

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

**UMBRA APPLIED TECHNOLOGIES GROUP, INC.**

A Delaware Corporation

4377 Commercial Way, Suite 130  
Spring Hill, FL 34606

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Tel: (888) 926-4682

Tel: (813) 607-4682

Main website: [www.UATgroup.com](http://www.UATgroup.com)

Additional web sites: [ww.uatintel.com](http://ww.uatintel.com); [www.uatgroup.com](http://www.uatgroup.com)

[www.hygieiatech.com](http://www.hygieiatech.com); [www.hygieiasport.com](http://www.hygieiasport.com)

[www.umbrabattlerifle.com](http://www.umbrabattlerifle.com) and [www.umbraappliedtechnologies.com](http://www.umbraappliedtechnologies.com)

Company email: [info@UATgroup.com](mailto:info@UATgroup.com)

SIC code 6719

**Quarterly Report**

**For the Quarter Ending: June 30, 2022**  
(the "Reporting Period")

As the most recent date of August 12, 2022, the number of shares outstanding of our Common Stock was:

1,000,000,000

As of the Current Reporting period of June 30, 2022, the number of shares outstanding of our Common Stock was:

1,000,000,000

As of the Prior Reporting Period end date of March 31, 2022, the number of shares outstanding of our Common Stock was:

1,000,000,000

As of the Most Recent Completed Fiscal Year End date of December 31, 2021, the number of shares outstanding of our Common Stock was:

971,341,633

**UATG Disclosure for the Period Ended June 30, 2022**

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

1. Yes:  No:

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

Yes:  No:

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

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

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

There have not been any name changes in the past five years.

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

Incorporated in the State of Delaware on April 13, 2009 --Active

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

None

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

The Company has announced the following acquisitions:

- On August 26, 2021, the Company announced the acquisition of an additional 6% of Next Cast Technologies ("Next Cast") based in Austin, Texas, for a total ownership of 26%. Next Cast has projected first year revenues of \$16.1 million once it launches with a five-year evaluation in excess of \$80 million.

- On July 7, 2022, the Company announced that its subsidiary, H2O Processing, announced today that it has acquired Nathaniel Energy, Ltd which holds various intellectual property.

**UATG Disclosure for the Period Ended June 30, 2022**

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

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

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

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

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

Yes:  No:

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

Yes:  No:

**2) Security Information**

Trading symbol:	UATG
Exact title and class of securities outstanding:	Common
CUSIP:	90419P100
Par or stated value:	\$0.001

Total common shares authorized:	1,000,000,000 as of date: August 12, 2022
Total common shares outstanding:	1,000,000,000 as of date: August 12, 2022
Number of shares in the Public Float <sup>1</sup> :	924,031,028 as of date: July 21, 2021
Total number of shareholders of record:	585 as of date: July 21, 2021

*Additional class of securities (if any):* Series A

Trading symbol:	n/a
Exact title and class of securities outstanding:	Preferred Series A
CUSIP:	n/a
Par or stated value:	\$0.001
Total shares authorized:	20,000,000 as of date: August 12, 2022

<sup>1</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

**UATG Disclosure for the Period Ended June 30, 2022**

Total shares outstanding: 20,000,000 as of date: August 12, 2022  
Preferred Series A has 50 votes per share

*Additional class of securities (if any): Series B*

Trading symbol: n/a  
Exact title and class of securities outstanding: Preferred Series B  
CUSIP: n/a  
Par or stated value: \$0.001  
Total shares authorized: 15,000,000 as of date: August 12, 2022  
Total shares outstanding: 10,089,586 as of date: August 12, 2022  
Preferred Series B can convert into common at 1 Preferred Series B into 20 common shares subject to 1% of the outstanding shares.

*Additional class of securities (if any): Series C*

Trading symbol: n/a  
Exact title and class of securities outstanding: Preferred Series C  
CUSIP: n/a  
Par or stated value: \$0.001  
Total shares authorized: 25,000,000 as of date: August 12, 2022  
Total shares outstanding: 18,178,922 as of date: August 12, 2022  
Preferred Series C can convert into common at 1 Preferred Series C into 10 common shares

### **Transfer Agent**

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

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

### **3) Issuance History**

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### **UATG Disclosure for the Period Ended June 30, 2022**

## A. Changes to the Number of Outstanding Shares

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

Number of Shares outstanding as of		*Right-click the rows below and select "Insert" to add rows as needed.							
1-Jan-20		Opening Balance:							
		Common: <u>957,018,461</u>							
		Preferred A: <u>15,000,000</u>							
		Preferred B: 2,022,307							
		Preferred C: 15,640,387							
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 (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
14-May-20	Cancelled/ Exchange	-7,350,574	Common	n/s	n/a	Chris Terry	Exchange for Preferred Series C	Unrestricted	Exemption
14-May-20	Cancelled/ Exchange	364,529	Preferred Series B	n/a	n/a	Chris Terry	Exchange from Common to Preferred Series C	Unrestricted	Exemption
10-Sep-20	New Issue	6,000	Preferred Series C	\$0.00	yes	Jim Wooley	Cash	Restricted	Exemption
2-Nov-20	New Issue	50,332,113	Common	\$0.00	yes	EROP Capital LLC Control person is Vince Sbarra	Debt/cash	Unrestricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series B	\$0.00	yes	Blue Bridge Consulting LLC Control person is Evan Solomon	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series B	\$0.00	yes	Nathan Maxim	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series B	\$0.00	yes	Paul Chapman	Debt/cash	Restricted	Exemption

### UATG Disclosure for the Period Ended June 30, 2022

1-Apr-21	New Issue	5,500	Preferred Series B	\$0.00	yes	Candice Maxim	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series B	\$0.00	yes	Christopher S Bauer	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	7,280,000	Preferred Series B	\$0.00	yes	Alexander L. Umbra	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	33,250	Preferred Series B	\$0.00	yes	Edwin Medley Payne	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	49,200	Preferred Series C	\$0.00	yes	Stan Abrams	Purchase 50% of H2O Processing Inc	Restricted	Exemption
1-Apr-21	New Issue	49,200	Preferred Series C	\$0.00	yes	Jim Woodley	Purchase 50% of H2O Processing Inc	Restricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series C	\$0.00	yes	John J Bauer Jr	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	125,000	Preferred Series C	\$0.00	yes	John J Bauer Jr	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	100,000	Preferred Series C	\$0.00	yes	Ferandell Family Trust Control person is Paul Ferandell	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	7,500	Preferred Series C	\$0.00	yes	Blake H Cooley	Purchase 50% of The Dreaming Company LLC	Restricted	Exemption
1-Apr-21	New Issue	9,000	Preferred Series C	\$0.00	yes	Blake H Cooley	Purchase 100% of Boost Words Inc	Restricted	Exemption
1-Apr-21	New Issue	178,325	Preferred Series C	\$0.00	yes	Edwin Medley Payne	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	2,000	Preferred Series C	\$0.00	yes	Thomas J Baldassare	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	12,000	Preferred Series C	\$0.00	yes	Bridget Ruth Jorge	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	20,000	Preferred Series C	\$0.00	yes	Shayne Cayhill	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	6,667	Preferred Series C	\$0.00	yes	Kevin Knaak	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	50,000	Preferred Series C	\$0.00	yes	Kevin Knaak	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	5,500	Preferred Series C	\$0.00	yes	Michael Larocca	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	178,572	Preferred Series C	\$0.00	yes	Carl Wooddroffe	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	125,000	Preferred Series C	\$0.00	yes	Kathleen Marie Tennant	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	71,429	Preferred Series C	\$0.00	yes	John Bradley Batista	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	71,429	Preferred Series C	\$0.00	yes	Robert Christopher Batista	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	416,667	Preferred Series C	\$0.00	yes	Brittany N Forcino	Debt/cash	Restricted	Exemption

**UATG Disclosure for the Period Ended June 30, 2022**

1-Apr-21	New Issue	227,273	Preferred Series C	\$0.00	yes	Jose Robles	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	227,273	Preferred Series C	\$0.00	yes	Debra Ann Celletti	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	272,727	Preferred Series C	\$0.00	yes	Alfred B Belle III	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	50,000	Preferred Series C	\$0.00	yes	Hector Mark Estrada	Purchase of 100% of Ossifix Technologies Inc	Restricted	Exemption
1-Apr-21	New Issue	7,500	Preferred Series C	\$0.00	yes	Christopher McMullen	Purchase 50% of The Dreaming Company LLC	Restricted	Exemption
1-Apr-21	New Issue	10,000	Preferred Series C	\$0.00	yes	Gabriel R Gibbs	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	6,000	Preferred Series C	\$0.00	yes	Bruce Taylor	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	5,000	Preferred Series C	\$0.00	yes	Charles J Blake	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	12,000	Preferred Series C	\$0.00	yes	Melissa S Swarrow	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	10,000	Preferred Series C	\$0.00	yes	Ironclad LLC Control person is Evan Solomon	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	227,273	Preferred Series C	\$0.00	yes	Anthony Acosta	Debt/cash	Restricted	Exemption
1-Apr-21	New Issue	1,000	Preferred Series C	\$0.00	yes	Luis Fabian Hernandez	Debt/cash	Restricted	Exemption
8-Apr-21	New Issue	364,000	Preferred Series B	\$0.00	yes	Thomas L. Crom III	Services	Restricted	Exemption
12-Jul-21	Cancelled	28,658,367	Common	\$0.00	yes	EROP Capital LLC Control person is Vince Sbarra	Debt/cash	Unrestricted	Exemption
21-Jan-22	New Issue	28,658,367	Common	\$0.00	yes	EROP Capital LLC Control person is Vince Sbarra	Debit/cash	Unrestricted	Exemption
4-Aug-22	New Issue	5,000,000	Preferred Series A	\$0.00	yes	Alexander L. Umbra	Services	Restricted	Exemption
Shares Outstanding on August 12, 2022:	<u>Ending Balance:</u> Common: <u>1,000,000,000</u> Preferred A: <u>20,000,000</u> Preferred B: <u>10,089,586</u> Preferred C: <u>18,178,922</u>								

**UATG Disclosure for the Period Ended June 30, 2022**

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

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
n/a	n.a	n.a	n/a	n/a	n/a	n/a	n/a

## 4) Financial Statements

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

- U.S. GAAP  
 IFRS

B. The financial statements for this reporting period were prepared by Thomas L. Crom III:

Name: Thomas L. Crom III  
Title: Chief Financial Officer  
Relationship to Issuer: Paid as Consultant

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

The unaudited financial statements are appended to this disclosure statement.

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

Umbra Applied Technologies Group (OTC: is a diversified, leading edge technology holding company which has a family of companies.

UATG Disclosure for the Period Ended June 30, 2022

Umbra Applied Technologies, U.S. based Defense and Security Company, is engaged in the research, design, development, manufacture, integration, and sustainment of advanced technology systems, products, and services for defense, civil, and commercial applications in United States and internationally. It also provides management, engineering, technical, scientific, logistic, and information services.

Boost Words is engaged with Google Ad Management, social media advertising, website design & video marketing and AI marketing solutions.

H2O Processing is engaged with advanced water & oil treatment technologies.

The Dreaming Company is engaged in sleep product support and skin care products.

Ossific is engaged in advanced orthopedic fixation systems.

**A. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference.**

Included by reference with chart as further information.

# UMBRA APPLIED TECHNOLOGIES GROUP

SUBSIDIARIES AND STRATEGIC PARTNERS

UAT Group, Inc. is a leading edge technology conglomerate with a focus on alternative energy, medical innovation, defense and environmental sustainability.

[WWW.UATGROUP.COM](http://WWW.UATGROUP.COM)

## H2O PROCESSING

ADVANCED WATER TREATMENT TECHNOLOGIES

## BOOST WORDS

GOOGLE AD MANAGEMENT, SOCIAL MEDIA ADVERTISING WEBSITE DESIGN & VIDEO MARKETING. AI MARKETING SOLUTIONS

## THE DREAMING COMPANY

SLEEP SUPPORT PRODUCTS AND ADVANCED SKINCARE

## NATHANIEL ENERGY

WASTE TO CLEAN GREEN ENERGY TECHNOLOGY  
\*OWNED BY H2O PROCESSING\*

## OSSIFIX

ADVANCED ORTHOPEDIC FIXATION SYSTEMS

## UAT

GREEN TECH | BIOTECH | ARMS | INTELLIGENCE | AEROSPACE | SECURITY

## BACTER SCIENTIFIC

INFECTION DETECTION TECHNOLOGIES  
\*10% OWNED BY UATG\*

## NEXT CAST

NEXT GENERATION ORTHOPEDIC CASTS  
\*26% OWNED BY UATG\*

A COMPLETE HOLDING COMPANY

### B. Describe the issuers' principal products or services.

The Company targets operations in five segments: Aeronautics, Information Systems & Global Solutions, Biotech, Alternative & Renewable Energy, and Intelligence Systems. The Aeronautics segment offers military aircrafts, such as unmanned combat and air mobility aircrafts, and related technologies. The Information Systems & Global Solutions segment provides advanced technology systems and security expertise, integrated information technology solutions, and management services for civil, defense, intelligence, and other government customers. The Biotech segment addresses critical gaps that are absent in applied medical programs. The Alternative & Renewable Energy segment provides alternative solutions to energy through using existing applied research in bioelectricity, wind, thermodynamic and solar energy. The Intelligence segment provides computational study of signals, open source and network intelligence through advanced metrics and algorithms to locate and extract sentiment from gathered intelligence

UATG Disclosure for the Period Ended June 30, 2022

## 6) Issuer's Facilities

Corporate office is located at:

Umbra Applied Technologies Group, Inc.  
 14391 Spring Hill Dr  
 Suite 455  
 Spring Hill FL 34609

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

Information as of August 12, 2022

Name of Officer/Director and Control Person	Affiliation with Company (e.g., Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Alexander L. Umbra	Sole Director, CEO and President	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	558,868	Common	.06%	
Alexander L. Umbra	Sole Director, CEO and President	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	20,000,000	Preferred Series A	100.00%	
Alexander L. Umbra	Sole Director, CEO and President	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	7,280,319	Preferred Series B	72.16%	
Alexander L. Umbra	Sole Director, CEO and President	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	4,000,000	Preferred Series C	22.00%	
Thomas L. Crom III	Chief Financial Officer	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	500,000	Preferred Series B	3.61%	
Thomas L. Crom III	Chief Financial Officer	14391 Spring Hill Dr, Suite 455, Spring Hill, FL 34609	364,000	Preferred Series C	0.28%	

### UATG Disclosure for the Period Ended June 30, 2022

## 8) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

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

None

## 9) Third Party Providers

### Securities Counsel

UATG Disclosure for the Period Ended June 30, 2022

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

**Accountant or Auditor**

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

**Investor Relations**

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

**Transfer Agent**

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

**Other Service Providers**

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

**10) Issuer Certification**

UATG Disclosure for the Period Ended June 30, 2022

***Principal Executive Officer:***

I, Alexander L. Umbra, certify that:

1. I have reviewed this Quarterly Report for the Period ended June 30, 2022, of Umbra Applied Technologies Group, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 12, 2022

/s/ Alexander L. Umbra

President of Umbra Applied Technologies Group, Inc.

***Principal Financial Officer:***

I, Thomas L. Crom III, certify that:

1. I have reviewed this Quarterly Report for the Period ended June 30, 2022, of Umbra Applied Technologies Group, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

**UATG Disclosure for the Period Ended June 30, 2022**

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.

August 12, 2022

/s/ Thomas L. Crom III

Chief Financial Officer of Umbra Applied Technologies Group, Inc.

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# UMBRA APPLIED TECHNOLOGIES GROUP, INC.

## FINANCIAL STATEMENTS

(A Development Stage Company)

June 30, 2022

Financial Statements

(Unaudited)

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### Financial Statements:

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<a href="#">Statements of Stockholders Equity (Deficit)</a>	<a href="#">F-5</a>
<a href="#">Notes to Financial Statements</a>	<a href="#">F-6 to F-15</a>

### **Notice of No Auditor Review**

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

**UATG Disclosure for the Period Ended June 30, 2022**

**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

## Balance Sheets (Unaudited)

	Period Ended <u>June 30, 2022</u>	Year Ended <u>Dec 31, 2021</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 63,802	\$ 28,219
Accounts Receivable	88,311	85,756
Inventory	<u>176,276</u>	<u>179,509</u>
Total Current Assets	328,386	293,484
Equipment (net of accumulated depreciation)	85,992	97,692
Investments (See Note 9)	10,200,000	10,200,000
Other Assets		
Intellectual Property (See Note 6 and 7)	14,330,411	14,330,411
Purchase Contract (See Note 8)	<u>7,623,789</u>	-0-
Total other assets	21,954,200	14,230,411
Total Assets	\$ <u>32,568,578</u>	\$ <u>24,921,587</u>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
Current		
Accounts Payable (See Note 6)	\$ 1,537,992	1,514,707
Investment Note Payable (See Note 9)	<u>10,200,000</u>	<u>10,200,000</u>
Total Current Liabilities	11,737,992	11,714,707
Deferred Purchase Contract Income (See Note 8)	7,623,789	-0-
Total Liabilities	\$ 19,361,781	11,714,707
<b>STOCKHOLDERS' EQUITY</b>		
Authorized: 1,000,000,000 common Issued and outstanding, \$0.001 par value June 30, 2022, and December 31, 2021-1,000,000,000 and 971,341,633 common shares, respectively		
	1,000,000	970,342
Preferred shares, Series A \$0.001 par value 20,000,000 Authorized 15,000,000 issued as of June 30, 2022, and December 31, 2021		
	15,000	15,000
Preferred shares, Series B, \$0.001 par value 15,000,000 Authorized June 30, 2022, and December 31, 2021, outstanding 10,089,586 and 10,089,586 respectively		
	399,332	399,332
Preferred shares, Series C, \$0.001 par value 25,000,000 Authorized June 30, 2022, and December 31, 2021 18,178,922 and 18,178,922 respectively (See Note 11)		
	9,528,970	9,528,970
Additional paid-in capital -	20,261,832	20,241,391
Deficit Accumulated During the Developmental Stage	<u>(17,998,337)</u>	<u>(17,948,254)</u>
Total Stockholders' Equity	13,206,797	13,206,880
Total Liabilities and Stockholders' Equity	\$ <u>32,568,578</u>	\$ <u>24,921,587</u>

The accompanying notes are an integral part of these Financial Statements

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UATG Disclosure for the Period Ended June 30, 2022

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

	Six Month Period Ended <u>June 30, 2022</u>	Year Ended <u>December 31,</u> <u>2021</u>
<u>Revenue</u>		
Income	\$ 928,662	\$ 1,411,706
Less: Cost of Goods Sold	<u>343,542</u>	<u>346,164</u>
Gross Profit	\$ <u>685,121</u>	\$ <u>1,065,542</u>
<u>Expenses</u>		
Professional Fees	161,190	269,949
Stock Transfer Fees	7,700	12,248
Advertising and Marketing	394,662	807,905
General, Office and Rent	138,931	379,076
Depreciation	11,700	31,557
New Product Development	<u>-0-</u>	<u>13,663</u>
<b>Total Expenses</b>	714,183	1,514,398
Net Loss from Operations	(29,062)	(448,856)
<u>Other Income and Expenses</u>		
Interest expense	<u>21,021</u>	<u>-0-</u>
Total other income and expenses	-0-	-0-
Loss for the Period	\$ <u>(50,083)</u>	\$ <u>(448,856)</u>

The accompanying notes are an integral part of these Financial Statements

**UATG Disclosure for the Period Ended June 30, 2022**

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

	Period Ended June 30, <u>2022</u>	Year Ended December 31, <u>2021</u>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (50,083)	(448,835)
<b>Adjustments to Reconcile Net Loss to Net Cash</b>		
<b>Provided by Operations</b>		
Depreciation	11,700	31,557
(Increase) in accounts receivable	(2,555)	(85,756)
(Increase) Decrease in inventory	5,996	(171,002)
Increase (decrease) in Accrued Liabilities and Payables	<u>23,285</u>	<u>134,835</u>
Net Cash Provided (Used) by Operating Activities	<u>(14,417)</u>	<u>(539,223)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Intellectual Property	-0-	(9,043,611)
Investment	-0-	10,000,000
Purchase equipment	<u>-0-</u>	<u>(109,392)</u>
Net Cash Provided (Used) by Investing Activities	<u>-0-</u>	<u>(19,153,803)</u>
<b>Cash Flows from Financing Activities</b>		
Increase (decrease) in shares to be issued	-0-	10,000,000
Issuance of stock	<u>50,000</u>	<u>9,720,058</u>
Net Cash Provided (Used) by Financing Activities	<u>50,000</u>	<u>19,200,058</u>
Increase (Decrease) in Cash from Continuing Operations	28,894	27,832
Cash and Cash Equivalents at Beginning of Period	\$ 28,219	387
Cash and Cash Equivalents at End of Period	\$ 63,802	28,219
<b>Supplemental Information</b>		
<b>Cash Paid For:</b>		
Interest	21,021	-0-
Income Taxes	-0-	-0-

The accompanying notes are an integral part of these Financial Statements

**UATG Disclosure for the Period Ended June 30, 2022**

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

**STATEMENT OF CHANGES IN STOCKHOLDER EQUITY (DEFICIT)**

	<b>Common</b>	<b>Preferred</b>	<b>Preferred</b>	<b>Preferred</b>	<b>Par</b>	<b>Additional</b>	<b>Accumulated</b>	<b>Stockholder</b>
	<b>Shares</b>	<b>A Shares</b>	<b>B Shares</b>	<b>C Shares</b>	<b>Value</b>	<b>Paid-In</b>	<b>Deficit</b>	<b>Equity</b>
						<b>Capital</b>		
Balance December 31, 2018	991,313,443	15,000,000	690	400,859	\$1,013,557	\$20,211,733	(\$13,553,221)	\$7,672,069
Issuance (Cancellation) of Stock	(34,294,982)	0	2,021,617	15,233,528	\$153,452	\$0	\$0	\$153,452
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$3,633,235)	(\$3,633,235)
Balance December 31, 2019	957,018,461	15,000,000	2,022,307	15,634,387	\$1,167,009	\$20,211,733	(\$17,186,456)	\$4,192,286
Issuance (Cancellation) of Stock	42,981,539	0	364,529	6,000	\$56,334	\$0	\$0	\$56,333
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$312,942)	(\$312,942)
Balance December 31, 2020	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>2,386,836</u>	<u>15,640,387</u>	<u>\$1,223,343</u>	<u>\$20,211,733</u>	<u>(\$17,499,398)</u>	<u>\$3,935,677</u>
Issuance (Cancellation) of Stock	(28,858,367)	0	7,702,750	2,538,535	\$9,690,401	\$29,658	\$0	\$9,720,059
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$448,856)	(448,856)
Balance December 31, 2021	<u>971,141,633</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>	<u>\$10,913,743</u>	<u>\$20,241,391</u>	<u>(\$17,948,254)</u>	<u>\$13,206,880</u>
Issuance of Stock	28,858,367	0	0	0	\$29,559	\$20,441	\$0	\$50,000
Net (Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	(\$50,083)	(\$50,083)
Balance June 30, 2022	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>	<u>\$10,943,302</u>	<u>\$20,261,832</u>	<u>(\$17,998,337)</u>	<u>\$13,206,896</u>
Subsequent to June 30, 2022								
Issuance of Stock	<u>0</u>	<u>5,000,000</u>	<u>0</u>	<u>0</u>				
Balance August 12, 2022	<u>1,000,000,000</u>	<u>20,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>				

**UATG Disclosure for the Period Ended June 30, 2022**

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

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

a) Basis of Presentation.: The information presented in the accompanying financial statements for the periods ended June 30, 2022, and December 31, 2021, are unaudited and includes all adjustments, which are, in the opinion of the management of Umbra Applied Technologies Group, Inc. (the “Company”), necessary to present fairly the financial position, results of operations and cash flows in the periods presented. Certain column totals may be off by \$1 due to rounding.

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

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

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

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

e) Going Concern: These consolidated interim financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company has no source of operating revenue, has incurred operating losses and on June 30, 2022, had a deficit of \$17,998,337 (December 31, 2022 - \$17,948,254). The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

f) Consolidated Financial Statements: These consolidated financial statements include the following companies:

- Umbra Applied Technologies Group Inc
- Umbra Applied Technology Inc
- Dreaming Company LLC
- Boost Words Inc

**UATG Disclosure for the Period Ended June 30, 2022**

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

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

f) Consolidated Financial Statements: -continued

As well as investments in:

Next Cast Technologies Inc (26%) and  
Bacter Scientific Inc (10%)

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

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

**UATG Disclosure for the Period Ended June 30, 2022**

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES –continued**

c) Basic and Fully Diluted Loss Per Share: The basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Fully-Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. On June 30, 2022, and December 31, 2021, the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation

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

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

f) Concentrations: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. On June 30, 2022, and December 31, 2021, the Company had \$63,802 and \$28,219 respectively, in funds in deposits in a business bank account, which are not insured by agencies of the U.S. Government.

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

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

UATG Disclosure for the Period Ended June 30, 2022

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES-continued**

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

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

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

**NOTE 3 - BASIS OF PRESENTATION – GOING CONCERN**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America, which contemplates the Company's continuation as a going concern. However, the Company has losses to date of approximately \$17,998,337. These matters raise substantial doubt about its ability to continue as a going concern. In view of these matters, realization of certain of the assets in the accompanying balance sheet is dependent upon its ability to meet its financing requirements, raise additional capital, and the success of its future operations. The Company acquired operating capital through equity offerings to the public and through the sale of notes to related parties, to fund its business plan. There is no assurance that the funds received will be sufficient to assure the Company's eventual profitability. Management believes that actions planned and presently being taken to revise its operating and financial requirements provide the opportunity for it to continue as a going concern. The financial statements do not include any adjustments that might result from these uncertainties.

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

**NOTE 4 - INCOME TAXES**

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

**NOTE 5 – RELATED PARTY TRANSACTIONS**

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

In April 2021 the Company issued Alex L Umbra, its President 7,280,000 Preferred B Series shares for compensation for prior services.

In April 2021 the Company issued Thomas L Crom III, its Chief Financial Officer, 364,000 Preferred B Series shares for compensation for prior services.

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

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 6 – INTELLECTUAL PROPERTY**

During 2012 Umbra Applied Technologies, Inc. (“UAT”) executed five (5) technology purchase agreements with unrelated parties. The buyer (UAT) and seller mutually agreed on the purchase prices which were paid in UAT shares. UAT was acquired by UATG in November 2013. The total purchase price for those assets was \$35,390,000 which was recorded on the UATG financial statements originally as goodwill then amended to Intellectual Property and effective with the September 30, 2017 quarterly report restated to include debt associated with the Intellectual property of \$819,650 (Next Cast-\$274,540; Rigid-\$295,000; Palm Beach-\$250,000).

<b><u>Technology description-2012</u></b>	<b><u>Purchase Price</u></b>
Water Purification and desalination	\$15,000,000
Pegasus Hybrid Project (aerospace technology)	\$10,000,000
BuzzSwat (security technology)	\$2,000,000
Rigid (medical technology)	\$7,000,000
Security, battery and alternative technologies	\$1,390,000
<b>sub-total</b>	<b>\$35,390,000</b>
Associated debt at time of purchase	\$819,650
<b>valuation adjustment</b>	<b>(\$30,922,850)</b>
<b>Net Intellectual Property-2012</b>	<b><u>\$5,286,800</u></b>

During 2021 Umbra Applied Technology the following companies and the excess of their respective book assets, net of adjustments during the interim period for certain reclassifications, was recorded as Intellectual Property:

The Dreaming Company	\$813,611
Boost Words Inc	\$450,000
H2O Processing Inc.	\$5,280,000
Ossifix Technologies Inc	<u>\$2,500,000</u>
<b>Intellectual Property-2021</b>	<b>\$9,043,611</b>
<b>Total Intellectual Property</b>	<b><u>\$14,330,411</u></b>

**UATG Disclosure for the Period Ended June 30, 2022**

**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 7-PURCHASE OF SUBSIDIARIES IN 2021**

a) The Dreaming Company LLC.: On February 17, 2021, the Company announced the acquisition of California based The Dreaming Company LLC. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$1,750,000 of which \$1,000,000 is in cash (which has not yet been paid) and the balance of \$750,000 to be paid by issuance of 150,000 UATG Preferred C shares valued at \$5 per share which are expected to be issued by June 15<sup>th</sup>.

-On February 23, 2021, the Company announced the acquisition of Nevada based marketing firm Boost Words Inc. For financial accounting purposes the effective date of this acquisition is April 1, 2021.

The purchase price was \$1,200,000 of which \$750,000 is in cash (to be provided to UATG's subsidiary to facilitate its growth and the balance of \$450,000 was paid by issuance of 15,000 UATG Preferred C issued on April 1, 2021.

The effective date of the Purchase was April 1, 2021; therefore, these financial statements reflect 3 months of operations.

b) H2O Processing Inc.: On February 25, 2021, the Company announced the acquisition of Denver, Co based company H2O Processing Inc (herein after called "H2O"). H2O has a mobile on-site water treatment. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$8,000,000 of which \$2,720,000 is in cash (to be provided to UATG's subsidiary to facilitate its growth) and the balance of \$5,280,000 was paid by issuance of 98,400 /UATG Preferred C shares issued by issued April 1, 2021.

The effective date of the Purchase was April 1, 2021. Therefore, the 2021 financial statements reflect 9 months of operations.

c) Ossifix Technologies Inc. On March 16, 2021, the Company announced the acquisition of Ossifix Technologies Inc ("Ossifix"), which is based in Texas, at a cost of \$5 million Ossifix has projected first year domestic gross revenues of \$25.5 million once it launches; with a projected three-year evaluation in excess of \$88.6 million. For financial accounting purposes the effective date of this acquisition is April 1, 2021. The purchase price was \$5,000,000 of which \$2,500,000 is in cash (to be provided to UATG's subsidiary to facilitate its growth) and the balance of \$2,500,000 was paid by issuance of 50,000 UATG Preferred C shares issued on April 1, 2021.

**UATG Disclosure for the Period Ended June 30, 2022**

The effective date of the Purchase was April 1, 2021; therefore, these financial statements reflect 3 months of operations.

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 8- PURCHASE CONTACT AND DEFERRED INCOME**

In February 2022 the Company's wholly owned subsidiary, H2O Processing Inc. announced a purchase contract for \$7.6 million (rounded from the contractual obligation of \$7,623,789), which represents the sale of three (3) units of H2O's mobile water treatment equipment. The Company has recorded this agreement as Deferred (unearned) income and a corresponding receivable until such time as the equipment has been constructed and delivered to the Customer at such time revenue will be recognized as permitted under GAAP (Generally Accepted Accounting Principles).

As of May 13, 2022, H2O was testing additional equipment to meet the needs of the customer. The test results may also result in a change in the sales price. H2O currently believes such tests will be positive and will either increase the sales price or there will be no price change. Until such results are completed and annualized the base price has been recorded as Deferred Income and Purchase Contract receivable.

**NOTE 9- INVESTMENTS**

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

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

**UATG Disclosure for the Period Ended June 30, 2022**

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

**NOTE 11- STOCKHOLDERS' EQUITY**

The Company has the following share structure:

	<u>Common</u>	<u>Preferred A</u> 50:1 voting	<u>Preferred B</u> 20:1 conversion	<u>Preferred C</u> 10:1 conversion
Shares outstanding, December 31, 2017	373,783,339	15,000,000	690	-0-
Shares issued for cash	619,768,700	-0-	-0-	
Shares (cancelled)issued on exchange	(2,238,596)	-0-	-0-	400,859
Shares outstanding, December 31, 2018	<u>991,313,443</u>	<u>15,000,000</u>	<u>690</u>	<u>400,859</u>
Shares issued for cash	-0-	- 0-	2,021,617	11,804,030
Shares (cancelled)issued on exchange	(34,294,982)	-0-	-0-	3,429,498
Shares outstanding, December 31, 2019	<u>957,018,461</u>	<u>15,000,000</u>	<u>2,022,307</u>	<u>15,634,387</u>
Shares issued for cash	50,332,113	- 0-	-0-	6,000
Shares (cancelled)issued on exchange	(7,350,574)	-0-	364,529	-0-
Shares outstanding, December 31, 2020	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>2,386,836</u>	<u>15,640,387</u>
Shares issued for cash	-0-	- 0-	58,750	2,366,135
Shares issued for Acquisitions	-0-	- 0-	-0-	172,400
Shares (cancelled) issued on exchange	(28,858,367)	-0-	-0-	-0-
Shares issued for services	-0-	-0-	7,644,000	-0-
Shares outstanding, December 31, 2021	<u>971,341,633</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>
Shares issued for cash	-0-	-0-	-0-	-0-
Shares issued for services	-0-	-0-	-0-	-0-
Shares (cancelled)issued on exchange	<u>28,858,367</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Shares outstanding, June 30, 2022	<u>1,000,000,000</u>	<u>15,000,000</u>	<u>10,089,586</u>	<u>18,178,922</u>
Subsequent to June 30, 2022				
Shares issued for cash	-0-	-0-	-0-	-0-
Shares issued for services	-0-	-0-	-0-	-0-
Shares (cancelled)issued on exchange	<u>-0-</u>	<u>5,000,000</u>	<u>-0-</u>	<u>-0-</u>

**UATG Disclosure for the Period Ended June 30, 2022**

Shares outstanding, August 12, 2022                      1,000,000,000      20,000,000                      10,089,586                      18,178,922

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**Umbra Applied Technologies Group, Inc.**

(A Development Stage Company)

Notes to Financial Statements

(Unaudited)

**NOTE 10- LITIGATION**

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

On January 12, 2018, the Company received a Florida State court approval of a settlement and stipulation (Case No. 17 CA 4136) for the satisfaction Company debt in the amount of \$324,500.00 through the issuance of shares which will be exempt from SEC registration in reliance upon Section 3 (a)(10) of the Securities Act based upon the Courts finding. The agreement provides the shares will be issued at a 50% to the market price as defined in the agreement, and the owner may not own more than 9.9% at the time of issuance. This issue has been fully resolved with the return and reissuance of 28,858,367 common shares on July 12, 2021, under restrictions to reduce additional debt which will also be subject to Florida State court approval. Those shares were reissued in January 2022.

**NOTE 11- SUBSEQUENT EVENTS**

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

On July 7, 2022, the Company announced that its subsidiary H2O Processing had purchased Nathaniel Energy Ltd (herein after called NE) which holds various intellectual property right including intellectual property when combined with its existing intellectual property rights has been successfully tested in removing metal ion particulate reducing costs of oil refining and reducing the environmental impact of refineries. NE was acquired from the same prior owner of H2O Processing and the parties have agreed that no additional compensation will be paid for NE.

UATG Disclosure for the Period Ended June 30, 2022

