:                                     | <u>DZCA</u>         |                               |
| Exact title and class of securities outstanding:    | <u>Common Stock</u> |                               |
| CUSIP:  | <u>825784 200</u>   |                               |
| Par or stated value:                                | <u>\$0.0001</u>     |                               |
| Total shares authorized:                            | <u>500,000,000</u>  | as of date: <u>06/30/2022</u> |
| Total shares outstanding:                           | <u>10,378,931</u>   | as of date: <u>06/30/2022</u> |
| Number of shares in the Public Float <sup>2</sup> : | <u>5,018,873</u>    | as of date: <u>06/30/2022</u> |
| Total number of shareholders of record:             | <u>624</u>          | as of date: <u>06/30/2022</u> |

<sup>2</sup> "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.

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

Trading symbol: N/A  
Exact title and class of securities outstanding: Series A Preferred  
CUSIP: N/A  
Par or stated value: \$1.92  
Total shares authorized: 500,000 as of date: 06/30/2022  
Total shares outstanding: 0 as of date: 06/30/2022  
Shares were converted to common on 9/30/21 with 147,702 remaining for conversion at 6/30/22

Trading symbol: N/A  
Exact title and class of securities outstanding: Special 2021 Series A Preferred  
CUSIP: N/A  
Par or stated value: \$0.0001  
Total shares authorized: 30 as of date: 06/30/2022  
Total shares outstanding: 30 as of date: 06/30/2022

Transfer Agent

Name: Issuer Direct Corporation  
Phone: (919) 481-4000  
Email: dominick.dalpizzol@issuerdirect.com  
Address: One Glenwood Ave, Suite 1001  
Raleigh, NC 27603

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

### 3) 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.

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<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

## 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:<br><u>Opening Balance</u><br>Date <u>6/30/2019</u> Common: <u>214,179,295</u><br>Preferred: <u>500,000</u> |   |  | *Right-click the rows below and select "Insert" to add rows as needed. |   |  |  |   |   |                                 |
|---|---|--|--|---|--|--|---|---|---------------------------------|
| Date of Transaction   | Transaction type (e.g. new issuance, cancellation, shares returned to treasury) | Number of Shares Issued (or cancelled) | Class of Securities  | Value of shares issued (\$/per share) at Issuance | Were the shares issued at a discount to market price at the time of issuance? (Yes/No) | Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed). | Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided | Restricted or Unrestricted as of this filing. | Exemption or Registration Type. |
| July 12, 2021   | Issuance  | 30                                     | Special 2021 Series A Preferred  | \$0   | No   | Synergy Management Group, LLC / Benjamin Berry   | Exchange for services – Consulting, Board Fees and expenses                                   | Restricted                                    | <u>Sec 4(a)(2)</u>              |
| September 30, 2021  | Issuance  | 34,915,048 <sup>4</sup>                | Common   | \$0.035   | No   | SEE EXHIBIT A  | Conversion from Preferred   | Restricted                                    | <u>Sec 4(a)(2)</u>              |
| September 30, 2021  | Conversion to Common  | (500,000) <sup>4</sup>                 | Series A Preferred   | \$1.92  | No   | SEE EXHIBIT A  | Conversion to Common  | Restricted                                    | <u>Sec4(a)(2)</u>               |
| March 25, 2022  | Reduction (1 for 24 Reverse Split)  | (238,715,412)                          | Common   | N/A   | No   | N/A  | N/A   | N/A   | <u>N/A</u>                      |
| Shares Outstanding on Date of This Report:<br><u>Ending Balance:</u><br>Date <u>06/30/2022</u> Common: <u>10,378,931<sup>5</sup></u><br>Preferred: <u>30</u>            |   |  |  |   |  |  |   |   |                                 |

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended June 30, 2021, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2019 through June 30, 2021 pursuant to the tabular format above.

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

<sup>4</sup> Conversion of Series A Preferred Shares to Common Shares with 69.8301 Common Shares issued for each Series A Preferred Share redeemed.

<sup>5</sup> On March 25, 2022, the 1 for 24 reverse stock split was processed for shareholders of record.

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

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.) |
|-----------------------|--------------------------|-----------------------------------|-----------------------|---------------|--|--|---|
| _____                 | _____                    | _____                             | _____                 | _____         | _____  | _____  | _____   |
| _____                 | _____                    | _____                             | _____                 | _____         | _____  | _____  | _____   |

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

### 4) Financial Statements

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

☒ U.S. GAAP

☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>6</sup>:

Name: Ty Putrich  
Title: Consultant  
Relationship to Issuer: Contractor

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

- C. Balance Sheet;
- D. Statement of Income;
- E. Statement of Cash Flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

**N/A**

<sup>6</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

## 5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

B. Please list any subsidiaries, parents, or affiliated companies.  
N/A

C. Describe the issuers' principal products or services.  
N/A

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

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

## 7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling, or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

| Name of Officer/Director or Control Person | Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%) | Residential Address (City / State Only) | Number of shares owned | Share type/class | Ownership Percentage of Class Outstanding | Note |
|--|---|---|------------------------|------------------|---|------|
| <u>Hussein Anani</u>                       | <u>President, CFO, Director</u>   | <u>Dearborn Heights, MI</u>             | <u>0</u>               | <u>Common</u>    | <u>N/A</u>                                |      |
| <u>Scot Cohen (1)</u>                      | <u>&gt;5% Shareholder</u>   | <u>New York, NY</u>                     | <u>538,630</u>         | <u>Common</u>    | <u>5.19%</u>                              |      |

|  |                                 |   |                  |  |               |  |
|--|---------------------------------|---|------------------|--|---------------|--|
| <u>Shenzhen City Qianhai Xinshi Education Management Co., Ltd. / Hong Tu</u> | <u>&gt;5% Shareholder</u>       | <u>Room 201, Block A, No. 1 Qianwan Road 1, Qianhai Shenzhen-Hong Kong Cooperation Area, Shenzhen, P.R. China</u> | <u>4,821,429</u> | <u>Common</u>                          | <u>46.45%</u> |  |
| <u>The High Company, LLC/Hussein Anani (2)</u>                               | <u>President, CFO, Director</u> | <u>Dearborn Height, MI</u>  | <u>30</u>        | <u>Special 2021 Series A Preferred</u> | <u>100%</u>   |  |

- (1) Scot Cohen has sole voting and disposition power over 181,548 Shares. In addition, Cohen shares voting and disposition power over a total of 357,082 Shares, representing 271,398 Shares held by North Haven Equities, LLC and 85,684 Shares held by V3 Capital Partners, LLC.
- (2) Issued July 12, 2021, to Synergy Management Group, LLC / Benjamin Berry representing a 'control block' was sold to The High Company, LLC on September 22, 2021.

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

N/A

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

N/A

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

N/A

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

N/A

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

N/A

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:  
Securities Counsel

Name: Matthew McMurdo  
Firm: McMurdo Law Group, LLC  
Address 1: 1185 Avenue of the Americas, 3<sup>rd</sup> Floor  
Address 2: New York, New York 10036  
Phone: 917-318-2865  
Email: matt@nannaronelaw.com

### Accountant or Auditor

Name: Ben Borgers  
Firm: BF Borgers CPA PC  
Address 1: 5400 West Cedar Avenue  
Address 2: Lakewood, CO 80226  
Phone: 303.953.1454  
Email: contact@bfbcpa.us

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### 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) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: Taylor Tomanka  
Firm: Fergus & Tomanka, PLLC  
Nature of Services: Legal – Texas  
Address 1: 803 E. Liberty Ave, Suite 200  
Address 2: Round Rock, TX 78664  
Phone: 512-291-6952  
Email: taylor@westtxattorneys.com



## 10) Issuer Certification

### *Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

I, Hussein Anani certify that:

1. I have reviewed this June 30, 2022 Annual Report of DrazCanna, 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.

09/28/22 [Date]

/s/ Hussein Anani [CEO's Signature]

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

### *Principal Financial Officer:*

I, Hussein Anani certify that:

1. I have reviewed this June 30, 2022 Annual Report of DrazCanna, 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.

09/28/22 [Date]

/s/ Hussein Anani [CFO's Signature]

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

# PART I. FINANCIAL INFORMATION

## DRAZCANNA, INC.

### Condensed Consolidated Balance Sheets

(Unaudited)

|  | June 30,<br>2022 | June 30,<br>2021 |
|--|------------------|------------------|
| <b>ASSETS</b>  |                  |                  |
| <b>Current Assets</b>  |                  |                  |
| Cash   | \$ -             | \$ -             |
| Accounts receivable, net   | -                | -                |
| Prepaid expenses   | -                | -                |
| <b>Total Current Assets</b>  | -                | -                |
| Fixed Assets, net  | -                | -                |
| Intangible assets, net   | -                | -                |
| <b>Total Assets</b>  | \$ -             | \$ -             |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                  |                  |
| <b>Current Liabilities</b>   |                  |                  |
| Accounts payable   | \$ 12,500        | \$ -             |
| Accrued liabilities  | -                | -                |
| Due to shareholders  | 130,529          | -                |
| <b>Total Current Liabilities</b>   | 143,029          | -                |
| <b>Long-Term Liabilities</b>   |                  |                  |
| Long-term note payable   | -                | -                |
| <b>Total Liabilities</b>   | 143,029          | -                |
| <b>Stockholders' Equity</b>  |                  |                  |
| Series A Preferred stock, \$0.0001 par value, 500,000 authorized; 0 issued and outstanding at June 30, 2022 and 500,000 issued and outstanding at June 30, 2021              | -                | 962,000          |
| Special 2021 Series A Preferred, \$0.0001 par value, 30 authorized; 30 issued and outstanding at June 30, 2022 and 0 at June 30, 2021  | 60,000           | -                |
| Common stock, \$0.0001 par value; 500,000,000 shares authorized; 10,378,931 issued and outstanding at June 30, 2022 and 214,179,295 issued and outstanding at June 30, 2021. | 1,038            | 21,418           |
| Additional paid-in capital   | 20,760,137       | 19,521,222       |
| Accumulated deficit  | (20,964,204)     | (20,504,640)     |
| <b>Total Stockholders' Equity</b>  | (143,029)        | -                |
| <b>Total Liabilities and Stockholders' Equity</b>  | \$ -             | \$ -             |

See accompanying notes to the unaudited condensed consolidated financial statements.

**DRAZCANNA, INC.**  
**Condensed Consolidated Statement of Operations**  
*(Unaudited)*

|   | Twelve Month Ended<br>June 30, |            |
|---|--------------------------------|------------|
|   | 2022                           | 2021       |
| <b>Revenues</b>   | \$ -                           | \$ -       |
| <b>Cost of Goods Sold</b>                                     | -                              | -          |
| <b>Gross Profit/(Loss)</b>                                    | -                              | -          |
| <b>Operating Expenses</b>                                     |                                |            |
| General and Administrative                                    | 124,035                        | -          |
| Professional Fees   | 76,661                         | -          |
| <b>Total Operating Expenses</b>                               | 200,796                        | -          |
| <b>Income/(Loss) from Operations</b>                          | (26,401)                       | -          |
| <b>Other Income/(Expenses)</b>                                |                                |            |
| Other (Expense)   | 2,233                          | -          |
| Interest Income/(Expense)                                     | -                              | -          |
| Non-Operating Exp – Preferred Conversion                      | 256,535                        | -          |
| <b>Total Other Income/(Expense)</b>                           | 258,768                        | -          |
| <b>Net Income/(Loss)</b>                                      | \$ (459,564)                   | \$ -       |
| <b>Net Income/(Loss) per Share</b>                            | \$ (0.044)                     | \$ -       |
| <b>Weighted Average Shares Outstanding, Basic and Diluted</b> | 10,378,931                     | 10,378,931 |

*See accompanying notes to the unaudited condensed consolidated financial statements.*

**DRAZCANNA, INC.**  
**Condensed Consolidated Statement of Cash Flows**  
(Unaudited)

|   | <b>Twelve Months Ended<br/>June 30,</b> |                    |
|---|---|--------------------|
|   | <b>2022</b>                             | <b>2021</b>        |
| <b>Cash Flow from Operating Activities</b>  |   |                    |
| Net Income/(Loss)   | \$ (459,564)                            | \$ -               |
| Adjustments to Reconcile Net Income/(Loss) to Net Cash (used in) Operating Activities |   |                    |
| Common stock issued for services  | -                                       | -                  |
| Depreciation  | -                                       | -                  |
| Amortization of intangibles and debt discount   | -                                       | -                  |
| Changes in operating assets and liabilities   |   |                    |
| Accounts receivable   | -                                       | -                  |
| Accounts payable  | 12,500                                  | -                  |
| Accrued liabilities   | -                                       | -                  |
| Prepaid expenses  | -                                       | -                  |
| <b>Net cash (used in) operating activities</b>  | <b>(447,064)</b>                        | <b>-</b>           |
| <b>Cash flows from investing activities</b>   |   |                    |
| Purchase of fixed assets  | -                                       | -                  |
| Additional investing in intangibles   | -                                       | -                  |
| <b>Net cash (used in) investing activities</b>  | <b>-</b>                                | <b>-</b>           |
| <b>Cash flows from financing activities</b>   |   |                    |
| Sale of common stock, net   | -                                       | -                  |
| Due to shareholders   | 130,529                                 | -                  |
| Repayment of notes payable  | -                                       | -                  |
| Issuance of Special 2021 Preferred  | 60,000                                  | -                  |
| Series A Preferred Conversion to Common   | 256,535                                 | -                  |
| Proceeds of long-term notes payable   | -                                       | -                  |
| <b>Net cash provided by (used in) financing activities</b>                            | <b>447,064</b>                          | <b>-</b>           |
| Net change in cash  | \$ -                                    | \$ -               |
| Cash, beginning of period   | -                                       | -                  |
| Cash, end of period   | <u><u>\$ -</u></u>                      | <u><u>\$ -</u></u> |

**DRAZCANNA, INC.**  
**Condensed Consolidated Statement of Cash Flows**  
(Unaudited)

|   | <b>Twelve Months Ended<br/>June 30,</b> |             |
|---|---|-------------|
|   | <b>2022</b>                             | <b>2021</b> |
| <b>Supplemental disclosure of cash flow information</b>                       |   |             |
| Cash paid for interest  | \$ -                                    | \$ -        |
| Cash paid for income taxes  | -                                       | -           |
| <b>Supplemental disclosure of non-cash operating and financing activities</b> |   |             |
| Common stock issued for settlement of accounts payable                        | \$ -                                    | \$ -        |
| Beneficial conversion feature of long-term note payable                       | -                                       | -           |
| Financing costs   | -                                       | -           |

*See accompanying notes to the unaudited condensed consolidated financial statements.*

(Unaudited)

*See accompanying notes to the unaudited condensed consolidated financial statements.*

| EXHIBIT A  | Redeem    |         | Common     |
|--|-----------|---------|------------|
|  | Series A  | Convert | Shares     |
| Name   | Preferred | Multi   | to Issue   |
| BRUCE BRAATELEIN   | 4,198     | 69.8301 | 293,147    |
| BRUCE BRAATELEIN   | 27,336    | 69.8301 | 1,908,876  |
| BYLES NO2 TRUST  | 558       | 69.8301 | 38,965     |
| KHALIL CHAWARED  | 2,964     | 69.8301 | 206,976    |
| JIRO SHIMOYAMA   | 558       | 69.8301 | 38,965     |
| DAVID JOSEPH   | 2,792     | 69.8301 | 194,966    |
| EQUITY TRUST COMPANY CUST FBO JOHANNA M HYNES-MALEKI IRA     | 8,185     | 69.8301 | 571,559    |
| JOHANNA M HYNES-MALEKI AND SUCCESSORS IN TRUST TTEES         | 26,443    | 69.8301 | 1,846,517  |
| EVE PATRICK  | 8,240     | 69.8301 | 575,400    |
| SEAN D WENGROFF  | 558       | 69.8301 | 38,965     |
| AYLENE KOVENSKY-GARD REVOCABLE TRUST UTD 6/28/2010           | 3,623     | 69.8301 | 252,994    |
| KAREN GLOMBOSKI  | 1,117     | 69.8301 | 78,000     |
| EDWARD KRUK  | 708       | 69.8301 | 49,440     |
| L DENNIS MCKEEVER  | 1,284     | 69.8301 | 89,662     |
| EQUITY TRUST COMPANY CUST FBO SETH KOVENSKY IRA              | 2,857     | 69.8301 | 199,505    |
| SETH KOVENSKY REVOCABLE LIVING TRUST DTD 3/14/12             | 8,140     | 69.8301 | 568,417    |
| DOUG ELLEBY  | 3,214     | 69.8301 | 224,434    |
| H CHRISTOPHER NORMAN   | 650       | 69.8301 | 45,390     |
| PAMELA HOUSEWORTH & TERRANCE BAKER                           | 737       | 69.8301 | 51,465     |
| CHARLES BOURLAND   | 1,541     | 69.8301 | 107,608    |
| ED HEUSTESS  | 1,736     | 69.8301 | 121,225    |
| DAVID LAMB SAUSSY & KATHLEEN LIDE SAUSSY REVOCABLE TRUST DTD | 731       | 69.8301 | 51,046     |
| WILLIAM WILLOUGHBY   | 1,066     | 69.8301 | 74,439     |
| CATHERINE OLIVERSMITH  | 118,392   | 69.8301 | 8,267,325  |
| ANTHONY SUSSMAN  | 3,932     | 69.8301 | 274,572    |
| LEON ARONSON   | 1,235     | 69.8301 | 86,240     |
| IRWIN LEON ARONSON TTEE/I L ARONSON PC EMPLOYEE PENSION PLA  | 1,412     | 69.8301 | 98,600     |
| LYNN BERKOWITZ   | 1,771     | 69.8301 | 123,669    |
| TVP VENTURES LLC/DONALD GASGARTH                             | 30,712    | 69.8301 | 2,144,622  |
| SYLVIA AMICK   | 4,844     | 69.8301 | 338,257    |
| BRODY BRYANT   | 735       | 69.8301 | 51,325     |
| DAVID F BURR TTEE  | 1,940     | 69.8301 | 135,470    |
| JEFF HIXON   | 698       | 69.8301 | 48,741     |
| DAVID SONDHEIMER   | 1,563     | 69.8301 | 109,144    |
| BRIAN OLIVERSMITH  | 127,308   | 69.8301 | 8,889,930  |
| LARRY ZASLAVSKY  | 1,269     | 69.8301 | 88,614     |
| CHERYL MULLINS   | 7,404     | 69.8301 | 517,022    |
| JAMES DODRILL & MEREDITH DODRILL TEN ENT                     | 17,310    | 69.8301 | 1,208,759  |
| HUNTER W LISLE   | 558       | 69.8301 | 38,965     |
| JAMES CHRISTOPHER WITTEN                                     | 955       | 69.8301 | 66,688     |
| JAMES CARTER JR  | 485       | 69.8301 | 33,868     |
| JAMES ROBERT CARTER JR REVOCABLE TRUST DTD 04/18/08          | 1,404     | 69.8301 | 98,041     |
| JON VINGE  | 1,396     | 69.8301 | 97,483     |
| LINDSAY CARLSON  | 737       | 69.8301 | 51,465     |
| WAYNE WENTZEL  | 708       | 69.8301 | 49,440     |
| STEPHANIE USERY  | 2,539     | 69.8301 | 177,299    |
| CHOICE PARTNERS LLC/DON BRASHEARS                            | 316       | 69.8301 | 22,066     |
| HENRY SCHERICH   | 7,284     | 69.8301 | 508,642    |
| GARY JUNE  | 2,994     | 69.8301 | 209,071    |
| BRADLEY M GANZ & KARINA GANZ                                 | 138       | 69.8301 | 9,637      |
| MEASUREMENT INCORPORATED/NELSON ANDROES                      | 12,582    | 69.8301 | 878,602    |
| ALVIN WONG & VANESA CHIN                                     | 838       | 69.8301 | 58,518     |
| NATHANIEL B SHARP  | 558       | 69.8301 | 38,965     |
| KHOA NGYUEN REVOCABLE TRUST DTD 5/28/12                      | 7,193     | 69.8301 | 502,288    |
| MARTIN SCHMITT   | 1,396     | 69.8301 | 97,483     |
| SCANTLING TECHNOLOGY VENTURES LLC/DAVID SCANTLING            | 28,158    | 69.8301 | 1,966,276  |
|  | 500,000   |         | 34,915,048 |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING JUNE 30, 2022.**

**NOTE — 1 ORGANIZATION AND BUSINESS BACKGROUND**

DrazCanna, Inc. was incorporated under the laws of the State of Texas on December 28, 1988, as "Houston Produce Corporation". On June 24, 1997, the Company changed its name to "Net Masters Consultants, Inc." On November 27, 2002, the Company changed its name to "Sona Development Corporation". The Company name changed on May 14, 2007 to "Sibling Entertainment Group Holdings, Inc." and on August 15, 2012, the Company name was changed to "Sibling Group Holdings, Inc." During 2016, Sibling Group Holdings, Inc. ceased operations. On March 25, 2022, the Company name was changed to "DrazCanna, Inc. with symbol change occurring on May 2, 2022 to "DZCA").

**NOTE — 2 NOTES TO FINANCIAL STATEMENTS**

**Balance Sheet:** During the year ended June 30, 2022, the company recorded a Due to Shareholder of \$28,634 as a result of advances from The High Company, LLC an entity controlled by Hussein Anani, President of DrazCanna, Inc..

**Income Statement:**

During the year ended June 30, 2022, under General and Administrative Expenses, the company expended \$121,400 in consulting fees as a result of accounting, engineering, and strategic planning services provided of which \$60,000 was related to services provided by Benjamin Berry and Synergy Management Group for the valuation of the Special 2021 Series A Preferred Shares. During the year ended 2021, there were no payments nor accruals for services provided by current Officers and Directors to the Corporation.

Under Professional Services, the company incurred \$76,661 in professional services expenses primarily related to the Corporation's annual audit, name change, reverse split, and related regulatory filings.

**NOTE — 3 SUBSEQUENT EVENTS**

N/A