

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

## **YouneeqAI Technical Services, Inc.**

2700 Youngfield Street, Suite 280  
Lakewood, CO 80215

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303-918-7595  
SIC Code - 0139

## **Amended Quarterly Report**

**For the period ending March 31, 2024 (the "Reporting Period")**

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

103,613,933 as of March 31, 2024

55,109,106 as of December 31, 2023

### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes:  No:

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

Yes:  No:

### **Change in Control**

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

Yes:  No:  (Since last annual for 2021)

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

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

**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.

YouneeqAI Technical Services, Inc.	From March 30, 2023	2700 Youngfield St, Suite 280 Lakewood, CO 80215
American Hemp Ventures, Inc.	From February 6, 2019	2700 Youngfield St, Suite 280 Lakewood, CO 80215
ASC Biosciences, Inc.	From May 10, 2017	74-998 Country Club Drive, Suite 220-333 Palm Desert, CA 92260
Nevis Capital Corporation	From July 5, 2013	412 Kiowa Dr. W Lake Kowa, TX 76240
Sino Cement, Inc.	From September 15, 2010	1 Heying Road, Jinqiu town, Mei Xian County, Baoji, Shaanxi 722306 People's Republic of China
Ocean Energy, Inc.	From November 28, 2007	1984 Isaac Newton Square West, Suite 202 Reston, VA 2019

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):

November 28, 2007, State of Nevada  
Status: 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:

None

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

2700 Youngfield Street, Suite 280  
Lakewood, CO 80215

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

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

2700 Youngfield Street, Suite 280  
Lakewood, CO 80215

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

No:  Yes:  If Yes, provide additional details below:

## 2) Security Information

### Transfer Agent

Name: Pacific Stock Transfer  
Phone: 702-361-3033  
Email: info@pacificstocktransfer.com  
Address: 6752 Via Austi Pkwy, #300, Las Vegas, NV 89119

### Publicly Quoted or Traded Securities:

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	<u>YQAI</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>00216Q021</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>200,000,000</u>	<u>as of date: March 31, 2024</u>
Total shares outstanding:	<u>103,613,933</u>	<u>as of date: March 31, 2024</u>
Total number of shareholders of record:	<u>104</u>	<u>as of date: March 31, 2024</u>

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

Trading symbol:	<u>      </u>	
Exact title and class of securities outstanding:	<u>      </u>	
CUSIP:	<u>      </u>	
Par or stated value:	<u>      </u>	
Total shares authorized:	<u>      </u>	<u>as of date: _____</u>
Total shares outstanding:	<u>      </u>	<u>as of date: _____</u>
Total number of shareholders of record:	<u>      </u>	<u>as of date: _____</u>

Trading symbol:	<u>      </u>	
Exact title and class of securities outstanding:	<u>      </u>	
CUSIP:	<u>      </u>	
Par or stated value:	<u>      </u>	
Total shares authorized:	<u>      </u>	<u>as of date: _____</u>
Total shares outstanding:	<u>      </u>	<u>as of date: _____</u>
Total number of shareholders of record:	<u>      </u>	<u>as of date: _____</u>

**Other classes of authorized or outstanding equity securities:**

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	<u>Series A Preferred Stock</u>	
CUSIP (if applicable):	_____	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>10,000,000</u>	as of date: <u>March 31, 2024</u>
Total shares outstanding (if applicable):	<u>1,155</u>	as of date: <u>March 31, 2024</u>
Total number of shareholders of record (if applicable):	<u>3</u> as of date: <u>March 31, 2022</u>	

**Security Description:**

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

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

The Company's common stock has a voting right of 1 share equals 1 vote. Dividends are determined by and approved by the Board of Directors. The Common Stock does not have any preemption rights.

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

*Preferred Series A*

The Company has authorized 10,000,000 shares of its Series "A" Preferred Shares. These shares have a par value of \$0.001. The Series A Preferred Shares are convertible into shares of the Company's common stock at a rate of 1 Preferred Share for 10,000 common shares. The shares provide the holder with voting rights on matters brought in from the Company's common stock shareholders. The shares represent a voting right of 1 Series A Preferred Share equals to 10,000 common shares. The Series A Preferred Shares do not have a dividend right, but do have a liquidation preference to the common stock.

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

Series A Preferred Shares have voting rights equal to 10,000 Common votes per share of Series A Preferred Stock.

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

No changes to Common shares. Series A Preferred Stock: A new Designation of Rights and Privileges was adopted in 2022, which provided certain rights as described in Sub-paragraphs 2 and 3 above.

### 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

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No:  Yes:  (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2021</u> Common: <u>16,807,308</u> Preferred: <u>0</u>	*Right-click the rows below and select "Insert" to add rows as needed.
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Date of Transaction	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Individual/Entity Shares were issued to	Reason for share issuance	Exemption or Registration Type
August 1, 2022	1,000,000	Common Stock	\$0.690	MAVDB Consulting LLC	Service Agreement	4(a)(2) Private Offering
August 1, 2022	250,000	Common Stock	\$0.690	Patrick & Carran Schneider	Service Agreement	4(a)(2) Private Offering
August 1, 2022	750,000	Common Stock	\$0.690	Juan Pepe Holdings	Service Agreement	4(a)(2) Private Offering
August 13, 2022	2,000,000	Common Stock	\$0.628	Governance Box Services	Service Agreement	4(a)(2) Private Offering
August 18, 2022	3,000	Series A Preferred	\$0.001	Digital Cavalier Technology Services Inc.	License Agreement	4(a)(2) Private Offering
August 18, 2022	9	Series A Preferred	\$8,500.00	John Yo Lee	Assumption	4(a)(2) Private Offering
August 18, 2022	146	Series A Preferred	\$8,500.00	Jiuan Haw Chang	Assumption	4(a)(2) Private Offering
August 18, 2022	285	Series A Preferred	\$8,500.00	Samuel Mark Spooone	Assumption	4(a)(2) Private Offering
January 19, 2023	(2,000)	Series A Preferred	-	Digital Cavalier Technology Services Inc.	Conversion of Series A Preferred	4(a)(2) Private Offering
January 19, 2023	1,000,000	Common Stock	-	Digital Cavalier Technology Services Inc.	Conversion of Series A Preferred	4(a)(2) Private Offering

Date of Transaction	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Individual/Entity Shares were issued to	Reason for share issuance	Exemption or Registration Type
February 22, 2023	19,000,000	Common Stock	-	Digital Cavalier Technology Services Inc.	Conversion of Series A Preferred	4(a)(2) Private Offering
February 22, 2023	(285)	Series A Preferred	-	Samuel Mark Spooone	Conversion of Series A Preferred	4(a)(2) Private Offering
February 22, 2023	2,850,000	Common Stock	-	Samuel Mark Spooone	Conversion of Series A Preferred	4(a)(2) Private Offering
April 4, 2023	371,780	Common Stock	\$0.001	Samuel Mark Spooone	Service Agreement	4(a)(2) Private Offering
December 30, 2022	(164,826)	Common Stock	\$0.001	Pop Holdings Ltd	Cancellation	4(a)(2) Private Offering
December 30, 2022	(1,635,708)	Common Stock	\$0.001	Catanga International S A	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,000,000)	Common Stock	\$0.001	Ravenhall International Holdings	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,000,000)	Common Stock	\$0.001	MKB Consultancy International Ltd	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,135,708)	Common Stock	\$0.001	Moonlight Ventures Limited	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,300,000)	Common Stock	\$0.001	The Magic Owl Corp	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,300,000)	Common Stock	\$0.001	Red Hibiscus International Ltd	Cancellation	4(a)(2) Private Offering
December 30, 2022	(2,300,000)	Common Stock	\$0.001	Anubis Capital Ventures Ltd	Cancellation	4(a)(2) Private Offering
April 15, 2023	4,093,760	Common Stock	\$0.05	Thomas Yang	Conversion of Note	4(a)(2) Private Offering
April 15, 2023	3,000,000	Common Stock	\$0.05	Edina Redzematovic	Conversion of Note	4(a)(2) Private Offering
April 15, 2023	3,000,000	Common Stock	\$0.05	Sergio Garcia	Conversion of Note	4(a)(2) Private Offering
April 15, 2023	3,000,000	Common Stock	\$0.05	Rebeka Kolacna	Conversion of Note	4(a)(2) Private Offering
April 15, 2023	3,000,000	Common Stock	\$0.05	Meryem Tatli	Conversion of Note	4(a)(2) Private Offering
November 14, 2023	2,500,000	Common Stock	\$0.10	Raymond Van Empel	Purchase for Cash	4(a)(2) Private Offering
March 8, 2024	6,400,000	Common Stock	\$0.15	Ginsberg Consulting LLC (Josh Ginsberg)	Purchase for Cash	4(a)(2) Private Offering
March 15, 2024	10,000,000	Common Stock	\$0.15	Venda Distributers, Inc. (James Lu)	Purchase for Cash	4(a)(2) Private Offering
March 19, 2024	3,000,000	Common Stock	\$0.10	Pioneer Garage LLC (Raymond Van Empel)	Purchase for Cash	4(a)(2) Private Offering

Shares Outstanding on Date of This Report:

103,613,953 Common

Ending Balance

Date 03/31/2024 Common: 103,613,953

Preferred: 1,155

## B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities :

No:  Yes:  (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. <small>*You must disclose the control person(s) for any entities listed.</small>	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____ -	_____	_____	_____
_____	_____	_____	_____	_____ -	_____	_____	_____
_____	_____	_____	_____	_____ -	_____	_____	_____

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

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

The purpose of this section is to provide a clear description of the issuer's current operations.  
(Please ensure that these descriptions are updated on the Company's Profile on [www.otcm Markets.com](http://www.otcm Markets.com)).

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

YouneeqAI Technical Services, Inc. (YQAI) strategic direction is to focus on applying Artificial Intelligence (AI) to various eCommerce markets. Through an exclusive software license agreement, AMHV has partnered with YouneeqAI. YouneeqAI utilizes proprietary cookieless AI technology and machine learning algorithms to provide both content and product personalization and recommendations, thereby delivering real-time personalization and unique user experiences. On February 9, 2022, the Company entered into a License Agreement with Digital Cavalier Services, Inc. that allows for the Company to license, market and sell the technology of Digital Cavalier Services. Digital Cavalier Services is licensing its AI Personalization engine software as a service (SaaS) products and services, for e-commerce, content marketing, digital publishing, and other industries where a relevant customer experience is necessary. The company has licensed its technology to RC 365 Holdings PLC (UK) under an Exclusive Rights Agreement.

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

Not Applicable.

C. Describe the issuers' principal products or services.

On February 9, 2022, the Company entered into a License Agreement with Digital Cavalier Services, Inc. that allows for the Company to license, market and sell the technology of Digital Cavalier Services. Digital Cavalier Services is licensing its AI Personalization engine software as a service (SaaS) products and services, for e-commerce, content marketing, digital publishing, and other industries where a relevant customer experience is necessary.

## 5) Issuer's Facilities

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

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

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

At March 31, 2024, the Company does not have any leases.

## 6) Officers, Directors, and Control Persons

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

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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



Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Murray Galbraith</u> (3)	<u>CEO &amp; CFO</u> <u>Director</u>	<u>Shawnigan Lake BC</u> <u>Canada</u>	<u>1,000</u>	<u>Series A Preferred Shares</u>	<u>29.1%</u> (1) (4)	<u>Beneficially on behalf of Digital Cavalier Technology, Inc.</u> (3)
<u>Murray Galbraith</u> (3)	<u>CEO &amp; CFO</u> <u>Director</u>	<u>Shawnigan Lake BC</u> <u>Canada</u>	<u>20,000,000</u>	<u>Common Shares</u>	<u>19.3%</u> (1)	<u>Beneficially on behalf of Digital Cavalier Technology, Inc.</u> (3)
<u>John Yoo Lee</u> (2)	<u>Ownership of &gt;5%</u>	<u>Aurora, CO</u>	<u>6,135,708</u>	<u>Common Shares</u>	<u>5.9%</u>	<u>NA</u>
			<u>9</u>	<u>Series A Preferred Shares</u>	<u>&lt;1%</u> (4)	
<u>James Romano</u> (2)	<u>Director</u>	<u>Kamloops, British Columbia, Canada</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>NA</u>
<u>Digital Cavalier Technology, Inc.</u> (3)	<u>Ownership of &gt;5%</u>	<u>Shawnigan Lake BC</u> <u>Canada</u>	<u>1,000</u>	<u>Series A Preferred Shares</u>	<u>87%</u> (4)	<u>(3)</u>
<u>Pioneer Garage LLC</u> , Raymond Van Empel	<u>Ownership of &gt;5%</u>	<u>Mission, BC</u>	<u>7,000,000</u>	<u>Common Shares</u>	<u>6.756%</u>	<u>Beneficially ownership of Pioneer Garage LLC</u>
			<u>2,500,000</u>		<u>5.308%</u>	
					<u>Total Aggregate 12.064%</u>	
<u>Josh Ginsberg</u>	<u>Ownership of &gt;5%</u>	<u>San Juan, Puerto Rico</u>	<u>6,400,000</u>	<u>Common Shares</u>	<u>6.1%</u>	<u>Beneficially on behalf of Ginsberg Consulting LLC</u>
<u>James Lu</u>	<u>Ownership of &gt;5%</u>	<u>Burnaby, BC</u>	<u>10,000,000</u>	<u>Common Shares</u>	<u>9.7%</u>	<u>Beneficially on behalf of Venda Distributors, Inc.</u>
<u>Josh Barch</u>	<u>Ownership of &gt;5%</u>	<u>San Juan, Puerto Rico</u>	<u>11,000,000</u>	<u>Common Shares</u>	<u>10.6%</u>	<u>Beneficially on behalf of May DR Consulting</u>
<u>Thomas Yang</u>	<u>Ownership of &gt;5%</u>	<u>Lakewood, CO</u>	<u>5,448,567</u>	<u>Common Shares</u>	<u>5.259%</u>	<u>N/A</u>

(1) Based on 1,155 Preferred Shares and 103,613,953 Common Shares in issue at March 31, 2024

(2) On February 9, 2022, John Yoo Lee and Jiun Haw Chang resigned from the board of directors. Mr. Murray Galbraith and Mr. James Romano were appointed at that time.

(3) Mr. Galbraith is an officer and director of Digital Cavalier Technology, Inc. as such he has the ability to vote the Series A Preferred Shares.

(4) The Series A Preferred Shares are convertible into shares of the Company's common stock at a rate of 1 Series A Preferred Share into 10,000 shares of Common Stock. The shares of Series A Preferred have voting rights equal to 1 share of Preferred is equal to 10,000 shares of common stock.

## 7) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

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

None

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

None

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

None

**8) Third Party Service Providers**

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Michael A Littman  
Firm: Michael A Littman, Attorney At Law  
Address 1: P.O. Box 1839  
Address 2: Arvada, CO 80  
Phone: 720,530,6184  
Email: malattyco@aol.com

Accountant or Auditor

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

Investor Relations

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

*All other means of Investor Communication:*

Twitter: \_\_\_\_\_  
Discord: \_\_\_\_\_  
LinkedIn: \_\_\_\_\_  
Facebook: \_\_\_\_\_  
[Other ] \_\_\_\_\_

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

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

## 9) Disclosure & Financial Information

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

Name: **Michael A. Littman & Murray Galbraith**  
Title: **Attorney - CEO & Director (respectively)**  
Relationship to Issuer: **Legal Counsel – and CEO of Issuer (respectively)**

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

IFRS  
 U.S. GAAP

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

Name: **David Edmunds**  
Title: **CFO**  
Relationship to Issuer: **CFO of the Issuer**

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

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Provide the following qualifying financial statements:

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

### **Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be “machine readable”. Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

## 10) Issuer Certification

### *Principal Executive Officer:*

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

The certifications shall follow the format below:

I, Murray Galbraith certify that:

1. I have reviewed this Disclosure Statement for YouneeqAI Technical Services, 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.

06/27/2024 [Date]

/s/Murray Galbraith [CEO's Signature]

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

### *Principal Financial Officer:*

I, David Edmunds certify that:

1. I have reviewed this Disclosure Statement for YouneeqAI Technical Services, 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.

06/27/2024 [Date]

/s/ David Edmunds [CFO's Signature]

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

**YOUNEEQAI TECHNICAL SERVICES, INC.**  
**BALANCE SHEETS**  
**(UNAUDITED)**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 151,151	\$ 1,111
Accounts Receivable	—	—
FNB Enterprise Receivable, net of allowance	—	—
Total Current Assets	<u>151,151</u>	<u>1,111</u>
<b>Other Assets</b>		
Intangible Asset - License, net	159,999	279,999
Total Other Assets	<u>159,999</u>	<u>279,999</u>
Total Assets	<u><b>\$ 311,150</b></u>	<u><b>\$ 281,110</b></u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts Payable & Accrued Expenses	\$ 255,000	\$ —
Advances Payable, Related Party	104,150	4,150
License Royalty Liability, current	585,700	676,700
Notes Payable, related party	—	66,797
Total Current Liabilities	<u>944,850</u>	<u>747,647</u>
<b>Long Term Liabilities</b>		
Notes Payable	199,920	199,920
Total Long Term Liabilities	<u>199,920</u>	<u>199,920</u>
Total Liabilities	<u>1,144,770</u>	<u>947,567</u>
<b>Stockholders' Deficit</b>		
Preferred Stock, \$0.001 par value, 10,000,000 shares authorized, 1,155 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	3,740,001	3,740,001
Common Stock, \$0.001 par value, 200,000,000 shares authorized, 103,613,933 and 55,109,106 shares issued and outstanding March 31, 2024 December 31, 2023	103,614	55,109
Additional Paid In Capital	71,495,955	63,711,352
Accumulated Deficit	(76,173,190)	(68,172,919)
Total Stockholders' (Deficit)	<u>(833,620)</u>	<u>(666,457)</u>
Total Liabilities and Stockholders' (Deficit)	<u><b>\$ 311,150</b></u>	<u><b>\$ 281,110</b></u>

*The accompanying Notes are an integral part of these Unaudited Financial Statements.*

**YOUNEEQAI TECHNICAL SERVICES, INC.**  
**STATEMENTS OF OPERATIONS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(UNAUDITED)**

	<b>2024</b>	<b>2023</b>
<b>REVENUE:</b>	<u>\$ —</u>	<u>\$ —</u>
<b>Cost of Goods Sold</b>	<u>—</u>	<u>—</u>
<b>GROSS PROFIT</b>	<u>—</u>	<u>—</u>
<b>EXPENSES</b>		
General and Administrative	379,171	40,079
Amortization Expense	120,000	120,000
Stock Compensation	7,547,625	—
<b>Total Expenses</b>	<u>8,046,796</u>	<u>160,079</u>
<b>OPERATING LOSS</b>	<u>(8,046,796)</u>	<u>(160,079)</u>
<b>OTHER INCOME (LOSS)</b>		
Loss on Extinguishment of Debt	(67,741)	—
Gain on Bad Debt	117,760	—
Interest Expense	(3,494)	(15,877)
<b>Total Other Income (Loss)</b>	<u>46,525</u>	<u>(15,877)</u>
<b>NET LOSS</b>	<u><b>\$ (8,000,271)</b></u>	<u><b>\$ (175,956)</b></u>
<b>EARNINGS PER SHARE:</b>		
Basic Loss per Share	<u>\$ (0.11)</u>	<u>\$ (0.00)</u>
Basic Weighted Average Shares Outstanding	<u>73,927,340</u>	<u>37,868,141</u>

*The accompanying Notes are an integral part of these Unaudited Financial Statements.*

**YOUNEEQAI TECHNICAL SERVICES, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2024**  
**(UNAUDITED)**

**For the Three Months Ended March 31, 2023**

	<u>Series A Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>No. of Shares</u>	<u>Amount</u>	<u>No. of Shares</u>	<u>Amount</u>			
<b>Beginning Balance, December 31, 2022</b>	<b>3,440</b>	<b>\$3,740,003</b>	<b>28,129,808</b>	<b>\$ 28,130</b>	<b>\$ 54,373,863</b>	<b>\$ (59,136,370)</b>	<b>\$ (994,374)</b>
Conversion of Series A into Common Stock	(2,285)	(2.29)	22,850,000	22,850	(22,848)	—	—
Net Loss						(175,956)	(175,956)
<b>Ending Balance, March 31, 2023</b>	<b><u>1,155</u></b>	<b><u>3,740,001</u></b>	<b><u>50,979,808</u></b>	<b><u>\$ 50,980</u></b>	<b><u>\$ 54,351,015</u></b>	<b><u>\$ (59,312,326)</u></b>	<b><u>\$ (1,170,330)</u></b>

**For the Three Months Ended March 31, 2024**

	<u>Series A Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>No. of Shares</u>	<u>Amount</u>	<u>No. of Shares</u>	<u>Amount</u>			
<b>Beginning Balance, December 31, 2023</b>	<b>1,155</b>	<b>\$3,740,001</b>	<b>55,109,106</b>	<b>\$ 55,109</b>	<b>\$ 63,711,352</b>	<b>\$ (68,172,919)</b>	<b>\$ (666,457)</b>
Common Stock for Cash	—	—	1,000,000	1,000	149,000	—	150,000
Common Stock for Note Conversion, Related Party	—	—	1,354,827	1,355	134,128	—	135,483
Common Stock for Services	—	—	46,150,000	46,150	7,068,850	—	7,115,000
Options issued to Officers & Directors	—	—	—	—	432,625	—	432,625
Net Loss	—	—	—	—	—	(8,000,271)	(8,000,271)
<b>Ending Balance, March 31, 2024</b>	<b><u>1,155</u></b>	<b><u>\$3,740,001</u></b>	<b><u>103,613,933</u></b>	<b><u>\$ 103,614</u></b>	<b><u>\$ 71,495,955</u></b>	<b><u>\$ (76,173,190)</u></b>	<b><u>\$ (833,620)</u></b>

*The accompanying Notes are an integral part of these Unaudited Financial Statements.*



**STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(UNAUDITED)**

	<u>2024</u>	<u>2023</u>
<b>OPERATING ACTIVITIES:</b>		
Net Loss	\$ (8,000,272)	\$ (175,956)
Adjustments to Reconcile Net Loss:		
Amortization Expense	120,000	120,000
Stock Compensation	7,547,625	—
Loss on Extinguishment of Debt	67,741	—
Gain on Bad Debt	(117,146)	—
Changes in Operating Assets & Liabilities:		
Accounts Receivable	—	—
Accounts Payable and Accrued Expenses	164,331	(76,516)
Net Cash (Used In) Operating Activities	<u>(217,720)</u>	<u>(132,472)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net Cash Received From Investing Activities	<u>—</u>	<u>—</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Advances, Related Parties	100,000	105,816
Proceeds from Payment of Bad Debt	117,760	—
Proceeds from Sale of Common Stock	150,000	—
Net Cash Received From Financing Activities	<u>367,760</u>	<u>105,816</u>
<b>DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<u>\$ 150,040</u>	<u>\$ (26,656)</u>
<b>CASH &amp; CASH EQUIVALENTS, BEG OF PERIOD</b>	<u>\$ 1,111</u>	<u>\$ 42</u>
<b>CASH &amp; CASH EQUIVALENTS, END OF THE PERIOD</b>	<u>\$ 151,151</u>	<u>\$ 20,191</u>
<b>SUPPLEMENTAL CASH FLOW DISCLOSURES</b>		
<b>Non Cash Investing Activities</b>		
Cash Paid for Interest	<u>\$ 3,494</u>	<u>\$ —</u>
Cash Paid for Taxes	<u>\$ —</u>	<u>\$ —</u>
<b>Non Cash Financing Activities</b>		
Common stock issued for Note Payable Conversion	<u>\$ 66,797</u>	<u>\$ —</u>
Common stock for Series A Preferred Conversion	<u>\$ —</u>	<u>\$ 22,850</u>
Common stock issued for Services	<u>\$ 7,068,850</u>	<u>\$ 2,635,000</u>
Stock Options issued to Officers & Directors	<u>\$ 432,625</u>	<u>\$ —</u>

*The accompanying Notes are an integral part of these Unaudited Financial Statements.*

**YOUNEEQAI TECHNICAL SERVICES, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(UNAUDITED)**

**NOTE 1 – OPERATIONS**

**Organization and Description of Business**

Ocean Energy, Inc. was incorporated in Nevada on November 28, 2007 as Ocean Energy, Inc. for the purpose of producing and distributing Ocean Power Converters (“OPC”) and supplying seashore consumers. In November 2012, management announced plans to change direction to an investment holding company and a name change to Nevis Capital Corporation.

On April 13, 2017, the Board of Directors authorized a name change from “Nevis Capital Corporation” to “ASC Biosciences, Inc.”, thereby merging with our controlling Parent Company ASC Biosciences, Inc.

From February 27, 2017, until December 27, 2018, ASC Biosciences, Inc. (“ASC”) had been a development stage biotechnology company that had a licensed proprietary adult stem cell platform capable of forming nearly every tissue in the human body. In laboratory animal experiments, these cells, Multipotent Adult Stem Cells (“MASCs”) differentiated into cartilage, bone, tendon, muscle, ligament, fat, blood vessels, nerves, skin, etc.

In December 2018, the Directors and Officers of ASC resigned their positions and submitted their restricted common shares to the Transfer Agent for cancellation. An equivalent number of shares was re-issued to the nominees of American Hemp Ventures, Inc. (“the Company or AHV”). AHV was organized as the holding company to encompass the cultivation of and marketing of various Hemp products and are referred to as the Hemp business.

On February 9, 2022, the Company entered into a License Agreement with Digital Cavalier Technology Services, Inc. that allows for the Company to license, market and sell the technology of Digital Cavalier Technology Services. Digital Cavalier Technology Services is licensing its AI Personalization engine software as a service (SaaS) products and services, for e-commerce, content marketing, digital publishing, and other industries where relevant customer experience is necessary.

As a result, the Company changed its business plan and discontinued its operations in the Hemp Industry.

In October 2022, the Company filed an amendment to its Articles of Incorporation to change its name to YouneeqAI, the action was approved by the OTC Market/FINRA on March 30, 2023.

In 2023 the Company filed a registration statement to register its shares. In February 2024, the Company’s registration statement registering the shares was declared effective. In May 2024, the Company withdrew its registration statement.

**NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

These unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The basis of these unaudited financial statements is comparable for all periods presented herein.

**Management’s Representation of Interim Financial Statements**

The accompanying financial statements have been prepared by the Company without audit pursuant to the rules and regulations of the SEC. Certain information and disclosures normally included in financial statements prepared in

accordance with accounting principles generally accepted in the United States (“GAAP”) have been condensed or omitted as allowed by such rules and regulations, and management believes that the disclosures are adequate to make the information presented not misleading. These unaudited financial statements include all of the adjustments, which in the opinion of management are necessary to a fair presentation of financial position and results of operations. All such adjustments are of a normal and recurring nature. Interim results are not necessarily indicative of results for a full year.

### **Use of Estimates**

The preparation of the unaudited financial statements to be in conformity with U.S. GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Management is also responsible for disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period.

Actual results could differ from those estimates.

### **Revenue Recognition**

The Company adopted Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customers (Topic 606). The Company recognizes revenues, net of sales incentives and sales returns, including shipping and handling charges billed to customers, upon delivery of goods to the customer—at which time the Company’s performance obligation is satisfied—at an amount that the Company expects to be entitled to in exchange for those goods in accordance with the five-step analysis outlined in Topic 606: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations, and (v) recognize revenue when (or as) performance obligations are satisfied.

### **Cash and Cash Equivalents**

The Company’s cash and cash equivalents are maintained with recognized financial institutions located in the United States. The Company considers all highly liquid investments with a maturity date of less than 90 days or less to be cash equivalents. In the normal course of business, the Company may carry balances with certain financial institutions that exceed federally insured limits. The Company has not experienced losses on balances in excess of such limits and management believes the Company is not exposed to significant risks in that regard.

### **Fair Value of Financial Instruments and Derivative Financial Instruments**

The Company’s financial instruments include cash and cash equivalents, notes receivable, and notes payable. All instruments are accounted for on a historical cost basis, which, due to the short maturity of these financial instruments, approximates fair value at March 31, 2024 and December 31, 2023. The Company did not engage in any transaction involving derivative instruments.

On August 31, 2023, the Company entered into an Exclusive Rights Agreement with RC365 Holdings PLC, granting them rights to sell, distribute and market the Company’s intellectual property in the United Kingdom. As consideration for such rights, RC365 Holdings has agreed to issue up to a total of 6,000,000 shares of their publicly traded common stock to the Company. The first tranche of 3,000,000 shares were received prior to September 30, 2023, and the second tranche to be received in February 2024. The fair value of investments in marketable securities is determined by the most recently traded price of the security at the time of issuance.

On August 30, 2023, the Company entered into a Share Purchase Agreement with a third party, FNB Enterprises, LTD. FNB Enterprises agreed to purchase the 3,000,000 shares of RC365 Holdings PLC for a purchase price of £0.10 per share. At September 30, 2023, the Company recorded a receivable for the purchase price of the share at approximately, \$0.12 per share for a total of \$731,964, that was determined to be uncollectable and was written to bad debt expense. In February 2024, the Company agreed to accept a payment of \$100,000 payment from FNB against the \$384,000 to be paid on February 13, 2024. During the three months ended March 31, 2024, the Company received payments totaling \$117,760.

## **Federal Income Taxes**

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has adopted ASC 740.10.05 "Accounting for Income Taxes" as of its inception. Pursuant to ASC 740.10.05, the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefits of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward to future years.

The U. S. Tax Act known as Tax Cuts and Jobs Act (the "2018 Act") signed on December 22, 2018 may have changed the consequences to U. S. shareholders that own, or are considered to own, as a result of the attribution rules, 10% or more of the voting power or value of a non-U. S. corporation (a "10% U.S. shareholder) under the U.S. Federal income tax law applicable to owners of U.S. controlled foreign corporations ("CFCs"). We did not believe any of our shareholders, or our subsidiaries were CFCs, and there will be no such impact on the Company for the year ended December 31, 2023.

## **Earnings Per Share**

Earnings per share is provided in accordance with FASB ASC 260-10, "Earnings per Share". Basic earnings per common share ("EPS") are computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net income by the weighted average shares outstanding, assuming all dilutive potential common shares were issued, unless doing so is anti-dilutive.

## **Dividends**

The Company did not adopt any policy regarding payment of dividends. No dividends were paid during the three months ended March 31, 2024, and 2023.

## **stock-Based Compensation**

ASC 718-10 requires measurement of the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). Incremental compensation costs arising from subsequent modifications of awards, after the grant date, must be recognized.

## **NOTE 3 - RECENTLY ISSUED ACCOUNTING STANDARDS**

Recent accounting pronouncements that the Company has adopted or that will be required to adopt in the future are summarized below.

The Company has reviewed and implemented all new accounting pronouncements issued in the three months ended March 31, 2024 that may have a future impact on its unaudited financial statements.

## **NOTE 4 - GOING CONCERN**

The unaudited financial statements are prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit of \$76,173,190 at March 31, 2024 and recognized a net loss of \$8,000,272 and \$175,956 for the three months ended March 31, 2024 and 2023.

The Company is required to make monthly payments under the License Agreement with Digital Cavalier Technology Services of \$40,000 per month, ending in March 2026. At March 31, 2024, the Company is in arrears on these payments.

The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing to provide continuation of the Company's operations. In order for the Company to meet its liabilities as they come due

and to continue its operations, the Company is solely dependent upon its ability to generate such financing. The Company is actively seeking financing to fully execute the next phase of the Company's growth initiatives. Any capital raised will be through either a private placement or a convertible debenture and will result in the issuance of common shares from the Company's authorized capital. The Company believes it can satisfy minimum cash requirements for the next twelve months with either an equity financing, convertible debenture or if needed, loans from shareholders.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these unaudited financial statements. The Company has experienced recurring losses that raise substantial doubt about its ability to continue as a going concern.

The unaudited 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.

#### **NOTE 5 – FNB ENTERPRISES RECEIVABLE**

##### *Share Purchase Agreement – FNB Enterprises, LTD*

On August 30, 2023, FNB Enterprises, LTD ("FNB Enterprises"), an unrelated third party, entered into a legally binding Share Purchase Agreement with the Company to purchase up to 6,000,000 shares of RC 365 Holdings common stock held by the Company for a price of £0.20 per share. FNB Enterprises has a right to purchase the RC365 Holdings common shares in increments, though the purchase is never to exceed 3% of the total issued and outstanding common shares of RC365 Holdings. Purchases are made at the discretion of FNB Enterprises. FNB Enterprises is not a related party to the Company or RC365 Holdings.

The Share Purchase Agreement did not originally provide for any changes in purchase price, the Company and FNB Enterprises would have to renegotiate the purchase price in the in the case of market fluctuations, as to be determined by them. The Share Purchase Agreement did not have a set termination date, other than the sale of all 6,000,000 shares. It was subsequently amended to set delivery of the remaining 3,000,000 shares to February 28,2024. On March 8, 2024, the License Agreement with RC365 Holdings was amended to defer any further compensation under the License Agreement to no later than October 15,2024.

On November 16, 2023, FNB Enterprises and the Company entered into an Amendment to the Share Purchase Agreement. The Amendment provides for the following:

1. The purchase price of the shares was reduced to £0.10 pence per share;
2. 3,000,000 shares are to be purchased and paid for by February 13, 2024, with a purchase price of \$384,000;
3. The next increment of shares is to be purchased on or before February 28, 2024; and
4. The remaining increments are to be purchased by April 30, 2024.
5. The initial purchase of 3,000,000 shares for 10 pence per share purchased on or before February 13, 2024, or the Share Purchase Agreement shall expire without notice.
6. For the balance of 3,000,000 shares, the first increment thereof must be purchased on or before February 13, 2024, or the Share Purchase Agreement shall expire without notice.
7. Any remaining balance of the shares shall be purchased in full on or before April 30, 2024, or the Share

Purchase Agreement expires without notice, or further remedy.

On September 30, 2023, the purchase of the 3,000,000 shares of RC 365 Holdings was initiated. As a result, the Company on September 30, 2023, transferred 3,000,000 shares were transferred to FNB Enterprises on September 30, 2023. Even though the Share Purchase Agreement provided for delivery of payment for delivery of shares, the Company was induced to transfer the shares without payment on the promise of facilitation of early payment, which did not happen. Payment for the shares was originally delayed, as there was a start to renegotiate the purchase price.

The RC 365 Holding initial 3,000,000 shares were booked at their fair market value of \$2,925,364 or \$0.98 per share (£0.20). At September 30, 2023, the Company recognized the sale of the 3,000,000 shares of RC 365 Holdings as a receivable based upon the funds to be delivered at September 30, 2023 of \$731,964, pursuant to the purchase price set in the Share Purchase Agreement of £0.20 or \$0.24 per share, a discount of \$0.73 per share. As a result, the Company at that time recognized a \$2,193,405 loss on the value of the shares of RC365.

Under the Share Purchase Agreement dated August 30, 2023, the Company sold pursuant to the Purchase Agreement up to 3,000,000 shares to FNB Enterprises owned by the Company for an agreed price of £0.20. The Company originally booked this sale of the shares at the quoted market value based upon the quote for RC365 Holdings on the London Stock Exchange as of the date of the rights agreement, (\$2,925,369). The shares when issued were issued with a restricted legend, limiting the Company's ability to liquidate the shares on the London Stock Exchange for a period of time. The purchase price was subsequently renegotiated and, in an Amendment, dated November 16, 2023, due to market conditions to £0.10 per share for approximately \$348,000 or \$0.11 per share. The price is not reflective of the currency exchange rate at the time of sale of \$0.12 per share or \$384,000.

At September 30, 2023, the Company reviewed the receivable for collectability and determined that collectability of the receivable was not reasonably possible based upon the following:

- the unsecured nature of the receivable;
- management has determined that payment was high speculative and not assured, as it does not have financial information on the purchaser;
- the purchaser has refused to provide the Company with information to determine collectability; and
- the shares have been transferred and delivered to FNB Enterprises and if the purchaser should default on payment, the Company's only remedies are to demand the shares be returned and if not returned pursue litigation outside of the United States, which could be costly and time consuming, with no assurance of recovery of the shares, which could have little to no value to the Company's liquidity.

As such the Company has created an allowance for the receivable of \$731,964 and recognized a corresponding bad debt expense of \$731,964 for the year ended December 31, 2023.

During March 2024, payments total of \$117,760 were received. At March 31, 2024, \$230,240 was still owed. In March 2024, the Company and FNB signed an extension that extended payment to June 30, 2024.

## **NOTE 5 – INVESTMENT IN MARKETABLE SECURITIES**

### *RC365 Holdings, PLC Shares – Exclusive Rights Agreement*

On August 31, 2023, the Company entered into an Exclusive Rights Agreement (“Rights Agreement”) with RC365 Holdings PLC (“RC365 Holdings”) granting it the right to sell, distribute and market the intellectual property of the Company in the United Kingdom, subject to terms and conditions of the Rights Agreement. RC365 Holdings, the Grantee, shall have the right of first refusal to purchase any additional territories, at a price and terms no less favorable than any offer received by the Company from a third party in connection with any such territory. Any such purchase of additional territories shall be subject to mutual written agreement between the parties, except as expressly permitted in the Rights Agreement. RC365 Holding's rights and obligations under the Rights Agreement are non-sublicensable.

The Company shall receive 1% of all gross revenue (excluding VAT and any other taxes required to be deducted in

any part of the Territory) generated and received by the Grantee from the use of our Platform, by the Grantee and any Customers. The term of the Rights Agreement is 10 years, with automatic renewals, assuming compliance with the terms of the Agreement, of subsequent 5-year terms.

As consideration of the granting of the rights, RSC365 Holdings has issued a total of 3,000,000 common shares to the Company, with an additional 3,000,000 shares to be delivered on or before February 29, 2024.

RC365 Holdings shares traded on the London Stock Market Exchange Main Market under the symbol “RCGH.L” and as such the closing market price converted to US Dollars has been used to value the shares at the date of issuance and on September 30, 2023, as follows:

	Number of Shares	Price Per Share (Pounds Sterling)	Price Per Share (US \$)	Total Value of Shares (US\$)
August 31, 2023	3,000,000	£ 0.77	\$ 0.975123	\$ 2,925,369
September 30, 2023	3,000,000	£ 0.20	\$ 0.243988	\$ 731,964

During the year ended December 31, 2023, the Company recognized a loss on marketable investment securities of \$2,193,405.

On August 30, 2023, FNB Enterprises entered into a Share Purchase Agreement with the Company to purchase up to 6,000,000 shares of the common stock RC 365 Holdings held by the Company for a price of £0.20 per share. FNB Enterprises has a right to purchase RC365 Holdings common shares in increments, though the purchase is never to exceed 3% of the total issued and outstanding common shares of RC365 Holdings.

As result, the Company at September 30, 2023 no longer recognized the RC365 Holdings shares as investment, rather it was reclassified and recognized as a receivable owed to the Company by FNB Enterprises.

As at March 31, 2024, the remaining 3,000,000 shares of RC365 Holdings due to the company have not been issued or received. On March 8, 2024, the License Agreement with RC365 Holdings was amended to defer any further compensation under the License Agreement to no later than October 15, 2024.

## NOTE 6 – LICENSE AGREEMENT

On February 9, 2022, the Company entered into a License Agreement with Digital Cavalier Technology Services, Inc. (“Digital Cavalier”) that allows for the Company to license, market and sell the technology of Digital Cavalier Services. Digital Cavalier is licensing its AI Personalization engine software as a service (SaaS) products and services, for e-commerce, content marketing, digital publishing, and other industries where relevant customer experience is necessary.

As part of the Agreement, the Company has agreed to pay a total of \$1,000,000 at a rate of \$40,000 per month for 25 months and has agreed to issue shares of a class of preferred stock to the Digital Cavalier Services. In addition, the Company has agreed to pay a monthly license fee of 5% of the monthly gross revenues.

The Agreement has a term of 25 months and automatically renews for 24-month periods as long as the License Agreement is in good standing.

At December 31, 2022, the Company made monthly payments totaling \$110,000 under the License Agreement and was issued 3,000 shares of Series A Preferred Stock valued at par value of \$0.001 per share. As a result of the issuance Digital Cavalier became a majority shareholder of the Company. Accordingly, the Company has recorded the value of the license at its historical value, the market value of the 30,000,000 shares of common stock underlying the Series A Preferred Stock. At the time of issuance, the common shares were trading at \$1.00 per share for \$30,000,000. The License at the time of the valuation had a value of \$31,000,003. As a result, the Company recorded an intangible asset of \$1,000,000 and a corresponding liability for the License in the amount of \$30,000,001. At March 31, 2024, the Company owes a total of \$585,700 all current and in arrears.

In February 2023, the License was extended for another 24 months, conditional upon an effective Registration Statement registering the shares of the Company held by Digital Cavalier Technology Services, that the license shall be cancellable by Digital Cavalier Technology Services if the Company fails to commercialize the technology. In February 2024, the Company’s registration statement registering the shares was declared effective. In May 2024, with the agreement of Digital Cavalier Technology Services, the Company withdrew its registration statement.

At December 31, 2022, the Company performed an impairment review of the License and determined that as no revenue had been generated, an impairment was necessary. After performance of a discounted cash flow analysis, the carrying value of license was impaired to \$1,000,000. The Company recognized an impairment of \$30,000,000 during the year ended December 31, 2022.

#### NOTE 7 – ACCRUED EXPENSES

At March 31, 2024 and December 31, 2023 Accrued Expenses consist of:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Accrued Managerial Fees	\$ 15,000	\$ —
Accrued Litigation Settlement	40,000	—
<b>Total</b>	<b><u>\$ 55,000</u></b>	<b><u>\$ —</u></b>

#### NOTE 8 - RELATED PARTY TRANSACTIONS

##### *Digital Cavalier License*

On February 9, 2022, the Company entered into a License Agreement with Digital Cavalier Services, Inc. that allows for the Company to license, market and sell the technology of Digital Cavalier Services. Digital Cavalier Services is licensing its AI Personalization engine software as a service (SaaS) products and services, for e-commerce, content marketing, digital publishing, and other industries where relevant customer experience is necessary.

As part of the Agreement, the Company has agreed to pay a total of \$1,000,000 at a rate of \$40,000 per month for 25 months and has agreed to issue shares of a class of preferred stock to be created to the Digital Cavalier Services. In addition, the Company has agreed to pay a monthly license fee of 5% of the monthly gross revenues.

The Agreement has a term of 25 months and automatically renews for 24-month periods as long as the License Agreement is in good standing.

In February 2023, the License was extended for another 24 months, conditional upon an effective Registration Statement registering the shares held by Digital Cavalier Technology Services, that the license shall be cancellable by Digital Cavalier Technology Services if the Company fails to commercialize the technology.

As a result, the Company recorded an intangible asset of \$1,000,000 and a corresponding liability for the License in the amount of \$30,000,001.

##### *Line of Credit*

In May 2022, the Company entered into a Line of Credit Promissory Note with a Mr. Thomas Yang, in exchange for advancing funds to support ongoing operations and the Company’s efforts to file a Registration Statement on Form S-1 with the U.S. Securities and Exchange Commission. The Promissory Note bears interest at 12% per annum, with interest-only payments to be made on a monthly basis. The Line of Credit Promissory Note and any accrued and unpaid interest is convertible into shares of the Company’s restricted common stock at \$0.05 per share.

The Line of Credit further provides that if the Company or Digital Cavalier terminates the License Agreement, 2,500 of the Series A Preferred Shares held by Digital Cavalier will be transferred to Mr. Yang and all amounts due under the Line of Credit Promissory Note will remain due in full.



On February 29, 2024, Mr. Yang converted the outstanding balance on the Line of Credit Promissory Note and all accrued but unpaid interest into shares of common stock and the Line of Credit Promissory Note was considered paid in full.

#### *Advances Payable*

In January 2024, Mr. Yang advanced the Company funds of \$100,000, with a month interest payment of \$1,500. The funds were used to support the completion of the Company's annual audit. The funds are due in full during the quarter ended June 30, 2024. During the three months ended March 31, 2024, the Company paid \$3,000 in interest.

#### *General Service Agreements*

On March 1, 2024, the Company entered into a General Services Agreement with its Chief Executive Officer, Murray Galbraith. The General Service Agreement has a term of 3 years, expiring on February 27, 2027. Starting March 1, 2024, Mr. Galbraith is to receive a monthly gross fee of \$7,500 and is eligible at the determination of the Board of Directors to receive stock options under the Company's 2024 Equity Incentive Plan. A compensation review is to be performed by the Board of Directors in October 2024 and thereafter annually, a month after year-end. Additionally, Mr. Galbraith will receive a bonus of \$50,000 upon the successful uplisting of the Company's publicly traded common stock from the OTC Pink Sheets to the OTC QB and the completion of a public offering of at least \$10 Million.

On March 1, 2024, the Company entered into a General Services Agreement with Calderan Ventures, Ltd. ("Calderan Ventures") an entity owned by our director, James Romano. The General Service Agreement has a term of 3 years, expiring on February 27, 2027. Starting March 1, 2024, Calderan Ventures is to receive a monthly gross fee of \$7,500 and is eligible at the determination of the Board of Directors to receive stock options under the Company's 2024 Equity Incentive Plan. A compensation review is to be performed by the Board of Directors in October 2024 and thereafter annually, a month after the year end. Additionally, Calderan Ventures Ltd. will receive a bonus of \$50,000 upon the successful uplisting of the Company's publicly traded common stock from the OTC Pink Sheets to the OTC QB and the completion of a public offering of at least \$10 Million.

Both Agreements provide for termination by either party. If the Company terminates the agreement without cause before the completion of the term of the Agreement the following compensation shall be payable by the Company

- before the completion of twelve months, six months compensation;
- after the completion of twelve months but before the completion of twenty-four months, eighteen months compensation; and
- after the completion of twenty-four months, but before the completion of thirty-six months, then twenty-four months compensation.

If the Company is party to a takeover or business merger within twelve months of the commencement of the General Service Agreements and the General Service Agreements are terminated, the full compensation under the remaining terms shall be payable by the Company.

#### **NOTE 9 – NOTES PAYABLE – PPP LOAN**

On April 24, 2020, the Company obtained a small business loan under the Paycheck Protection Program of the Cares Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") in amount the amount of \$199,920.

The loan bears interest at 1% per annum. Interest and Principal payments are deferred for a period of 6 months. Should the loan not be forgiven, payment of principal and interest would be due in 2 years, unless the lender and the Company agree to extend the term to 5 years.

Provided that the Company has used at least 60% of the loan proceeds for payroll expenses over an 8-week period, the loan will be converted to a "grant" and under Section 1106 (i) of the Cares Act and the amount forgiven shall be excluded from gross revenues for tax purposes. The Company is preparing the information for submission for forgiveness.



## NOTE 10 – CONTINGENT LIABILITIES

### Litigation

In the ordinary course of its business, the Company is concerned in various legal proceedings involving a variety of matters. The Company does not believe there are any pending legal proceedings that will have a material adverse effect on the Company's business, unaudited financial position, results of operations, or cash flows. However, the outcome of such legal matters is inherently unpredictable and subject to significant uncertainties. The Company expenses legal fees in the period in which they are incurred.

On April 6, 2024, a former officer and director of the Company filed suit against the Company and Mr. Tom Yang, a shareholder and debt holder of the Company in the District Court of Douglas County, State of Colorado. The plaintiff is suing for payment by the Company of \$40,235 in fees for services. The Company has entered into settlement negotiations and has recognized an accrual for the liability at March 31, 2024.

### *General Service Agreements*

On March 1, 2024, the Company entered into a General Services Agreement with its Chief Executive Officer, Murray Galbraith. The General Service Agreement has a term of 3 years, expiring on February 27, 2027. Starting March 1, 2024, Mr. Galbraith is to receive a monthly gross fee of \$7,500 and is eligible at the determination of the Board of Directors to receive stock options under the Company's 2024 Equity Incentive Plan. A compensation review is to be performed by the Board of Directors in October 2024 and thereafter annually, a month after year-end. Additionally, Mr. Galbraith will receive a bonus of \$50,000 upon the successful uplisting of the Company's publicly traded common stock from the OTC Pink Sheets to the OTC QB and the completion of a public offering of at least \$10 Million.

On March 1, 2024, the Company entered into a General Services Agreement with Calderan Ventures, Ltd, ("Calderan Ventures") an entity owned by our director, James Romano. The General Service Agreement has a term of 3 years, expiring on February 27, 2027. Starting March 1, 2024, Calderan Ventures is to receive a monthly gross fee of \$7,500 and is eligible at the determination of the Board of Directors to receive stock options under the Company's 2024 Equity Incentive Plan. A compensation review is to be performed by the Board of Directors in October 2024 and thereafter annually, a month after the year end. Additionally, Calderan Ventures Ltd. will receive a bonus of \$50,000 upon the successful uplisting of the Company's publicly traded common stock from the OTC Pink Sheets to the OTC QB and the completion of a public offering of at least \$10 Million.

Both Agreements provide for termination by either party. If the Company terminates the agreement without cause before the completion of the term of the Agreement the following compensation shall be payable by the Company

- before the completion of twelve months, six months compensation;
- after the completion of twelve months but before the completion of twenty-four months, eighteen months compensation; and
- after the completion of twenty-four months, but before the completion of thirty-six months, then twenty-four months compensation.

If the Company is party to a takeover or business merger within twelve months of the commencement of the General Service Agreements and the General Service Agreements are terminated, the full compensation under the remaining terms shall be payable by the Company.

## **NOTE 11 - STOCKHOLDERS' DEFICIT**

### **Common Stock**

At March 31, 2024, the Company had 103,613,933 shares of common stock issued and outstanding.

On February 15, 2024, the Company issued a total of 36,150,000 shares of its restricted common stock in connection with a series of consulting agreements that were entered into for services to be provided to the Company in connection with uplisting its publicly traded common stock and organizing a public financing. The shares were valued at \$0.10 per share or \$3,615,000. The consulting agreements terminate at the option of the consultants.

On February 15, 2024, Mr. Yang converted the remaining balance of \$66,797 on the Line of Credit Promissory Note into 1,335,946 shares of the Company's restricted common stock, at a price of \$0.05 per share. The Line of Credit was considered to be paid in full at that time.

On March 14, 2024, the Company entered into a consulting agreement with a shareholder of the Company. The Consulting Agreement may be terminated at any time by either party. The Consulting Agreement provides for compensation of 6,000,000 shares of the Company's registered common stock and is valued at a price of \$0.35 per share or \$2,100,000.

On March 15, 2024, the Company entered into Stock Subscription Agreements, with unrelated third parties for the sale of 1,000,000 shares of its restricted common stock in exchange for \$150,000 cash or \$0.15 per share.

On March 15, 2024, the Company entered into a consulting agreement with an existing consultant for business services. The consulting agreement provides for compensation of 4,000,000 shares of common stock in addition to the 3,000,000 shares issued on February 15, 2024. The 4,000,000 shares are valued at a price of \$0.35 per share or \$1,400,000.

During the three months ended March 31, 2023, Digital Cavalier Technology Services Ltd., a controlling majority shareholder, converted a total of 2,000 shares of Series A Preferred stock into 20,000,000 shares of the Company's restricted common stock.

During the three months ended March 31, 2023, a former director of the Company converted 285 shares of Series A Preferred stock into 2,850,000 shares to the Company's restricted common stock.

### **Preferred Shares**

In August 2022, the Company's shareholders and Board of Directors created a class of Series A Preferred Shares with a par value of \$0.001 per share. The Series A Preferred Shares are convertible into shares of the Company's common stock at a rate of 1 Series A Preferred Shares into 10,000 shares of Common Stock. The shares of Series A Preferred having voting rights equal to 1 share of Preferred is equal to 10,000 shares of common stock.

At March 31, 2024 the Company had 1,155 shares of Series A Preferred Shares issued and outstanding.

During the three months ended March 31, 2023, Digital Cavalier Technology Service Ltd., a controlling majority shareholder, converted a total of 2,000 shares of Series A Preferred stock into 20,000,000 shares of the Company's restricted common stock.

During the three months ended, a former director of the Company converted 285 shares of Series A Preferred stock into 2,850,000 shares to the Company's restricted common stock.

### **2024 Equity Incentive Plan**

On March 1, 2024, the Company's Board of Directors approved the 2024 Equity Incentive Plan ("2024 Equity Incentive Plan" or the "2024 Plan"). The 2024 Equity Incentive Plan reserves no more than 10,000,000 shares of the

Company's common stock to be issued under the 2024 Plan. The 2024 Equity Incentive Plan provides for issuance of options to officers, directors, employees and consultants.

The Board of Directors is authorized to set terms of options to be issued as to the number of shares, vesting terms and expiration dates. Options issued under the Plan are to be issued with an exercise price that is 100% the fair market value of the common stock on the grant date.

During the three months ended March 31, 2024, the Company has issued options exercisable for 4,400,000 shares, leaving 5,600,000 shares reserved under the 2024 Plan.

During the three months ended March 31, 2024, the Company activity under the 2024 Plan was as follows:

	<b>Options</b>	<b>Weighted Average Exercise Price</b>	<b>Weighted Average Remaining Life</b>
<b>Outstanding at December 31, 2023</b>	—	\$ —	—
Granted	4,400,000	0.11	2.55
Exercised	—	—	—
Expired	—	—	—
<b>Outstanding at March 31, 2024</b>	<b>4,400,000</b>	<b>\$ 0.20</b>	<b>4.74</b>

During the three months ended March 31, 2024, stock-based compensation expense amounted to approximately \$432,625, which is included in the statement of operations, and is based on awards vesting terms. As a result the Company does not have any unrecognized stock compensation relating to issued stock options at March 31, 2024.

The Company uses the Black-Scholes option-pricing model to value option grants on the date of grant and to determine the related compensation expense. The assumptions used in calculating the fair value of stock-based payment awards represent management's best estimations. The Company bases its expected volatility on the volatility of the trading of its publicly traded stock. The risk-free interest rate used for each grant is equal to the U.S. Treasury yield curve in effect at the time of grant for instruments with a similar expected life. The expected term has been determined using the simplified method as set forth in SAB No. 14 Share Based Payments as there is no historical activity to reference. The expected dividend yield assumption is based on the Company's history and expectation of dividend payouts. In determining the exercise prices for options granted, the Company has considered the fair value of the common stock as of the measurement date, using the closing market price of its common stock traded on the OTC Pink Sheets.

The Company recognizes and accounts for forfeitures at the time they occur and does not accrue for forfeitures, as it does not have historical activity of forfeitures to base an estimate on.

On March 1, 2024, the Company issued stock option agreements to Mr. Galbraith (an officer and director) and to Calderan Ventures Ltd. (of which Mr. James Romano, a director of the Company) for 2,000,000 shares each. The options are fully vested upon issuance and have an exercise price of \$0.20 per share and an expiration date of February 28, 2029.

On March 1, 2024, the Company issued a stock option agreement to a consultant for 400,000 shares of common stock. The option is fully vested upon issuance and has an exercise price of \$0.20 per share and an expiration date of February 28, 2027.

## **NOTE 12 - SUBSEQUENT EVENTS**

In accordance with ASC 855-10, the Company has analyzed its operations through the date, these unaudited financial statements were available to be issued, May 22, 2024, and has determined that there were no other significant subsequent events or transactions that would require recognition or disclosure in the unaudited financial statements for the three months ended March 31, 2024, other than as follows.

During the three months ended March 31, 2024, a former officer and director of the Company claimed \$40,235 from the Company in unpaid fees for services rendered, and on April 6, 2024, instituted a claim against the Company and a shareholder and creditor, Mr. Thomas Yang, in the District Court of Douglas County, State of Colorado for the payment of this amount and accrued interest. The Company provided \$40,000 against this claim in the three months ended March 31, 2024 and entered into settlement negotiations with the former officer and director. On May 15, 2024, the Company paid the former officer and director of the Company \$ 43,746 in full and final settlement of all claims against the Company.