

DISCLOSURE STATEMENT PURSUANT TO THE PINK BASIC DISCLOSURE GUIDELINES

ECGI HOLDINGS INC.

A Nevada Corporation
("Company")

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Suite 200
Irvine, CA 92618

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SIC Code: 6719

ANNUAL REPORT

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

Outstanding Shares

The number of shares outstanding of our Common Stock was:

97,772,292 share as of the Current Reporting Date (August 31, 2023) and the date hereof.
97,772,292 share as of the date of the most recent completed fiscal year (August 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 Control ¹ of the Company has occurred during this reporting period:

Yes: ☐ No: ☒

Item 1. Name and address(es) of the Issuer and its predecessors (if any)

In answering this item, we are to provide the current name of the Issuer and names used by predecessor entities, along with the dates of the name changes.

The current name of the Issuer and the names used by predecessor entities and the dates of the name changes are as follows:

Issuer: ECGI HOLDINGS INC.

[formerly Sunrise Mining Corporation from
October 25, 2005 until March 27, 2008.]

[formerly Sunrise Holdings Limited from
March 27, 2008 to November 7, 2014.]

[formerly Event Cardio Group, Inc. from
November 7, 2014 until August 15, 2019.]

Predecessor Entities:

There was no predecessor entities. The name changes are set forth above. Except for the name changes referred to above, there have been no name changes or changes in the state of incorporation since inception.

Current State and Date of Incorporation or Registration
Standing in this jurisdiction: (e.g. active, default, inactive)

The date of incorporation in Nevada is October 25, 2005, and all name change events are set forth above. At all times, the Company has been a Nevada corporation (there have been no changes in state

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.

of incorporation since inception). The Company is an active corporation, validly existing and in good standing under the laws of the State of Nevada, with a valid and existing Nevada State Business License and is current with its required report filings.

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

None

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:

9891 Irvine Center Drive
Suite 200
Irvine, CA 92618

Address of the Issuer's principal place of business:

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

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

Yes: ☐ No: ☒ (Not applicable and no additional details are required.):

Item 2. Security Information

Transfer Agent

Pacific Stock Transfer Company
800.785.7782
<http://pacificstocktransfer.com/>
6725 Via Austi Parkway
Suite 300
Las Vegas, NV 89119

The Transfer Agent is registered under the Securities Exchange Act of 1934, as amended.

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.

The Company has a class of Common Stock outstanding as of August 31, 2023, and as of the date hereof:

Trading symbol:	ECGI
Exact title and class of securities outstanding:	Common Stock
CUSIP:	26835R106
Par or stated value:	\$0.001
Total shares authorized:	300,000,000
Total shares outstanding:	92,727,292
Total number of shareholders of record:	177

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

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). The Company has a class of shares of Preferred Stock authorized and one (1) share has been sold and issued and is outstanding as follows:

Exact title and class of securities:	Preferred Stock
CUSIP :	None
Par or Stated Value:	\$ 0.001
Total Shares Authorized:	10,000,000 as of August 31, 2023
Total Shares Outstanding:	1 as of August 31, 2023
Total number of shareholders of record:	1 as of August 31, 2023

Security Description:

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

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

Our holders of shares of common stock are entitled to one vote for each share on all matters to be voted on by the shareholders. Holders of common stock do not have cumulative voting rights. Holders of common stock are entitled to share ratably in dividends, if any, as may be declared from time to time by the board of directors in its discretion from legally available funds. Dividends, if any, will be contingent upon our revenues and earnings, if any, capital requirements and financial conditions. The payment of dividends, if any, will be within the discretion of our board of directors. We intend to retain earnings, if any, for use in our business operations and accordingly, the board of directors does not anticipate declaring any dividends prior to a business combination transaction, nor can there be any assurance that any dividends will be paid following any business combination. In the event of a liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to

share pro rata all assets remaining after payment in full of the Company's liabilities. Holders of common stock have no preemptive rights to purchase the Company's common stock. There are no conversion or redemption rights or sinking fund provisions with respect to the common stock.

See paragraph 3 below for a limitation of the material rights and privileges for "quasi-California" corporations.

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

The Company has preferred stock.

As at August 15, 2019, the Series A Convertible Preferred Stock (the "Series A Preferred Stock") that had been previously sold and issued had been converted into common stock. The preferred stock had been designated as the Company's Series A Convertible Preferred Stock. Each share of Series A Preferred Stock has a par value of \$0.001 per share and the holder(s) of shares of Series A Preferred Stock are entitled to dividends declared and paid on shares of common stock in an amount per share equal to the amount they would be entitled to receive as holders of common stock if all outstanding shares of Series A Preferred Stock had been converted into Common Stock. Holders of Series A Preferred Stock voted together with holders of common stock as a single class, with each share of Series A Preferred Stock having two (2) (adjusted for a prior 1 for 20 reverse stock split) votes per share on all matters as to which stockholders are entitled to vote, including the election of directors, except with respect to matters for which a class vote is required by law. Each share of Series A Preferred Stock was convertible, at the option of the holder, into one (1) (adjusted for the 1 for 20 reverse stock split) share of common stock. The Series A Preferred stock then outstanding had been converted to Common Stock the holder thereof on August 15, 2019.

On March 24, 2023, the Company sold and issued one (1) preferred share to Danny Wong, the then Chief Executive Officer of the Company. The Series B Super Voting Preferred Stock ranks: (i) senior to all of the common stock, par value \$0.001 per share; and, (ii) senior to all other classes or series of capital stock of the Company currently outstanding in each case as to distribution of any asset or property of the Company upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. The holder of the Series B Super Voting Preferred Stock is entitled to vote on all matters subject to a vote or written consent of the holders of the Company's common stock, and on all such matters, the share of Series B Super Voting Preferred Stock is entitled to that number of votes equal to the number of votes that all issued and outstanding shares of common stock and all other securities of the Company are entitled to, as of any such date of determination, on a fully diluted basis, plus one million (1,000,000) votes, it being the intention that the holder of the Series B Super Voting Preferred Stock shall have effective voting control of the Company, on a fully diluted basis. The holder of the Series B Super Voting Preferred Stock votes together with the holders of common stock as a single class. The share of Series B Preferred Stock is currently held by Jamie Steigerwald.

3. Describe any other material rights of common stockholders.

Section 2115 of the California Corporations Code provides that certain provisions of California corporate law are applicable to foreign corporations (e.g., like the Company that is incorporated in Nevada), to the exclusion of the law of the state of incorporation, if more than half of the Corporation's

shareholders and more than half of our “business” (a defined formula based on property, payroll and sales) is located in California. Section 2115 does not apply to public companies listed on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Market or the NASDAQ Capital Market.

California Corporations Code Section 708 applies to such “quasi-California” corporations which requires that shareholders be permitted to cumulate votes in the election of directors. However, Section 2115 does not require the Company to set forth this right in our articles or bylaws.

Another provision applicable to such “quasi-California” corporations is the restriction on distributions to shareholders under Section 500 of the California Corporations Code. California Corporations Code Section 166 defines “distributions to shareholders” to include all transfers of cash or property to shareholders without consideration, including dividends paid to shareholders (except stock dividends), and the redemptions or repurchases of stock by a corporation or its subsidiary (subject to certain exclusions, such as the repurchase of stock held by employees). The consequence of this broad definition is that dividends, stock repurchases, and stock redemptions are all subject to the same tests and restrictions.

Unlike Nevada law, which generally permits the Company to pay dividends or make redemptions as long as the Corporation is solvent following the transaction, California law prohibits such payments unless the Company meets certain mechanical tests (in particular, that either retained earnings equal or exceed the size of the proposed distribution or that assets equal or exceed current liabilities). Additionally, California requires quasi-California companies to take “preferential dividends” and “preferential rights” into account when making distributions.

The limitations on our director and officer for indemnification under Section 317 of the California Corporations Code also purport to be applicable to a “quasi-California” corporation. As a result, the Company may need to adopt indemnification provisions for a “quasi-California” corporation to reflect California law so that our directors, officers and shareholders have consistent expectations and knowledge with regard to indemnification.

Further, Section 1001 and 1101, and Chapter 12 and 13 of the California Corporations Code also purport to apply to “quasi-California” corporations. These provisions deal with mergers, reorganizations, and asset sales, including voting rights and the application of California dissenters’ rights. California may require class votes on sale transactions. California law will grant dissenters’ rights in connection with the sale of assets in exchange for stock of an acquiring corporation. Furthermore, California law will require a so-called fairness opinion in connection with certain interested party transactions.

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

Other than may be applicable under 3 above - None

Item 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: ☒ (See table below which includes issuances after August 31, 2018.)

Shares Outstanding as of August 31, 2018 Opening Balance Date: August 31, 2018 Common: 12,226,467 Preferred: 5,000,000									
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.
August 15, 2019	New upon conversion of preferred stock	5,000,000	Common	\$0.001 per share	No	Silicon Beach LLC (Adam Sexton)	Conversion of preferred stock	Restricted	4(a)(2)
August 15, 2019	Cancellation Upon conversion	cancellation (5,000,000)	Preferred	\$0.001 per share	No	Silicon Beach LLC (Adam Sexton)	Conversion of preferred stock	Restricted	4(a)(2)
April 8, 2021	New	13,000	Common	\$0.80	No	Deepak Panjwani	Consulting service	Restricted	4(a)(2)

May 31, 2021	New	142,857	Common	\$0.595	Yes	Benjamin Widjaja	Consulting service	Restricted	4(a)(2)
May 31, 2021	New	142,857	Common	\$0.595	Yes	Tony Thai	Consulting service	Restricted	4(a)(2)
May 6, 2021	New	1,700,000	Common	\$0.001 per share	Yes	EROP Enterprise, LLC (9) (Vince Sbarra)	Debt settlement	Unrestricted	3(a)(10)
November 1, 2021	New	1,826,393	Common	\$0.19	No	Danny Wong	Consulting service	Restricted	4(a)(2)
June 15, 2022	New	203,704	Common	\$0.27	No	John Bentivoglio	Debt Settlement	Restricted	4(a)(2)
September 30, 2022	New	625,000	Common	\$0.04	No	Vuvu Venture Inc. (Todd Violette)	Subscription agreement	Restricted	4(a)(2)
January 19, 2023	New	1,250,000	Common	\$0.04	No	SBQ Ventures (John Tannariello)	Subscription agreement	Restricted	4(a)(2)
March 28, 2023	New	1,142,551	Common	\$0.38	No	SRAX Inc. (Chris Miglino)	Debt settlement	Restricted	4(a)(2)
March 24, 2023	New	1	Preferred	\$0.001	No	Danny Wong	Stock based compensation	Restricted	4(a)(2)
April 4, 2023	New	3,400,000	Common	\$0.0335	No	EROP Enterprises (Vince Sbarra)	Debt settlement	Restricted	4(a)(2)
June 22, 2023	New	65,054,463	Common	\$0.02	No	Seller of East West (c/o John Vu)	Acquisition of business – East West	Restricted	4(a)(2)
Shares Outstanding on Date of this Report: Ending Balance: Date: August 31, 2023 Common: 27,672,829 Preferred: 1									

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: ☒ (See table below. Included in this table are obligations that have been paid.)

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	Reason for Issuance (e.g. Loan, Services, etc.)
April 27, 2015	\$225,000	\$500,000	\$110,959	Demand	(3)	MedPacAsia Pacific PTY (4) (Gary Blum)	Acquisition of licenses and assets
May 20, 2019	\$ 23,473 (1)	\$0	\$3,473	Demand	Not Convertible Debt	Silicon Beach LLC (2) (Adam Sexton)	Revolving Credit for Working Capital
January 20, 2021	\$804,000	\$804,000	\$0	10/1/2022	Not Convertible Debt	Ronald L. Bee and Lydia E. Bee (5)	Acquisition of real property in Lake County, California
January 20, 2021	\$0	\$175,000	\$0	Demand	Not Convertible Debt	David H. Tuttle and Melodye R. Tuttle (6)	Acquisition of real property in Lake County, California
January 20, 2021	\$0	\$50,000	\$0	Demand	Not Convertible Debt	LMK Capital LLC (8) (Jimmy Chan)	Acquisition of real property in Lake County, California
January 20, 2021	\$0	\$3,500,000	\$0	Demand	Not Convertible Debt	Northern California Holdings, Inc, (7) (Jimmy Chan)	Acquisition of real property in Lake County, California
March 16, 2021	\$6,421,760	\$6,333,359	\$0	Demand	Not Convertible Debt	EROP Enterprise, LLC (9) (Vince Sbara)	Debt settlement under Section 3(a)(10)
March 25, 2021	\$33,413	\$28,600	\$6,243	March 21, 2023	Convertible note	Wayne Wong (10)	Loan
May 19, 2021	\$428,572	\$428,572	\$97,811	May 18, 2023	Convertible note	Kevin Dang(11)	Loan
June 24, 2021	\$368,000	\$400,000	\$9,664	June 24, 2024	Convertible note	SRAX (14) (Chris Miglino)	Loan
October 28, 2021	\$102,960	\$102,960	\$18,959	October 28, 2022	Convertible note	K&J Funding (12) (c/o Jimmy Chan)	Loan

January 4, 2022	\$450,000	\$450,000	\$7,500	January 4, 2025	Convertible note	SRAX (15) (Chris Moglino)	Loan
April 19, 2023	\$85,714	\$85,714	\$3,111	April 19, 2024	Convertible note	Jimmy Chan (16)	Loan
May 10, 2022	\$210,000	\$210,000	\$27,435	May 10, 2023	Convertible note	Vuvu venture Inc (13) (Todd Violette)	Loan
June 1, 2023	\$350,000	\$350,000	\$55,417	July 1, 2023	Convertible note	Macua Equity Group LLC (17) (Brian Brick)	Loan

- (1) Includes accrued interest as of August 31, 2023.
- (2) On May 20, 2019, the Company issued a Revolving Promissory Note to Silicon Beach LLC whereby the Company can borrow up to a maximum of thirty-five thousand USD (\$35,000) at an annual rate of interest equal to five percent (5%). As of February 28, 2021, the Company had borrowed \$20,000 of principal in relation to this Revolving Promissory Note and had recorded \$1,630 of accrued and unpaid interest. As of August 31, 2020, the Company had borrowed \$19,500 of principal in relation to this Revolving Promissory Note and had recorded \$850 of accrued and unpaid interest. Silicon Beach LLC is owned and controlled by Adam D. Sexton, the former major shareholder and president of the Company before the change of control on October 26, 2020.
- (3) See Note 5 to Financial Statements. On January 20, 2020, the Company was informed that the Company's 8% Secured Demand Note had been assigned by the holder to National Cardio Group, Inc. in 2016 and that the obligation was a liability of that company. At all times relevant, the Company believes that this obligation is now deemed to be a direct obligation of that company and the obligation may be an off-balance sheet entry. The Company believes that reporting requirements and generally accepted accounting principles require the disclosing of any off-balance sheet liability in the notes to the financial statements if it becomes an off-balance sheet entry.
- (4) MedPac Ltd Asia Pacific Pty is a limited by shares Australian proprietary company located in the state of New South Wales, Australia. The Company believes that Ian Kellaway is the controlling director and that MedPac Asia Pacific Pty Ltd and ECGinc Holdings LLC have overlapping equity ownership, to include, but not limited to, a Gary Blom (a former officer and director of the Company) who may be or is an officer, director and interest holder, or any one or more positions in MedPac Ltd Asia Pacific Pty Ltd and ECGinc Holdings LLC.

(5) On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. The loan of \$804,000 therefore became part of the Company's liability after the acquisition. The loan is matured on October 1, 2022 with an interest of 8.5%, payable in 24 installments of \$5,695 each, beginning on November 1, 2020.

(6) On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. The loan of \$175,000 was loaned from David H. Tuttle and Melodye R. Tuttle; therefore this loan became part of the Company's liability after the acquisition. The loan and balloon payment matured on December 1, 2020 at 7% interest. LMK Capital LLC paid \$50,000 on behalf of the Company so the \$175,000 was reduced to \$125,000. On May 27, the Company made final payment to pay off the remaining balance of \$125,000. As of May 31, 2023, the balance is \$0.

(7) On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. The Company will pay Northern \$250,000 in cash within 10 days; \$350,000 in cash within 20 days, and \$2,900,000 in cash within 90 days. As of May 31, 2021, the Balance was settled by the Company's common stock upon Section 3(a)10 of the Securities Act of 1933, which by the court order on May 4, 2021.

(8) On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. LMK Capital LLC paid \$50,000 on behalf of the Company to David H Tuttle and Melodye R Tuttle for the \$175,000 on (6). LMK Capital LLC is owned and controlled by Jimmy Chan. On May 27, 2021, the Company paid off this balance.

(9) On March 16, 2021, the Company entered into a settlement agreement with EROP Enterprises, LLC, a Florida limited liability corporation owned by Vince Sbarra a non-related party to the Company for a debt claim purchased from Northern California Holdings, Inc. for the amount of \$3,500,000. In full settlement of the claim, the Company shall issue and deliver to EROP, in one or more tranches as necessary of the Company's common stock pursuant to Section 3(a)(10) of the Securities Act, until EROP's total gross sales of such common stock equal \$6,488,333. In the event that the Company fails to issue any portion of the settlement shares to EROP within three business days of a request by EROP for the issuance of such portion of the settlement shares, the Company shall be responsible for payment of a penalty of \$1,000 per day, payable to EROP, until the Company issues and delivers such applicable portion of the settlement shares.

(10) On March 25, 2021, the Company issued a ten percent (10%) convertible note (the “10% Convertible Note”) in the original principal amount of \$28,600 and original issue discount of \$8,600 per the terms of the 10% Convertible Note, the maturity date March 25, 2022, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holder, into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Securities Act of 1933. The original \$8,600 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$28,600. As of August 31, 2023, the outstanding balance of the loan is \$35,558 which including \$6,958 of interest accrual.

(11) On May 19, 2021, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$428,572 and original issue discount of \$128,572. Per the terms of the 10% Convertible Note, the maturity date May 19, 2022, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Securities Act of 1933. The original \$128,572 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$428,572. As of August 31, 2023, the outstanding balance of the loan is \$526,383 which including \$97,811 of interest accrual. As of August 31, 2023, the total debt discount has been amortized.

(12) On October 28, 2021, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$102,960 and original issued discount of \$30,960. Per the term of the 10% Convertible Note, the maturity date October 28, 2021, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Security Act of 1933. The original \$30,960 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$102,960. As of August 31, 2023, the outstanding balance of the loan is \$121,919 which including \$18,959 of interest accrual. As of August 31, 2023, the total debt discount has been amortized. As of August 31, 2023 the loan is in default.

(13) On May 10, 2022, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$210,000 and original issue discount of \$60,000. Per the term of the 10%

Convertible Note, the maturity date May 10, 2022, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Security Act of 1933. The original \$30,960 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$102,960. As of August 31, 2023, the outstanding balance of the loan is \$237,435 which including \$27,435 of interest accrual.

(14) The Company entered into a Convertible Note on June 24, 2021, based upon a media buy contractual arrangement, or platform agreement, requiring a prepayment to be effected for the delivery of goods and services, a precognition which this Note satisfied. This is the SRAX Convertible Note #1 and has a maturity date of June 24, 2024, and the principal and accrued interest can be converted, at the sole discretion of the note holder into shares of the Company’s common stock at the lesser of (i) \$0.38 (the “Set Conversion Price”) or (ii) 85% of the lesser of (a) the five-day volume weighted average price commencing on the trading day immediately preceding the conversion date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$400,000. As of August 31, 2021, the outstanding balance of the loan is \$377,664, which included \$9,664 of interest accrual. There has been lengthy discussion between the Company and the holder as to the validity of the goods and services delivered or rendered, but the highest possible amount of the debt is as described above.

(15) The Company entered into a second convertible note on January 4, 2022, again based upon a Platform Agreement for media purchases, which required a prepayment, which the note constituted and is identified as SRAX Convertible Note #2. The note is in the amount of \$450,000, bearing one percent (1%) interest, with a maturity date of January 4, 2025, with the principal and accrued interest subject to possible conversion, at the sole discretion of the note holder, into shares of the Company’s common stock at the lesser of (i) \$0.12 (the “Set Conversion Price”) or (ii) 85% of the lesser of (a) the five-day volume weighted average price, commencing on the trading day immediately preceding the conversion date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$450,000. As of August 31, 2022, the outstanding balance of the loan is \$450,000, which includes \$3,000 of interest accrual. There has been lengthy discussion between the Company and the holder as to the validity of the goods and services delivered or rendered, but the highest possible amount of the debt is as described above. Subsequently on December 10, 2023, the Company entered

into a mutual agreement with SRAX, Inc. to terminate and cancel the convertible note agreement between both parties on January 4, 2022. As of a result of this termination, neither party shall owe any further services, payments, or obligations under the Agreement signed on January 4, 2022.

(16) The Company entered into a convertible note on April 19, 2023, the Company issued a ten percent (10%) convertible note payable (the “Jimmy Note”) in the original principal amount of \$85,714, the maturity date April 19, 2024, , and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the lowest trading price of the 20 prior trading days immediately preceding the Conversion Date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$85,714. As of August 31, 2023, the outstanding balance of the loan is \$88,825, which included \$3,111 of interest accrual.

(17) The Company assumed a convertible promissory note on June 1, 2023 from the acquisition of East West Pharma Group, the Company issued a five percent (5%) convertible note payable (the “Macau Note”) in the original principal amount of \$350,000, the maturity date July 1, 2023. As of August 31, 2023, the outstanding balance of the loan is \$405,417, which included \$55,417 of interest accrual. This debt is in default as of August 31, 2023.

Item 4. Issuer’s Business, Products and Services

The purpose of this section is to provide a clear description of the Issuer’s current operations. These descriptions are updated on the Company’s Profile on www.OTCMarkets.com.

Generally.

To provide more meaningful and useful information, this Annual Report - Disclosure Statement may contain certain “forward-looking statements” [as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended]. These statements may reflect our current expectations regarding our possible future results of operations, performance, and achievements.

Wherever possible, the Company has tried to identify these forward-looking statements by using words such as “anticipate,” “believe,” “estimate,” “expect,” “plan,” “intend,” and similar expressions. These statements reflect our current beliefs and are based on information currently available to us. Accordingly, these statements are subject to certain risks, uncertainties, and contingencies, which could cause our actual results, performance, or achievements to differ materially from those expressed in, or implied by, such statements.

The Company cannot predict all of the risks and uncertainties. Accordingly, to the extent included, such information should not be regarded as representations that the results or conditions described in

such statements or that our objectives and plans will be achieved, and the Company does not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management, any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

The public market should be informed that there are events that cannot be anticipated that negatively affect the stock market and investor sentiment. These include an inflationary risk, i.e., a risk that the future real value (after inflation) of an investment, asset, or income stream will be reduced by unanticipated inflation, the continued risk of coronavirus or other illnesses, there are the unknown risks associated with the Russia Ukraine war, the armed conflict between Israel and Hamas-led Palestinian militant, and their exists uncertainty of the effect of government policies and actions on the economy. The perceived value of the Company and the price of our Common Stock may be disproportionately affected as investors favor and seek less volatile or traditional companies (or assume more risks) during the times of market uncertainty and instability. Further, if these and other disruptions continue for an extensive period of time, our ability to consummate a business combination, or our operation of a target business with which we ultimately consummate in a business combination, may be materially adversely affected. The viability of the Company may be dependent on our ability to raise additional third-party equity and debt financing which may be impacted by these or other unknown or uncertain events, resulting in an increase market volatility and decreased market liquidity and financing being unavailable on terms acceptable to us or at all.

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Exchange Act of 1934 as well as Rule 144 of the Securities Act of 1933, and state Blue Sky laws, require issuers to provide *adequate current information* to the public markets. On September 16, 2020, the Securities and Exchange Commission adopted amendments to Rule 15c2-11, an important component of the over-the-counter market regulatory structure which governs the public quoting of securities traded. The Rule restricts public quoting in companies that do not provide current public disclosure information and under certain other circumstances, an investment in shell companies that do provide current information may be illiquid because of the lack of a trading market. This Disclosure Statement was prepared in view for compliance with these laws and the rules and regulations promulgated thereunder as of the date hereof.

The safe harbor provisions of the Securities Exchange Act of 1934 may not apply to an issuer that issues penny stock. Actual results may differ materially from those indicated by such forward-looking statements because of various important factors. The Company does not assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of this Disclosure Statement except as required by applicable law.

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. Description of the Issuer's Business Operations:

ECGI Holdings Inc. (the "Company") was incorporated under the name Sunrise Holdings Limited on October 26, 2005, under the laws of Nevada. On August 15, 2019, the Company changed its name from Event Cardio Group Inc. to ECGI Holdings Inc. As of July 18, 2018, the Company was informed and relied upon that information that all of the assets and substantially all of the liabilities of the Company were held in the name of or obligations of National Cardio Group, Inc., a subsidiary of the Company. EFIL had previously filed a Chapter 7 Bankruptcy in United States District Court for the Southern District of New York.

On July 18, 2018, the Company entered into a series of agreements wherein it assigned all of its right, title and interest of National Cardio Group, Inc. to ECGinc Holding LLC in exchange for the assumption of the Company's 8% Secured Demand Note in the principal amount of \$425,000 and agreed to indemnify and hold the Company (and each officer, director and agent) harmless from and against any loss, liability, claim, damage, or expense (including, but not limited to, any and all expense whatsoever reasonably incurred in investigating, preparing, or defending against any litigation, commenced or threatened, or any claim whatsoever), to which it or they may become subject as a result of the failure to pay the \$425,00 indebtedness. In addition, ECGinc Holdings LLC agreed to indemnify the Company and Green Keys Partners LLC on any losses, etc.. The transactions have been secured by ECGinc Holdings, LLC pledging the National Cardio Group, Inc. stock as security for the indemnifications.

On January 20, 2020, the Company was informed that the Company's 8% Secured Demand Note had been assigned to National Cardio Group, Inc. in 2016 and that the obligation was a liability of the Company. Accordingly, this obligation is no longer deemed to be a direct obligation of the Company and is not recorded on the Company's balance sheet. The Company believes that SEC requirements and generally accepted accounting principles require the disclosing of this off-balance sheet liability in the notes to the financial statements.

On January 20, 2021, the Company entered into a purchase agreement with Northern California Holdings, Inc, ("Northern") for a real property located in Lake County, California owned by its subsidiary, Mount Fire 29 Corp for \$3,500,000. The Company will pay Northern \$250,000 in cash within 10 days; \$350,000 in cash within 20 days, and \$2,900,000 in cash within 90 days. The Company has not paid any of the amounts according to the Northern purchase agreement. On May 4, 2021, the court ordered the Company to deliver its common shares pursuant to Section 3(a)(10) of the Securities Act of 1933 until Northern's total gross sales of the Company's stock equal to \$6,448,333 in full settlement of the claims. For the quarter ended May 31, 2021, the Company issued 1,700,000 shares of its common stock. The issuance was upon Section 3(a)10 of the Securities Act of 1933, which by the court order on May 4, 2021 as an escrow shares. None of the escrow shares has been sold to settle the total balance of \$6,448,333.

In January 2021, the Company incorporated a new subsidiary, Nug Avenue, Inc. ("NUG") to focus in providing services pertaining to the licensed and regulated delivery of cannabis out of Lynwood, California, serving primarily the greater Los Angeles Metropolitan area (the "Lynwood Operations").

On February 8, 2021, NUG entered into a Common Share Purchase Agreement (the “NUG Agreement”) with Sugar Rush, Inc., a Nevada corporation (“Sugar Rush”). Pursuant to the Agreement, NUG and Sugar Rush agreed that Sugar Rush will receive 70% of the revenues and profits generated from the Lynwood Operations. Under the terms of the Agreement, Sugar Rush agreed to make periodic payments of \$560,000 over a twelve (12) month period to invest in the Lynwood Operations. The Company also agreed to make a periodic payment of \$240,000. The Company will record the 30% of ownership in NUG under equity investment method.

While the Company has summarized the material terms and conditions of the above agreements and transactions, for further information, reference is made to our filings with the Securities and Exchange Commission which may be inspected and copied at the principal office of the SEC, 100 F Street NE, Washington, DC 20549. Copies are available at the prescribed rates. Also, the SEC maintains a website at <http://sec.gov> that contains reports, proxy and other information regarding the Company or for any registrant that files reports electronically.

B. list any subsidiaries, parents, or affiliated companies:

Mount Fire 29 Corp., a subsidiary of the Company
East West Pharma Group a subsidiary of the Company
ECGI has 30% investment in NUG Avenue

C. The issuer’s principal products or services, and their markets, is described in A above.

D. Quasi-Reorganization (Accounting).

Subject to a determination under Nevada law and conformity with generally accepted accounting principles, or either, the Company may effectuate a quasi-reorganization. In a quasi-reorganization, the total deficit or most of the deficit is then written off against paid-in capital balances, providing the Company with a new capital structure. The Company experienced significant net losses after formation and during operations. The Company may be able to eliminate the deficit through a restatement of its invested capital balances, i.e., the total deficit or most of the deficit is then written off against paid-in capital balances, giving the Company a revised capital structure. The Company believes that all or a substantial amount of the accumulated deficit will be eliminated. Performance of the Company from the reorganization date and quasi reorganization date, or such earlier date of the quasi-reorganization, forward can then be measured and reported without having the prior history and negative results reflecting unfavorably on the Company. The Company believes that the financial statements or notes to financial statements will reflect the retained earnings dated as at the time of account readjustment(s) and will provide the Company with a “fresh start” in earnings, accumulations, or losses.

Item 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.

As of the date hereof, our executive offices and corporate office is located at:

9891 Irvine Center Drive
Suite 200
Irvine, CA 92618

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

See Financial Statements and Notes to Financial Statements.

Item 6. All Officers, Directors, and Control Persons of the Company

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.

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.

A. Officers, Directors, and Control Persons.

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	Names of control person(s) if a corporate entity
William Chung (1)(2)	Owner of more than 5%	Fullerton, CA 92835	10,000,000	Common	9.8%	n/a
King Yu Leung	Owner of more than 5% & Director	Los Angeles, CA 90017	10,000,000	Common	9.8%	n/a
Lai Peichen	Owner of more than 5%	Los Angeles, CA 90017	8,333,333	Common	8.2%	n/a
Jamie Steigerwald (3)	Owner of more than 5%- Chairman, Chief Executive Officer and Chief Financial Officer and Secretary	Lake Forest, CA 92630	1	Preferred	100%	n/a
Xing Zhang	Owner of more than 5%	Los Angeles, CA 90017	13,333,333	Common	13.1%	n/a

- (1) William Chung – On October 6, 2020, William Chung purchased all the 10,000,000 common shares from Silicon Beach LLC, the former largest shareholder in the Company and resulted in a change of control.
- (2) On November 1, 2022, William Chung resigned as CEO of the Company and on November 1, 2022, Danny Wong became CEO of the Company to replace Mr. Chung.
- (3) On October 30, 2023, pursuant to a Share Purchase Agreement, Jamie Steigerwald obtained majority control of the Company from Danny Wong. Danny Wong concurrently resigned all positions in the Company.

A. Beneficial Ownership:

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable.

Shares of the Company's Common Stock subject to options or warrants that are currently exercisable or exercisable within 60 days of the Record Date are deemed to be outstanding and to be beneficially owned by the person holding the options or warrants for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Applicable percentage voting power is based on shares of Common Stock outstanding as of the date hereof and does not take into account the reduction in percentage ownership on a fully diluted basis.

- B. The Company has only one officer and director - Jamie Steigerwald. There is no other person(s) or entities that are involved in the managing, controlling or advising of the operations, business development and disclosures of the Company.
- C. Provide the full names, business addresses, employment histories (for the past 5 years), positions held, responsibilities and employment dates, board memberships, other affiliations, compensation and number of securities (specify each class) beneficially owned by each person as of the date hereof.

Information about the sole executive officer and director as of August 31, 2023, and the date hereof is as follows:

Background of Jamie Steigerwald.

Jamie Steigerwald is a seasoned entrepreneur with three decades of experience. He joined Nug Avenue as its Chief Marketing Officer in January 2021 (cannabis industry) and played a key role in Nug Avenue's growth during the COVID pandemic. In February 2022, Jamie was appointed as the Company's General Manager. Before entering the cannabis industry, Mr. Steigerwald worked in the real estate and mortgage sector, eventually starting his own mortgage brokerage firm in 2003. Following the 2008 mortgage crisis, he shifted his focus to consulting and became a principal in various industries, specializing in marketing, sales, and operations. Since July 2012, Mr. Steigerwald has owned SwiftLead, Inc., a sales, business operations, and marketing consulting firm. From July 2017 to March 2020, he owned 3JE, Inc., an AT&T Direct TV and cell phone reseller. From February 2019 to December 2019, he owned ESSRW, Inc., an equestrian equipment manufacturer and repairer. From January 2021 to October 2023, he worked for Sugarmade, Inc., a public OTC holding company serving as its Chief Operating Officer.

Mr. Steigerwald's business address is 9891 Irvine Center Drive, Suite 200, Irvine, CA 92618.

<u>Name</u>	<u>Position</u>	<u>Age</u>	<u>Shares of stock</u>
Jamie Steigerwald	President and Chief Executive Officer, Acting Chief Financial Officer, Director, Acting Treasurer and Secretary	52	one (1) share of preferred stock

The person responsible for the preparation and compilation of the financial statements contained in the Information is Jamie Steigerwald.

D. Indemnification.

The Nevada Revised Statutes and our Articles of Incorporation, as amended, allow us to indemnify the Company's officers and directors from certain liabilities. Our Bylaws provide that to the fullest extent permitted by the laws of the State of Nevada (currently set forth in NRS 78.751), as the same now exists or may hereafter be amended or supplemented, the Company shall indemnify the directors and officers, including payment of expenses as they are incurred and in advance of the final disposition of any action, suit, or proceeding. Employees, agents, and other persons may be similarly indemnified by the Company, including advancement of expenses, in such case or cases and to the extent set forth in a resolution or resolutions adopted by the Board of Directors.

Neither the Bylaws nor the Articles of Incorporation include any specific indemnification provisions for the officer or director against liability under the Securities Act. Additionally, insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

We have confirmed that the information in this table matches our public company profile on www.OTCMarkets.com.

Item 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 of the foregoing persons have been the subject of a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding.

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 of the foregoing persons have been the subject of any order, judgment, or decree, that permanently or temporarily enjoined, barred, suspended or otherwise limited such a person's involvement in any type of business, securities, commodities, or banking activities.

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 of the foregoing persons have been the subject of any 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.

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 of the foregoing persons have been named as a defendant in a regulatory complaint or proceeding.

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 of the foregoing persons have 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.

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 of the foregoing persons have 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.

- 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.

There are no pending legal proceedings incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is the subject.

Item 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.

Set forth below are the name, address, telephone number, and email address of each of the following outside providers that advise the Company on matters relating to operations, business development and disclosure:

Securities Counsel (including Counsel preparing Attorney Letters)

Christopher H. Dieterich, Esq.
Dieterich & Associates
815 Moraga Drive
Suite 207
Los Angeles, CA 90064
310.312.6888
venturelaw@gmail.com

Accountant or Auditor

Financials prepared under the direction of Management

Investment Relations

None

All other means of Investor Communication

Twitter:	twitter.com/ecgiholdings
Discord:	None
LinkedIn	linkedin.com/company/ecgiholdings
Facebook:	facebook.com/ECGIHoldings
Instagram:	instagram.com/ecgiholdings
Website:	ecgiholdings.com

Other Service Providers

Provide the name of any other service provider(s) 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.

Ronald J. Stauber, Esq.
Stauber Law Offices
9440 Santa Monica Boulevard
Suite 301
Beverly Hills, CA 90210
310.556.0080
ron@ronstauber.com

Item 9. Disclosure & 2@Financial Information

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

Name: Jamie Steigerwald
Title: Owner of more than 5%- Chairman, Chief Executive Officer and Chief Financial Officer and Secretary
Relationship to Issuer: Controlling shareholder, officer and director

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

- ☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by:

Name: Jamie Steigerwald
Title: Chief Financial Officer
Relationship to Issuer: Owner of more than 5%- Chairman, Chief Executive Officer and Chief Financial Officer and Secretary

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

Jamie Steigerwald possesses sufficient knowledge. See Item 6 C above.

The financial statements include the following:

- Audit letter, if audited - Unaudited
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

ECGI Holdings Inc.
(fka Event Cardio Group, Inc.)
Consolidated Balance Sheets
(Unaudited)

	As of August 31, 2023	As of August 31, 2022
Assets		(Restated)
Current assets:		
Cash	\$ 13	\$ 15,016
Prepaid expenses	1,830	1,750
Total current assets	1,843	16,766
Property and equipment	5,129,721	4,479,000
Loan to SWC Group(Endless)	43,559	40,359
Deposits	26,285	26,285
Total assets	<u>\$ 5,201,408</u>	<u>\$ 4,562,410</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accrued liabilities	\$ 1,546,618	\$ 23,713
Credit card payables	43,336	\$ 52,763
Convertible note payable and accrued interest	2,413,803	\$ 1,263,619
Settlement payable	6,333,360	\$ 6,421,759
Due to seller of Mount Fire 29 Corp	187,910	\$ 104,570
Due to related party	119,612	\$ 95,350
Derivative liability	491,722	\$ 945,874
Total current liabilities	11,136,361	\$ 8,907,648
Non-current liabilities:		
Non-current portion of note payable and accrued interest	-	\$ 23,211
Long term debt	804,000	\$ 804,000
Total liabilities	11,940,361	\$ 9,734,859
Stockholders' deficit:		
Common stock; \$0.001 par value; 310,000,000 shares authorized; 92,727,292 and 21,255,278 shares issued and outstanding, respectively	92,728	\$ 21,255
Additional paid-in capital	9,166,427	\$ 7,193,510
Subscription receivable	-	\$ -
Accumulated deficit	(15,998,108)	\$ (12,387,214)
Total stockholders' deficit	(6,738,953)	\$ (5,172,449)
Total liabilities and stockholders' deficit	<u>\$ 5,201,408</u>	<u>\$ 4,562,410</u>

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

ECGI Holdings Inc.
(fka Event Cardio Group, Inc.)
Consolidated Statements of Operations
(Unaudited)

	For the Years Ended	
	August 31, 2023	August 31, 2022
	(Restated)	
Revenue	\$ -	\$ -
Operating expenses		
General and administrative	407,485	1,457,398
Total operating expenses	407,485	1,457,398
Loss from operations	(407,485)	(1,457,398)
Other expense (income):		
Interest expense, net	181,235	396,892
Investment income/loss	-	54,392
Impairment of goodwill	2,859,603	-
Amortization of debt discounts	439,223	-
Excesss derivatives expenses	15,524	-
Change in fair value of derivative	(292,176)	(385,209)
Gain on Debt Extinguishment	-	-
Total other expense (income), net	3,203,409	66,075
Loss before provision for income taxes	(3,610,894)	(1,523,473)
Provision for income taxes	-	-
Net loss	(3,610,894)	(1,523,473)
Net loss per share of common stock:		
Basic and diluted	(0.09)	(0.07)
Weighted average shares outstanding:		
Basic and diluted	39,417,950	20,784,311

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

ECGI Holdings Inc.
(fka Event Cardio Group, Inc.)
Consolidated Statement of Stockholders' Deficit
(Unaudited)

	Preferred Stock		Common Stock			Additional	Accumulated	
	Shares	Amount	Shares	Amount		Paid-In Capital	Deficit	Total
Balance at August 31, 2021 (restated)	-	\$ -	19,225,181	\$ 19,225	\$	6,568,491	\$ (10,863,741)	\$ (4,276,025)
Share issued for services			2,030,097	2,030		391,725	-	393,755
Debt settlement	-	-	-	-		11,294	-	11,294
Beneficial conversion features of convertib	-	-	-	-		222,000	-	222,000
Net loss	-	-	-	-		-	(1,523,473)	(1,523,473)
Balance at August 31, 2022 (restated)	-	\$ -	21,255,278	21,255		7,193,510	(12,387,214)	(5,172,449)
Shares issue in exchange for Cash	-	-	1,875,000	1,875		73,125	-	75,000
Stock based compensation	-	-	-	-		30,000	-	30,000
Shares issued for convertible debt conversion			1,142,551	1,143		30,857	-	32,000
Shares issued for settlement payable	-	-	3,400,000	3,400		85,000	-	88,400
Issuance of Series B super voting preferred stock	1	-	-	-		228,990	-	228,990
Shares issued for the investment in EWPG			65,054,463	65,055		1,524,945	-	1,590,000
Net loss	-	-	-	-		-	(3,610,894)	(3,610,894)
Balance at August 31, 2023	-	-	92,727,292	92,728		9,166,427	(15,998,108)	(6,738,953)

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

ECGI Holdings Inc.
(fka Event Cardio Group, Inc.)
Consolidated Statements of Cash Flows

	For the Years Ended	
	August 31, 2023	August 31, 2022
Cash flows from operating activities:		
Net loss	\$ (3,610,894)	\$ (1,523,473)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of derivative	(292,176)	385,209
Amortization of debt discount	439,223	386,552
Goodwill impairment	2,859,603	-
Gain on debt extinguishment		-
Receivable from SWC Group(Endless)	(3,200)	(40,359)
Stock issuance for services	258,990	393,756
Excess derivatives	15,524	-
Accrued interest on convertible note payable	-	85,816
Accrued interest on note payable to related party	(23,211)	1,051
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses	(80)	1,666
Increase (decrease) in due to related parties	24,262	-
Increase (decrease) in due to seller of Mount 29 Fire Corp	83,340	83,340
Increase (decrease) in accrued liabilities and credit card payable	72,904	15,269
Net cash used in operating activities	\$ (175,717)	\$ (211,173)
Cash flows from financing activities:		
Proceeds from convertible note issued	85,714	222,000
Proceeds from Subscription agreement issued	75,000	
Net cash provided by financing activities	160,714	222,000
Net increase (decrease) in cash	(15,003)	10,827
Cash, beginning of period	15,016	4,189
Cash, end of period	\$ 13	\$ 15,016
Noncash financing and investing activities:		
Debt discounts from derivative liability	\$ -	\$ 450,000
Shares issued for settlement payable	\$ 88,400	\$ -
Shares issued for convertible debt conversion	\$ 32,000	\$ -

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

ECGI Holdings Inc.
(fka Event Cardio Group Inc.)
Notes to Unaudited Consolidated Financial Statements

Note 1. Description of Business

Name Change

On August 15, 2019, the Company changed its name from Event Cardio Group Inc. to ECGI Holdings Inc (the “Company”).

Reverse Stock Split

On August 15, 2019, the Company effected a one for twenty (1 for 20) reverse stock split, whereby each stockholder of record received one (1) share of the Company’s common stock for every twenty (20) shares held. Immediately preceding the reverse stock split, the Company had 244,520,999 shares of its common stock issued and outstanding. Upon completion of the reverse stock split, the Company had 12,226,475 shares of its common stock issued and outstanding.

In conjunction with the reverse stock split, the Holder of the Company’s Series A preferred stock converted all of their preferred stock into 5,000,000 shares (adjusted for the 1 for 20 reverse stock split) of the Company’s common stock. Immediately after the completion of both the reverse stock split and the conversion of all of the Company’s issued and outstanding Series A preferred stock into shares of the Company’s common stock, the Company had 19,225,181 shares of its common stock issued and outstanding.

Neither the number of authorized shares of common stock, which remains 300,000,000, nor the per share par value of \$0.001 were affected by the reverse stock split.

The accompanying financial statements have been retroactively adjusted to reflect the results of the reverse stock split effected on August 15, 2019.

Change in Control

On or about January 25, 2018, the Company entered into a Stock Purchase Agreement with Green Key Partners for the acquisition of 5,000,000 shares of Series A Preferred Stock and 5,000,000 shares of Common Stock (adjusted for the 1 for 20 reverse stock split) for cash proceeds of \$55,000 in the aggregate. On July 13, 2018, the Company closed the Stock Purchase Agreement and agreed that the \$55,000 cash proceeds were to be delivered to the law firm of Mandelbaum Saltsburg in cancellation of Company indebtedness.

Upon the closure of the Stock Purchase Agreement, Silicon Beach LLC was the record owner of both the 5,000,000 shares of preferred stock and the 5,000,000 shares of common stock. The 5,000,000 shares of common stock represent approximately 41% of the 12,226,475 shares of common stock issued and outstanding, while the 5,000,000 shares of preferred stock represent 100% of the preferred stock that was issued and outstanding.

Each share of preferred stock was designated as Series A preferred stock and was convertible into one (1) share (adjusted for the 1 for 20 reverse stock split) of the Company's common stock, giving Silicon Beach LLC control of 10,000,000 shares of the Company's common stock should they choose to convert their 5,000,000 shares of preferred stock into 5,000,000 shares of the Company's common stock. Under such a scenario, Silicon Beach LLC would control approximately 58% of the resulting 17,226,467 shares of common stock that would be issued and outstanding.

Each share of Series A preferred stock entitled Silicon Beach LLC to two (2) votes per share (adjusted for the 1 for 20 reverse stock split). Prior to the conversion of all of their Series A preferred stock into shares of the Company's common stock on August 15, 2019, Silicon Beach LLC had voting power on 15,000,000 shares, in the aggregate, which consisted of the 5,000,000 votes related to their shares of the Company's common stock and the 10,000,000 votes related to their shares of the Company's preferred stock. The 15,000,000 votes represented approximately 67% of the voting power.

On August 15, 2019, Silicon Beach LLC converted all of their Series A preferred stock into 5,000,000 shares (adjusted for the 1 for 20 reverse stock split) of the Company's common stock. Immediately after the conversion, Silicon Beach LLC owned 10,000,000 shares of the Company's common stock, which represents approximately 58% of the 17,226,467 shares of common stock that are issued and outstanding.

On October 26, 2020, pursuant to an amended contingent Share Purchase Agreement, William Chung ("Chung") obtained majority control of the ECGI Holdings, Inc. from Silicon Beach, LLC by purchased 10,000,000 Common Shares to Chung. Effective as of November 4, 2020, William Chung, was selected to be a director and Chairman of the Board of Directors of this Corporation, to serve until the next annual meeting of the shareholders of the corporation and until his successor or successors are elected and qualified, or until his earlier resignation or removal, or the office is declared vacant in a manner provided for in the By Laws.

On October 28, 2022 (the "Closing Date"), Danny Wong ("Wong") obtained control of ECGI Holdings, Inc. (the "Company") from William Chung.

As of October 28, 2022, Danny Wong, shall be and he hereby is selected to be a director and Chairman of the Board of Directors of this Corporation, to serve until the next annual meeting of the shareholders of the corporation and until his successor or successors are elected and qualified, or until his earlier resignation or removal, or the office is declared vacant in a manner provided for in the By-Laws.

Danny Wong be, and he hereby is, chosen and appointed to fill the position as President and Chief Executive Officer of the Company to hold office until his resignation or removal or until her successor has been duly elected and qualified.

On March 24, 2023, the Company issued 1 preferred share to Danny Wong, the Chief Executive Officer of the Company. The Series B Super Voting Preferred Stock shall rank: (i) senior to all of the Common Stock, par value \$0.001 per share; and, (ii) senior to all other classes or series of capital stock of the Corporation currently outstanding in each case as to distribution of any asset or property of the Corporation upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary. The Holder of the Series B Super Voting Preferred Stock shall be entitled to vote on all matters subject to a vote or written consent of the holders of the Corporation's Common Stock, and on all such matters, the share of Series B Super Voting Preferred Stock shall be entitled to that number of votes equal to the number of votes that all issued and outstanding shares of Common Stock and all other securities of the Corporation are entitled to, as of any such

date of determination, on a fully diluted basis, plus one million (1,000,000) votes, it being the intention that the Holder of the Series B Super Voting Preferred Stock shall have effective voting control of the Corporation, on a fully diluted basis. The Holder of the Series B Super Voting Preferred Stock shall vote together with the holders of Common Stock as a single class.

On June 1, 2023, the Company acquired East West Pharma Group ("East West") with share exchange of 100,000,000 shares and 65,054,463 shares have been issued as of August 31, 2023 at fair value of \$1,590,000. The Company has recorded goodwill impairment of \$2,048,769 because the fair value of the business is less than the goodwill recognized on the acquisition. The purpose of the transaction was to acquire manufacturing equipment, acquire talent and further develop and manufacture processes. The purchase price allocation is preliminary and subject to change. The Company has not yet completed its analysis to determine the fair value of the net assets on the acquisition date. Once this analysis is complete, the Company will adjust, if necessary, the net assets to fair value in the accounting period in which the analysis is completed.

On October 30, 2023, pursuant to a Share Purchase Agreement, Jamie Steigerwald obtained majority control of the Company from Danny Wong with purchase consideration of \$1 to acquire his 1 Series B super voting preferred share.

Sale of Subsidiary to a Related Party

As of July 18, 2018, the Company was informed and relied upon that information that all of the assets and substantially all of the liabilities of the Company were held in the name of, or were then obligations of, National Cardio Group, Inc. ("NCI"), a wholly owned subsidiary of the Company.

On July 18, 2018, the Company entered into a series of agreements wherein it assigned all of its right, title and interest of NCI to ECGinc Holding LLC in exchange for the assumption of the Company's 8% Secured Demand Note in the original principal amount of \$425,000 and the indemnification of the Company (and each officer, director and agent) from and against any loss, liability, claim, damage, or expense to which it or they may become subject as a result of the failure of ECGinc Holding LLC to pay the indebtedness related to the 8% Secured Demand Note and certain litigation. After the closing, the Company had no business operations and no assets.

On August 30, 2018, the Company assigned all of its right, title and interest in the remaining assets, if any, subject to liabilities, other than the Company's 8% Secured Demand Note in the original principal amount of \$425,000 to Western Sakkara Group LLC, a Delaware Limited Liability Company.

Company Overview

Event Cardio Group Inc. ("the Company") was incorporated under the name Sunrise Mining Corporation on October 25, 2005 under the laws of Nevada and changed its name to Sunrise Holdings Limited on March 27, 2008. On November 7, 2014, it changed its name to Event Cardio Group Inc. On August 15, 2019, the Company changed its name from Event Cardio Group Inc. to ECGI Holdings Inc.

From December 2008, when the Company discontinued mining exploration, until June 2014, the business activity of the Company was to acquire a new business.

On June 9, 2014, 2340960 Ontario Inc. (“ECG”) acquired 70,631 shares of the Company’s common stock and 10,000,000 shares of the Company’s Series A preferred stock constituting approximately 97% of the cumulative voting power of the Company’s capital stock on that date.

On September 8, 2014, the Company entered into a share exchange agreement with Event Cardio Canada Inc.’s (formerly known as 2340960 Ontario Inc.) shareholders (The John Bentivoglio Family Trust) whereby the Company acquired all of the issued and outstanding common shares of Event Cardio Canada Inc. in exchange for 3,975,000 common shares of the Company. Upon completion of this transaction, the shareholders of Event Cardio Canada Inc. held approximately 93.6% of voting control of the Company. As of November 14, 2014, the Trust exchanged all of the shares of ECG capital stock that it owned for 1,490,625 newly issued restricted shares of the Company’s common stock. Subsequent to the Share Exchange, ECG became the wholly owned subsidiary of the Company.

The Company was developing a cardiac monitoring device based on a wireless and leadless advanced cardiac monitor. Upon completion of the development, the purpose of the device was to collect medical data and transmit it to physicians for diagnostic evaluation. The Company also had a license agreement to distribute a patented product in the use of breast disease detection.

On October 24, 2014, through Event Cardio Canada Inc, the Company entered into a “License Agreement with Life Medical Technologies, Inc. (“Life Medical”) under which it was granted the exclusive right to distribute Life Medical’s “BreastCare DTS™” in the United States and certain other territories. The BreastCare DTS™ product is a patented, non-invasive device which has been cleared by the FDA as an adjunct to mammography and other established procedures for the detection of breast disease, including breast cancer. The Company was required to pay Life Medical royalties of 5% on net sales, as defined in the License Agreement, and minimum annual royalties of \$100,000 in 2015 and \$200,000 each year thereafter. The License Agreement recognizes that in order to protect its interests, the Company may have to spend monies dealing with creditors of and other claimants against Life Medical. Although it had no obligation to consummate arrangements with such creditors, it may reduce any amounts it pays to Life Medical’s creditors from future amounts payable to Life Medical. Life Medical was a listed creditor, with others, in EFIL Sub of ECG, Inc. (“EFIL”) Chapter 7 Bankruptcy, Southern District of New York, Bankruptcy Petition 17-10154-mg, filed on January 26, 2017.

In connection with the October 24, 2014 transaction, the Company changed its fiscal year end from September 30th to August 31st.

On June 24, 2016, the Company entered into, and consummated a share exchange with the John Bentivoglis Family Trust and the Frank Sgro Family (2010) Trust, the shareholders of 2375757 Ontario Inc., pursuant to which it acquired all of the outstanding shares of 2375757 Ontario Inc. for a total of 140,625 shares of the Company’s common stock. 2375757 Ontario Inc. had previously acquired from John Bentivoglis, the Chairman and Chief Executive Officer of the Company, rights granted to it in 2014 to market and distribute the Company’s wireless cardiac monitoring device in Canada. Coupled with the acquisition of the rights granted to Nicholas Bozza, 2375757 Ontario Inc had re-acquired all of the rights to market and distribute the Company’s wireless cardiac monitoring device in Canada.

On June 30, 2016, the Company completed the acquisition of Ambumed, Inc. for a total consideration of approximately \$1.3 million. Ambumed, Inc. was doing business under the trade name of National Cardiac Monitoring Center. Ambumed, Inc. was formed for the purpose of providing a range of cardiac monitoring services and support for physicians, hospitals, scanning services and home health care agencies and patients and

sold cardiac monitoring equipment and provided 24-hour monitoring services to customers, principally in the Mid-Atlantic region.

The Company has summarized the above information and the material terms and conditions of the above agreements and transactions. For further information on those prior to November 25, 2015, reference is made to the Company filings with the Securities and Exchange Commission (“SEC”) which may be inspected and copied at their principal office. The SEC maintains a website at <http://sec.gov> that contains reports, proxy and other information regarding the Company or for any registrant that files reports electronically.

On January 20, 2021, the Company entered into a purchase agreement with Northern California Holdings, Inc, (“Northern”) for a real property located in Lake County, California owned by its subsidiary, Mount Fire 29 Corp for \$3,500,000. The Company will pay Northern \$250,000 in cash within 10 days; \$350,000 in cash within 20 days, and \$2,900,000 in cash within 90 days. The Company has not paid any of the amounts according to the purchase agreement. On May 4, 2021, the court ordered the Company to deliver its common shares pursuant to Section 3(a)(10) of the Securities Act of 1933 to EROP Enterprises LLC, who acquired the debt owed by the Company, and in full settlement of the claims until EROP’s gross sales of the Company’s stock equal to \$6,448,333.

In January 2021, the Company incorporated a new subsidiary, Nug Avenue, Inc. (“NUG”) to focus in providing services pertaining to the licensed and regulated delivery of cannabis out of Lynwood, California, serving primarily the greater Los Angeles Metropolitan area (the “Lynwood Operations”).

On February 1, 2021, NUG entered into a management service agreement with Magnolia Extracts, LLC (“Magnolia”) and last for 12 months. Magnolia owns a regulatory permit issued by the City of Lynwood authorizing commercial retailer non-storefront operations. NUG will operate under the regulatory permit by paying Magnolia the following:

- 1) For each month of operations during the term, the lease for the Premises of \$10,000 per month will be paid by NUG
- 2) NUG will pay a refundable security deposit of \$20,000. If contract is terminated in the first 180 days, then Magnolia may deduct the security deposit of \$12,000
- 3) NUG will charge Magnolia 65% of the total proceeds as service income
- 4) License fee:
 - a. NUG shall pay Magnolia 2% of net sales receipt during the 90-day period from the commencement of operations;
 - b. 3% of monthly net sales receipts for all gross receipt amount between \$600,000 and \$750,000 after 90-day period so long as such payment plus the base monthly fee shall not exceed 40% of the net monthly profit;
 - c. 3.5% of monthly net sales receipts for all gross receipt amount above \$750,000 after 90-day period so long as such payment plus the base monthly fee shall not exceed 40% of the net monthly profit
 - d. 0.25% of gross receipts shall be paid to Magnolia on the fourth month after the commencement of operations.

On February 8, 2021, NUG entered into a Common Share Purchase Agreement (the “NUG Agreement”) with Sugar Rush, Inc., a Nevada corporation (“Sugar Rush”). Pursuant to the Agreement, NUG and Sugar Rush agreed that Sugar Rush will receive 70% of the revenues and profits generated from the Lynwood Operations.

Under the terms of the Agreement, Sugar Rush agreed to make periodic payments of \$560,000 over a twelve (12) month period to invest in the Lynwood Operations. The Company also agreed to make a periodic payment of \$240,000. The Company will record the 30% of ownership in NUG under equity investment method. As of May 31, 2023, Sugar Rush and the Company invested \$461,088 and \$252,457 into NUG, respectively. The NUG operations have been deceased since September 1, 2022.

On April 8, 2021, the Company's board of directors ratified and confirmed the Settlement Agreement by unanimous consent and authorized its executive officers of the Company to enter into the Settlement Agreement, which the board of directors determined to be in the best interests of the corporation.

On April 16, 2021, the board of directors of ECGI Holdings, Inc confirmed by unanimous consent participation in a court hearing regarding a proposed settlement resolving a suit filed against the Company, referenced herein as Polk County Florida (case number: 21-CA-000888) styled EROP Enterprises, LLC, a Florida limited liability company, Plaintiff, vs. ECGI Holdings Inc., a Nevada corporation, Defendant (the "Lawsuit").

The Lawsuit relates to debts owed by the Company, totaling \$3,869,000 which are in default and were acquired by EROP Enterprises LLC ("EROP"), the defendant in the suit.

The Parties entered into an agreement (the "Settlement Agreement") in which the Company and EROP agreed to seek a judgment by the Polk County Court authorizing the parties to enter into a Section 3(a)(10) settlement resolution in the principal amount of (\$6,448,333) six million four hundred forty-eight thousand three hundred thirty-three dollars (the "Settlement Agreement").

The Company has agreed to the Settlement Agreement and believes it is sufficiently fair. ECGI's board of directors has considered the Settlement Agreement and has resolved that its terms and conditions are fair to, and in the best interests of, ECGI and its stockholders. The terms and conditions of the Settlement Agreement were, are, and will be fair to and in the best interests of all of the parties.

Pursuant to the Settlement Agreement, the parties filed a *Motion for Fairness Determination and Order Approving Settlement and Dismissing Case* with the Circuit Court of the Tenth Judicial Circuit, in and for Polk County, Florida Civil Division.

In ratifying the Settlement Agreement, the Company, upon the Polk County Court's order, agrees to issue to EROP shares of the Company's common stock until EROP's total gross sales of such common stock equal \$6,448,333. In full settlement of the Lawsuit and that when issued hereto, the settlement shares shall be freely tradable without legend or restriction pursuant to Section 3(a)(10) of the Securities Act of 1933 and shall be validly issued, fully paid and non-assessable shares.

In January 2023, the Company signed a non-binding Letter of Intent (the "LOI") between East West Pharma Group, Inc., a Wyoming corporation ("EWPG") and ECGI Holdings, Inc., a Nevada corporation ("ECGI") relative to the purchase and acquisition of all talent, intellectual properties and business operation.

Going Concern

These consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of August 31, 2023, the Company had assets totaling \$5,201,408, liabilities totaling \$11,940,361 and a working capital deficit of \$11,134,518. The Company does not have a history of generating revenue and has an accumulated deficit of \$15,187,274 as of August 31, 2023. The continuation of the Company as a going concern is dependent upon (i) its ability to identify future investment opportunities, (ii) its ability to obtain any necessary debt and/or equity financing, and (iii) its ability to generate profits from the Company's future operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The unaudited consolidated financial statements have been prepared in accordance with GAAP and include the accounts for the Company and its wholly owned subsidiaries, EFIL Sub of ECG, Inc. ("EFIL") that had filed a Chapter 7 Bankruptcy on January 26, 2017. EFIL had no assets, liabilities, and/or business operations during the years ended August 31, 2023 and 2022. Any inter-company transactions and balances have been eliminated upon consolidation.

The unaudited consolidated financial statements have been prepared on the same basis as audited consolidated financial statements and, in the opinion of management, reflect all adjustments of a normal recurring nature considered necessary to present fairly the Company's financial position as of August 31, 2023 and August 31, 2022, results of its operations for the years ended August 31, 2023 and 2022, and cash flows for the years ended August 31, 2023 and 2022. Certain prior period amounts may have been reclassified to conform to current period presentation. These classifications, if any, have no effect on the previously reported net loss or loss per share.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of expenses in the financial statements and accompanying notes. Actual results could differ from those estimates. Key estimates generally included in the financial statements include the valuation of deferred income tax assets, equity instruments, stock-based compensation and useful life of property and equipment.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. On August 31, 2023, the Company's cash balance was \$13. The Company's cash

balance at August 31, 2022 was \$15,016. The Company maintains cash balances at financial institutions insured up to \$250,000 thousand by the Federal Deposit Insurance Corporation.

Earnings (Loss) Per Share

The Company computes net loss per share in accordance with *ASC 260, Earnings Per Share*, which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing Diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

For the years ended August 31, 2023 and 2022, there were no dilutive instruments as their effect would have been anti-dilutive given that the Company had net losses during these periods.

Fair Value of Financial Instruments

ASC 820 Fair Value Measurements and Disclosures defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

The carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments included cash and cash equivalents, prepaid expenses, and accrued liabilities. The fair value of the Company's notes payable was estimated based on current

rates that would be available for debt of similar terms which is not significantly different from their stated value.

Related Parties

The Company follows *ASC 850, Related Party Disclosures*, for the identification of related parties and disclosure of related party transactions.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by us as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position or results of operations upon adoption.

The Company has considered all other recently issued accounting pronouncements and does not believe the adoption of such pronouncements will have a material impact on its consolidated financial statements.

Note 3. Property and equipment

On January 20, 2021, the Company entered into a purchase agreement with Northern California Holdings, Inc, ("Northern") for a real property located in Lake County, California owned by its subsidiary, Mount Fire 29 Corp for \$3,500,000. The Company will pay Northern \$250,000 in cash within 10 days; \$350,000 in cash within 20 days, and \$2,900,000 in cash within 90 days. The Company has not paid any of the amounts according to the purchase agreement. On May 4, 2021, the court ordered the Company to deliver its common shares pursuant to Section 3(a)(10) of the Securities Act of 1933 to EROP Enterprises LLC, who acquired the debt owed by the Company, and in full settlement of the claims until EROP's gross sales of the Company's stock equal to \$6,448,333. The Company also acquired certain assets from East West at fair value of \$650,721.

Note 4. Loan Receivable

On July 21, 2022, the company entered into a Loan agreement with Endless Consciousness Corp for the principal amount of \$40,000 with an interest rate of 8% and will mature in 1 year. As of August 31, 2023, the amount owed to the company is in the amount of \$43,559, comprised of the principal of \$40,000 and \$3,559 earned from interest.

Note 5. Convertible Note

On April 27, 2015 (the "Original Issue Date"), the Company issued an eight percent (8%) convertible note payable (the "8% Convertible Note") in the original principal amount of \$500,000. Per the terms of the 8% Convertible Note, the maturity date was January 31, 2018, the annual rate of interest was eight percent (8%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the "Holders"), into shares of the Company's common stock at a per share conversion price of \$3.00 (adjusted for the 1 for 20 reverse stock split – see Note 1. Description of Business).

Interest on the note is calculated on the basis of a 360-day year, consisting of twelve (12) thirty (30) calendar day periods, and accrues daily on the outstanding principal balance commencing on the Original Issue Date

until payment in full of the principal sum. Accrued interest is payable annually on January 31 of each year beginning January 1, 2016, on each Conversion Date (as to that principal amount then being converted), on each Optional Redemption Date (as to that principal amount then being converted), and on the Maturity Date.

The Company, at its option, may prepay all (but not less than all) of the principal amount of this 8% Convertible Note, together with any interest accrued thereon to the date of redemption (the “Redemption Date”) upon ten (10) days prior written notice to the Holders (the “Notice of Redemption”), provided, however, the Holder may elect to convert the outstanding principal amount of this 8% Convertible Note prior to actual payment in cash for such redemption. Should the Holders choose not to convert this 8% Convertible Note, and the volume weighted average price (“VWAP”) for the ten (10) trading days immediately preceding the date of the Notice of Redemption is less than \$3.00 (adjusted for the 1 for 20 reverse stock split – see Note 1. Description of Business), the Company shall issue to Holders of this 8% Convertible Note on the Redemption Date warrants to purchase that number of shares of its common stock equal to one percent (1%) of the total number of shares of the Company’s common stock outstanding on the Redemption Date (the “Total Warrant Shares”). The warrants will be exercisable on or before the third anniversary of the Redemption Date at an exercise price of \$3.00 per share (adjusted for the 1 for 20 reverse stock split – see Note 1. Description of Business) and provide for the exercise of the Warrants on a cashless basis.

Per the terms of the 8% Convertible Note, any of the following events will constitute a default (“Event of Default”) by the Company:

- i. Any default in the payment of (A) the principal amount of any Note or (B) interest and other amounts owing to a Holder on any Note, as and when the same shall become due and payable which default, solely in the case of an interest payment or other default under clause (B) is not cured within five (5) Trading Days;
- ii. The Company shall fail to observe or perform any other covenant or agreement contained in the Notes which failure is not cured, if possible, to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder or by any other Holder and (B) ten (10) Trading Days after the Company has become aware of such failure;
- iii. Any representation or warranty made in this Note or the Purchase Agreement, any written statement pursuant hereto or thereto or any other report, financial statement, or certificate made or delivered to the Holder or any other Holder shall be untrue or incorrect in any material respect as of the date when made or deemed made; or
- iv. The Company shall be subject to a Bankruptcy Event.

Should any Event of Default occur and is continuing without being waived by the Holder or cured by the Company, the terms of the 8% Convertible Note state that the outstanding principal amount plus accrued but unpaid interest, and other amounts owing in respect thereof through the date of acceleration, shall become, at the Holder’s election, immediately due and payable in cash (the “Default Amount”).

As of January 31, 2018, this note was in default as the outstanding principal and related accrued and unpaid interest were due and payable to the Holder as of said date, which represented the maturity date. The Company has not received a notice of default from the Holder.

As of August 31, 2023 and August 31, 2022, the outstanding principal and accrued interest are \$335,959 and \$317,959, respectively.

On March 25, 2021, the Company issued a ten percent (10%) convertible note (the “10% Convertible Note”) in the original principal amount of \$28,600 and original issue discount of \$8,600 per the terms of the 10% Convertible Note, the maturity date March 25, 2022, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holder, into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Securities Act of 1933. The original \$8,600 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$28,600. As of August 31, 2023, the outstanding balance of the loan is \$35,558 including \$6,958 of interest accrual. As of August 31, 2023, the total debt discount has been amortized. This loan is in default as of August 31, 2023.

On May 19, 2021, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$428,572 and original issue discount of \$128,572. Per the terms of the 10% Convertible Note, the maturity date May 19, 2022, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Securities Act of 1933. The original \$128,572 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$428,572. As of August 31, 2023, the outstanding balance of the loan is \$526,383 including \$97,811 of interest accrual. As of August 31, 2023, the total debt discount has been fully amortized. This loan is in default as of August 31, 2023.

On October 28, 2021, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$102,960 and original issue discount of \$30,960. Per the term of the 10% Convertible Note, the maturity date October 28, 2021, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Security Act of 1933. The original \$30,960 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$102,960. As of August 31, 2023, the outstanding balance of the loan is \$121,919 including \$18,959 of interest accrual. As of August 31, 2023, the entire \$102,960 debt discount has been amortized. As of August 31, 2023 the loan is in default.

On May 10, 2022, the Company issued a ten percent (10%) convertible note payable (the “10% Convertible Note”) in the original principal amount of \$210,000 and original issue discount of \$60,000. Per the term of the 10% Convertible Note, the maturity date May 10, 2023, the annual rate of interest is ten percent (10%), and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the offering price for the common stock pursuant to Regulation A under the Security Act of 1933. The original \$60,000 original issued discounts and the beneficial conversion features were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$210,000. As of August 31, 2023, the outstanding balance of the loan is \$237,435 including \$27,435 of interest accrual. As of August 31, 2023, all debt discount has been fully amortized.

The Company entered into a convertible note On June 24, 2021, the Company issued a one percent (1%) convertible note payable (the “1% Convertible Note”) in the original principal amount of \$400,000, the maturity date June 24, 2024, , and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at the lesser of (i) \$0.38 (“Set Conversion Price”) and (ii) 85% of the lesser of (a) the five (5) day VWAP commencing on the Trading Day immediately preceding the Conversion Date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$400,000. As of August 31, 2023, the outstanding balance of the loan is \$377,664 including \$9,664 of interest accrual.

The Company entered into a convertible note On January 4, 2022, the Company issued a one percent (1%) convertible note payable (the “SRAX Convertible Note #2”) in the original principal amount of \$450,000, the maturity date January 4, 2025, , and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at the lesser of (i) \$0.12 (“Set Conversion Price”) and (ii) 85% of the lesser of (a) the five (5) day VWAP commencing on the Trading Day immediately preceding the Conversion Date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$450,000. As of August 31, 2023, the outstanding balance of the loan is \$450,000 including \$7,500 of interest accrual. Subsequently on December 10, 2023, the Company entered into a mutual agreement with SRAX, Inc. to terminate and cancel the convertible note agreement between both parties on January 4, 2022. As of a result of this termination, neither party shall owe any further services, payments, or obligations under the Agreement signed on January 4, 2022.

The Company entered into a convertible note on April 19, 2023, the Company issued a ten percent (10%) convertible note payable (the “Jimmy Note”) in the original principal amount of \$85,714, the maturity date April 19, 2024, , and the principal and accrued interest could be converted, at the sole discretion of the note holders (the “Holders”), into shares of the Company’s common stock at 60% of the lowest trading price of the 20 prior trading days immediately preceding the Conversion Date. The conversion features were determined to be a derivative liability and were recorded as debt discounts and amortized over the term of the note. Therefore, the total debt discount at the inception date of the convertible note was \$85,714. As of August 31, 2023, the outstanding balance of the loan is \$88,825 including \$3,111 of interest accrual.

The Company assumed a convertible promissory note on June 1, 2023 from the acquisition of East West, the Company issued a one percent (5%) convertible note payable (the “Macua Note”) in the original principal amount of \$350,000, the maturity date July 1, 2023. As of August 31, 2023, the outstanding balance of the loan is \$405,417, which included \$55,417 of interest accrual. This debt is in default as of August 31, 2023.

Convertible Note Holder	Start Date	End Date	Debt Discount as of Issuance	Amortization	Debt Discount as of August 31, 2023
8% Convertible Note	4/27/2015	Default	-		-
Wayne Wong	3/26/2021	Default	-		-
Kevin Dang	5/19/2021	Default	-		-
SRAX note 1	6/24/2021	6/24/2024	(400,000)	288,889	(111,111)
K&J Funding	10/28/2021	Default	-		-
Vuvu Venture Inc	5/10/2022	Default	-	-	-
SRAX note 2	1/4/2022	1/4/2025			-
Jimmy Note	4/19/2023	4/19/2024	(85,714)	28,571	(57,143)
Total					(168,254)
Note principal					2,304,264
Accrued interest					277,793
Convertible note, Net					2,413,803

Note 6. Note Payable – Related Party

On May 20, 2019, the Company issued a Revolving Promissory Note (the “Revolving Promissory Note”) to Silicon Beach LLC, an entity owned and controlled by Adam D. Sexton, the former Company’s Chief Executive Officer and a director. Per the terms of the Revolving Promissory Note, the maximum revolving credit commitment (the “Revolving Credit Commitment”) is thirty-five thousand dollars (\$35,000.00) and accrues interest at the rate of five percent (5%) per annum. During the term of the Revolving Promissory Note (the “Revolving Credit Commitment Period”), the Company may use the Revolving Credit Commitment by borrowing, prepaying any advances in whole or in part, and re-borrowing, all in accordance with the terms and conditions set forth in the Revolving Promissory Note. Interest on the Notes shall accrue from the date of any advance(s) on any principal amount withdrawn, and on accrued and unpaid interest thereon, at the rate of five percent (5%) per annum. The Revolving Credit Commitment Period on the Revolving Promissory Note commenced on May 20, 2019 and expires on May 19, 2020 (the “Expiration Date”). All outstanding and unpaid principal, and all outstanding and accrued unpaid interest, is due and payable on and as of the Expiration Date. The Company may, at its sole discretion, prepay all or any portion of the accrued and unpaid interest on this Note and any outstanding principal amount of these Notes prior to the Expiration Date.

In the event of default, with default constituting (i) default by the Company in any payment on these Notes after any such payment becomes due and payable, (ii) breach by the Company of any material provisions of any agreement between the Company and the Holder, and/or (iii) the Company filing a voluntary petition in bankruptcy or any petition or answer seeking for itself any reorganization, readjustment, arrangement, composition or similar relief that is not discharged or dismissed within sixty (60) days, the unpaid outstanding principal balance of these Notes shall bear interest at the rate of fifteen percent (15%) per annum. Furthermore, in the event that these Notes are placed in the hands of any attorney for collection, or any suit or proceeding is brought for the recovery or protection of the indebtedness, the Company will be obligated to pay all reasonable costs and expenses incurred by Holder, including reasonable attorneys’ fees.

On April 1, 2020, the Company and Silicon Beach LLC entered into an Obligation Extension Agreement (“Extension Agreement”) whereby the maturity date was extended from May 19, 2020 to September 1, 2021.

The Company did not pay Silicon Beach LLC any consideration to extend the maturity date, and no other changes were made to the original terms of the Revolving Promissory Note. The Company relied upon *ASC 470-50, Modifications and Extinguishments*, to determine any potential gain or loss to record regarding the modification of the original terms of this note. The Company determined there was no gain or loss to record in relation to this debt modification, as there was zero difference between the reacquisition price and the net carrying amount of the debt that was extinguished.

The following summarizes the Company's principal borrowings in relation to the Revolving Promissory Note as of May 31, 2023:

Date Principal Borrowed	Amount of Principal Borrowed
May 20, 2019	\$ 10,000
June 19, 2019	5,000
November 15, 2019	1,000
January 8, 2020	1,000
February 10, 2020	1,000
April 23, 2020	1,500
August 7, 2020	500
Total principal borrowed	<u>\$ 20,000</u>

The Company recorded \$1,051 and \$1,051 of interest expense related to the Revolving Promissory Note during the year ended August 31, 2023 and 2022 respectively.

The following summarizes the Revolving Promissory Note as of August 31, 2023 and August 31, 2022:

	As of August 31, 2023	As of August 31, 2022
Outstanding principal	\$ 20,000	\$ 20,000
Accrued and unpaid interest	4,262	3,211
Total principal and accrued and unpaid interest	<u>\$ 24,262</u>	<u>\$ 23,211</u>

The Company also owed \$95,350 to an entity that is owned by the CEO of Sugarmade Inc. which is also the seller of Mount Fire 29 Corp. as of August 31, 2023 and August 31, 2022.

Note 8. Due to seller of Mount Fire 29 Corp.

As of August 31, 2023 and August 31, 2022, the amount paid by LMK Capital LLC was \$187,910 and \$104,570, respectively and recorded under due to seller of Mount Fire 29 Corp. The loan is due on demand and interest free.

Note 8. Derivative Liability

The Company evaluates all of its financial instruments in accordance with ASC 815, Derivatives and Hedging to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-measured at each reporting date, with changes in the fair value reported in the consolidated statements of operations. For stock-based derivative financial instruments, the Company uses a weighted average Black-Scholes-Merton option pricing model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified on the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within twelve months of the balance sheet date.

Based upon the Company's analysis of ASC 815, the Company determined that its 8% convertible note payable (see Note 8. - 8% Convertible Note) issued April 27, 2015 and the SRAX Convertible Note #1 and Note#2 and Jimmy note contained features that qualify as embedded derivatives. In specific, the requirement that the Company must, should the volume weighted average price (VWAP) be less than \$3.00 (adjusted for the 1 for 20 reverse stock split – see Note 1. Description of Business) for the ten (10) trading days immediately preceding the date of the Notice of Redemption, issue warrants to the note holder to purchase shares of its common stock equal to one percent (1%) of the total number of shares of the Company's common stock outstanding on the Redemption Date, was deemed an embedded derivative that required bifurcation. Accordingly, the Company recorded this derivative financial instrument as a liability on its balance sheet on the date of issuance and then re-measured its fair value on each reporting date, with the resulting change in fair value being recorded in the Company's statements of operations.

During the period ended August 31, 2023 and August 31, 2022, the Company estimated the fair value of the derivative liability using a weighted average Black-Scholes-Merton option pricing model with the following range of assumptions:

	August 31, 2023	August 31, 2022
Fair value of the Company's common stock	\$ 0.0081	\$ 0.13
Per share conversion price	\$ 0.0045 – 0.01	\$ 2.93
Term of the note (years)	0.1 -1.5	1.0
Risk-free interest rate	0.08%	0.92%
Expected volatility	339%	361%
Dividend yield	-	-

As of August 31, 2023 and 2022, the Company had a derivative liability recorded on its balance sheet. The derivative liability has been categorized as a Level 3 financial liability whose fair value is re-measured on a recurring basis. As of August 31, 2023 and August 31, 2022, the Company estimated the fair value if its derivative liability to be \$491,722 and \$945,874.

The following is a summary of the estimated fair value of the Company's derivative liability:

Financial Instruments	Level 1	Level 2	Level 3	Carrying Amount
Liabilities:				
Derivative liability at August 31, 2018	\$ -	\$ 16,860	\$ -	\$ 16,860
Loss in fair value of derivative	\$ -	\$ (14,146)	\$ -	\$ (14,146)
Derivative liability at August 31, 2019	\$ -	\$ 31,006	\$ -	\$ 31,006
Loss in fair value of derivative	\$ -	\$ (3,533)	\$ -	\$ (3,533)
Derivative liability at August 31, 2020	\$ -	\$ 34,539	\$ -	\$ 34,539
Additions	\$ -	\$ 400,000	\$ -	\$ 400,000
Loss in fair value of derivative	\$ -	\$ 446,544	\$ -	\$ 446,544
Derivative liability at August 31, 2021	\$ -	\$ 881,083	\$ -	\$ 881,083
Additions	\$ -	\$ 450,000	\$ -	\$ 450,000
Loss in fair value of derivative	\$ -	\$ (385,209)	\$ -	\$ (385,209)
Derivative liability at August 31, 2022	\$ -	\$ 945,874	\$ -	\$ 945,874
Additions	\$ -	\$ 75,524	\$ -	\$ 75,524
Loss in fair value of derivative	\$ -	\$ (236,719)	\$ -	\$ (236,719)
Derivative liability at May 31, 2023	\$ -	\$ 784,679	\$ -	\$ 784,679
Loss in fair value of derivative	\$ -	\$ (292,957)	\$ -	\$ (292,957)
Derivative liability at August 31, 2023	\$ -	\$ 491,722	\$ -	\$ 491,722

Note 9. Long term debt

On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. The loan of \$804,000 therefore became part of the Company's liability after the acquisition. The loan is matured on October 1, 2022 with an interest of 8.5%, payable in 24 installments of \$5,695 each, beginning on November 1, 2020. The balance as of August 31, 2021 was \$804,000.

On January 20, 2021, the Company acquired Mount Fire 29 Corp, a subsidiary of Northern California Holdings, Inc. for a property located in Lower Lake, CA 95457 within the inclusion zone suitable for cannabis cultivation. The loan of \$175,000 therefore became part of the Company's liability after the acquisition. The loan and balloon payment matured on December 1, 2020 at 7% interest. LMK Capital LLC paid \$50,000 on behalf of the Company so the \$175,000 was reduced to \$125,000. On May 27, 2021, the Company made additional payment and paid off the remaining balance.

On January 20, 2021, the Company entered into a purchase agreement with Northern California Holdings, Inc. ("Northern") for a real property located in Lake County, California owned by its subsidiary, Mount Fire 29 Corp for \$3,500,000. The Company will pay Northern \$250,000 in cash within 10 days; \$350,000 in cash within 20 days, and \$2,900,000 in cash within 90 days. The Company has not paid any of the amounts according to the purchase agreement. On May 4, 2021, the court ordered the Company to deliver its common shares pursuant to Section 3(a)(10) of the Securities Act of 1933 to EROP Enterprises LLC, who acquired the debt owed by the

Company, and in full settlement of the claims until EROP's gross sales of the Company's stock equal to \$6,448,333. As of August 31, 2023, the Settlement payable was \$6,333,360.

Note 10. Stockholders' Deficit

Preferred Stock

The Company is authorized to issue 10,000,000 shares of preferred stock with a par value of \$0.001 per share. As of August 31, 2018, the Company had 5,000,000 shares of Series A preferred stock issued and outstanding to Silicon Beach LLC, a related party.

This series of preferred stock had been designated as the Company's Series A Convertible Preferred Stock (the "Series A Preferred Stock"). Each share of Series A Preferred Stock had a par value of \$0.001 per share and the Holders of shares of Series A Preferred Stock were entitled to dividends declared and paid on shares of common stock in an amount per share equal to the amount they would be entitled to receive as holders of common stock if all outstanding shares of Series A Preferred Stock had been converted into Common Stock. Holders of Series A Preferred Stock could vote together with holders of common stock as a single class, with each share of Series A Preferred Stock having two (2) (adjusted for the 1 for 20 reverse stock split) votes per share on all matters as to which stockholders are entitled to vote, including the election of directors, except with respect to matters for which a class vote is required by law. Each share of Series A Preferred Stock was convertible, at the option of the holder, into one (1) (adjusted for the 1 for 20 reverse stock split) share of common stock. This description is subject to the terms and conditions contained in the filed documents with the Secretary of State of Nevada.

On August 15, 2019, Silicon Beach LLC converted all of its Series A preferred stock into 5,000,000 shares of the Company's common stock. As of August 31, 2023 and 2022, the Company did not have any shares of Series A preferred stock issued and outstanding.

Common Stock

Reverse Stock Split

On August 15, 2019, the Company effected a one for twenty (1 for 20) reverse stock split, whereby each stockholder of record received one (1) share of the Company's common stock for every twenty (20) shares held. Immediately preceding the reverse stock split, the Company had 244,520,999 shares of its common stock issued and outstanding. Upon completion of the reverse stock split, the Company had 12,226,475 shares of its common stock issued and outstanding.

In conjunction with the reverse stock split, Silicon Beach LLC converted all of its preferred stock into 5,000,000 shares (adjusted for the 1 for 20 reverse stock split) of the Company's common stock. Immediately after the completion of both the reverse stock split and the conversion of all of the Company's issued and outstanding Series A preferred stock into shares of the Company's common stock, the Company had 17,226,467 shares of its common stock issued and outstanding.

Neither the number of authorized shares of common stock, which remains 310,000,000, nor the per share par value of \$0.001 was affected by the reverse stock split.

The accompanying financial statements have been retroactively adjusted to reflect the results of the reverse stock split.

Common Stock Issued and Outstanding

The Company is authorized to issue 310,000,000 shares of its common stock with a par value of \$0.001 per share. As of May 31, 2023 and 2022, the Company had 92,727,292 and 21,255,278 shares of common stock issued and outstanding, respectively.

On March 31, 2021, the Company increased the authorized common stock from 300,000,000 to 310,000,000 shares at \$0.001 par value.

Preferred Stock Issued and Outstanding

On March 24, 2023, the Company issued 1 preferred share to Danny Wong, the Chief Executive Officer of the Company. The Series B Super Voting Preferred Stock shall rank: (i) senior to all of the Common Stock, par value \$0.001 per share; and, (ii) senior to all other classes or series of capital stock of the Corporation currently outstanding in each case as to distribution of any asset or property of the Corporation upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary. The Holder of the Series B Super Voting Preferred Stock shall be entitled to vote on all matters subject to a vote or written consent of the holders of the Corporation's Common Stock, and on all such matters, the share of Series B Super Voting Preferred Stock shall be entitled to that number of votes equal to the number of votes that all issued and outstanding shares of Common Stock and all other securities of the Corporation are entitled to, as of any such date of determination, on a fully diluted basis, plus one million (1,000,000) votes, it being the intention that the Holder of the Series B Super Voting Preferred Stock shall have effective voting control of the Corporation, on a fully diluted basis. The Holder of the Series B Super Voting Preferred Stock shall vote together with the holders of Common Stock as a single class.

Common Stock Issuances

For the year ended August 31, 2022, the Company issued 1,826,393 common shares to Danny Wong, the CEO of the Company for services at fair value of \$347,014.

On September 27, 2022, the company entered into a Subscription agreement where the company issued 625,000 shares of its common stock to an investor at \$.04 per share. The agreement is valued at \$25,000.

On January 19, 2023, the company entered into a Subscription agreement where the company issued 1,250,000 shares of its common stock to an investor at \$.04 per share or \$50,000.

For the quarter ended May 31, 2023, the Company issued 1,142,551 shares for the conversion of \$32,000 principal balance of SRAX note 1.

For the quarter ended May 31, 2023, the Company issued 3,400,000 shares for the settlement of \$88,400 settlement payable.

For the quarter ended August 31, 2023, the Company issued 65,054,463 shares as part of the consideration for the acquisition of East West.

Options

During the year ended August 31, 2022 and 2023 the Company did not grant any stock options. As of August 31, 2023, the Company did not have any stock options outstanding.

Warrants

As of August 31, 2023, the Company did not have any warrants issued and/or outstanding.

Note 11. Commitments

As of this filing, there are no material commitments that have not been disclosed in this filing.

Note 12. Subsequent Events

On December 10, 2023, the Company entered into a mutual agreement with SRAX, Inc. to terminate and cancel the convertible note agreement between both parties on January 4, 2022. As of a result of this termination, neither party shall owe any further services, payments, or obligations under the Agreement signed on January 4, 2022.

On October 30, 2023, pursuant to a Share Purchase Agreement, Jamie Steigerwald obtained majority control of ECGI Holdings, Inc. (the “Company”) from Danny Wong. Danny Wong resigned all positions in the Company. Jamie Steigerwald was elected and consented to serve as the sole officer and director of the Company to hold office until his resignation or removal or until his successor has been duly elected and qualified. Jamie Steigerwald was elected through the board of directors to serve as the Company’s Director, President, Chief Executive Officer, Secretary, and Treasurer as the successor in those offices to Danny Wong, who resigned all company positions.

10) Issuer Certification

Principal Executive Officer:

The Issuer has included certifications by the chief executive officer and chief financial officer of the Issuer in this Annual Report.

The certifications are as follows:

I, Jamie Steigerwald, certify that:

1. I have reviewed this Disclosure Statement for ECGI Holdings Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this disclosure statement.

January 9, 2024

s/ *Jamie Steigerwald*
Jamie Steigerwald
Chief Executive Officer

I, Jamie Steigerwald, certify that:

1. I have reviewed this Disclosure Statement for ECGI Holdings Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this disclosure statement.

January 9, 2024

s/ *Jamie Steigerwald*
Jamie Steigerwald
Chief Financial Officer