

Right On Brands, Inc.

6501 Dalrock Road, Suite 100
Rowlett, TX 75089

214-299-9528
<https://www.righonbrands.com/>

Quarterly Report

For the period ending June 30, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

31,498,064 as of June 30, 2024 (Current Reporting Period Date or More Recent Date)

31,498,064 as of March 31, 2024 (Most Recent Completed Fiscal Year End)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, 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 Control⁴ of the company has occurred during this reporting period:

Yes: No:

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

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

Right On Brands, Inc. – Since August 10, 2017
HealthTalk Live, Inc. – from April 1, 2011 to August 9, 2017

Current State and Date of Incorporation or Registration: Nevada – April 1, 2011
Standing in this jurisdiction: (e.g. active, default, inactive): Active

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

None

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

None

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

None

Address of the issuer's principal executive office:

6501 Dalrock Road, Suite 100
Rowlett, TX 75089

Address of the issuer's principal place of business:

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

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

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

2) Security Information

Transfer Agent

Name: Globex Transfer, LLC
Phone: +1 813-344-4490
Email: mt@globextransfer.com
Address: 780 Deltona Blvd., Suite 202 Deltona, FL 32725

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:	RTON	
Exact title and class of securities outstanding:	Common	
CUSIP:	-	
Par or stated value:	\$0.001	
Total shares authorized:	100,000,000	as of date: June 30, 2024
Total shares outstanding:	31,498,064	as of date: June 30, 2024
Total number of shareholders of record:	125	as of date: June 30, 2024

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

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of securities outstanding:	Series A Preferred Stock	
Par or stated value:	\$0.001	
Total shares authorized:	10,000,000	as of date: June 30, 2024
Total shares outstanding:	5,000,000	as of date: June 30, 2024
Total number of shareholders of record:	1	as of date: June 30, 2024

Security Description:

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

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

Holders of shares of common stock have the right to vote on matters brought before the shareholders as required by law, right to receive dividends as determined by the board of directors, and no pre-emptive rights.

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

Series A Preferred Stock

5,000,000 shares of the Company's preferred stock have been designated as "Series A Preferred Stock." Shares of Series A Preferred Stock rank pari passu with the Company's Common Stock with respect to dividend and liquidation rights. Additionally, the Series A Preferred Stock, as a whole, have the right to cast a total of 50% plus one votes on all matters submitted to a shareholder vote

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

None

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.

None

3) Issuance History

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

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

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

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

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

Shares Outstanding as of Second Most Recent Fiscal Year End:									
Date:		March 31, 2022							
Common:		23,699,207							
Preferred A:		5,000,000							
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?

6/22/2022	New	5,600	Common	\$ 0.001	Yes	Ashok Patel	Issuance of Common Stock Payable	Restricted	4(a)(1)
2/11/2023	New	800,000	Common	\$ 0.001	Yes	GCEF opportunity Fund LLC (George Castillo)	Private Placement	Restricted	4(a)(1)
2/11/2023	New	1,000,000	Common	\$ 0.001	Yes	GCEF opportunity Fund LLC (George Castillo)	Private Placement	Restricted	4(a)(1)
3/31/2023	New	605,714	Common	\$ 0.001	Yes	Power Up Lending Group Ltd. (Curt Kramer)	Conversion of Liabilities	Restricted	4(a)(1)
3/31/2023	New	(612,457)	Common	\$ 0.001	No	Crown Bridge Partners LLC (Sepas Ahdoot)	Prior Period Adjustment to Correct Error	Restricted	4(a)(1)
1/1/2024	New	1,000,000	Common	\$ 0.010	No	Herbal Buds (Rexhino Hoxha)	Inventory Purchase	Restricted	4(a)(1)
1/1/2024	New	2,500,000	Common	\$ 0.010	No	Michael Brown	Compensation	Restricted	4(a)(1)
1/1/2024	New	2,500,000	Common	\$ 0.010	No	Christine Guthrie	Compensation	Restricted	4(a)(1)
Number of shares outstanding as of June 30, 2024									
Common:			31,498,064						
Preferred A:			5,000,000						

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

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	Reason for Issuance (e.g. Loan, Services, etc.)
9/5/2023	\$ 65,000	\$ 65,000	\$ 7,980	12/5/2023	\$0.025/Share	La Dolce Vita Trust	Loan
7/7/2016	\$ 25,000	\$ 25,000	\$ 11,463	9/30/2019	\$25.00/Share	Crackerjack	Loan
2/16/2021	\$ 140,000	\$ 140,000	\$ 26,341	8/16/2021	\$3.75/Share	Uri Moyal	Loan
2/17/2023	\$ 17,051	\$ 17,051	\$ 1,340	8/20/2023	\$0.025/Share	Christine Guthrie	Loan
10/16/2023	\$ 45,000	\$ 11,295	\$ 3,187	7/30/2024	61% x the lowest Trading Price of common stock during the prior 10 trading days	1800 Diagonal Lending LLC	Loan

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. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

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

The Company's primary business is the sale of health and wellness products.

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

Right on Brands, Inc. – Holding/Parent Co.
Endo Brands, Inc.
Humble Water Company
California Best Product, Inc.
Endo & Centre Venture, LLC (51% Owner)
Spring Hill Water Company, LLC (49% Owner)

C. Describe the issuers' principal products or services.

The Company offers health and wellness products, focused in the hemp marketplace, through online and in-person retail sales

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company leases a facility in Rowlett, TX for its operations The company has approximately 1 year remaining on a 4 year lease at approximately \$2,200 per month.

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

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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

Name of Officer/Director or 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
Texas Endo Hemp Farmers, Inc.	Owner of More than 5%	Rowlett, TX	-	5,000,000	Common Shares Series A Preferred	0% 100%	Owned By Michael Brown and Alexis Bartleet
Michael Brown	Director	Rowlett, TX	2,500,000	2,500,000	Common Shares	8%	-
Christine Guthrie	Owner of More than 5%	Rowlett, TX	2,500,000	2,500,000	Common Shares	8%	-
Roy Hammonds	CEO	Rowlett, TX	-	-	Common Shares	0%	-
Jerry Grisaffi	CFO/Director	Rowlett, TX	320,000	320,000	Common Shares	1%	-

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.

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

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: JDT LEGAL, PLLC
Address 1: 897 W BAXTER DR.
Address 2: South Jordan, UT 84095
Phone: 801-810-4465
Email: :

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:

X (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: Doug Williams
Firm: Alexander & Williams, PLLC
Nature of Services: Consulting
Address 1: 5050 Quorum Dr. Ste 700
Address 2: Dallas, TX 75254
Email: info@aw-cpa.com

9) Disclosure & Financial Information

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

Name: Jerry Grisaffi
Title: CFO
Relationship to Issuer: CFO

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: Jerry Grisaffi
Title: CFO
Relationship to Issuer: CFO

Describe the qualifications of the person or persons who prepared the financial statements: Jerry Grisaffi has been CEO and CFO of RTON for many years and has successfully navigated the preparation of numerous audited financial statements and filings (10K, 10Q, 8k, etc.)

INDEX TO FINANCIAL STATEMENTS

- A. Consolidated Balance Sheets as of June 30, 2024 and March 31, 2024
- B. Consolidated Statements of Operations for the Periods Ended June 30, 2024 and 2023
- C. Consolidated Statements of Stockholders' Deficit for the Periods Ended June 30, 2024 and 2023
- D. Consolidated Statements of Cash Flows for the Periods Ended June 30, 2024 and 2023
- E. Notes to the Consolidated Financial Statements

The accompanying financial statements have not been audited

RIGHT ON BRANDS, INC.
UNAUDITED CONSOLIDATED BALANCE SHEETS

	<u>June 30,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>Assets</u>		
Current assets		
Cash	\$ 8,968	\$ 45,097
Prepaid expenses	-	6,825
Inventory	86,148	109,570
Other current assets	8,107	3,107
Total current assets	<u>103,223</u>	<u>164,599</u>
Non-current assets		
Right of use asset	<u>17,430</u>	<u>23,530</u>
Total non-current assets	<u>17,430</u>	<u>23,530</u>
Total assets	<u>\$ 120,653</u>	<u>\$ 188,129</u>
<u>Liabilities and Stockholders' Deficit</u>		
Current liabilities		
Accounts payable	\$ 144,889	\$ 125,956
Accrued interest payable	60,391	53,610
Accrued expenses	132,616	107,463
Advances payable	117,000	-
Unearned revenue	12,500	12,500
Lease liability, current portion	18,411	24,511
Notes payable, net of discount	226,512	226,885
Convertible debt, net of discount	254,346	273,108
Derivative liability	200,084	64,418
Total current liabilities	<u>1,166,749</u>	<u>888,451</u>
Total liabilities	<u>1,166,749</u>	<u>888,451</u>
Commitments and contingencies		
Stockholders' deficit		
Series A Preferred stock; par value \$0.001; 10,000,000 shares authorized	5,000	5,000
Common stock; par value \$0.001; 100,000,000 shares authorized	31,499	31,499
Additional paid-in capital	15,380,395	15,355,442
Common stock payable	15,000	15,000
Accumulated deficit	<u>(16,477,990)</u>	<u>(16,107,263)</u>
Total stockholders' deficit	<u>(1,046,096)</u>	<u>(700,322)</u>
Total liabilities and stockholders' deficit	<u>\$ 120,653</u>	<u>\$ 188,129</u>

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

RIGHT ON BRANDS, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the periods ended June 30,	
	2024	2023
Revenues	\$ 264,697	\$ 405,845
Cost of goods sold	153,502	186,175
Gross profit	111,195	219,670
Operating expenses		
General and administrative	232,244	198,185
Advertising and promotion	12,397	14,998
Legal and professional	54,938	19,032
Depreciation and amortization	-	1,400
Total operating expenses	299,579	233,615
Loss from operations	(188,384)	(13,945)
Other income and (expense)		
Interest expense	(6,781)	(18,332)
Amortization of debt discount	(14,943)	(6,274)
Change in fair value of derivative liability	(160,619)	153
Financing costs	-	(40,785)
Total other income (expense)	(182,343)	(65,238)
Net income (loss)	\$ (370,727)	\$ (79,183)
Income (loss) per share - basic	\$ (0.01)	\$ (0.00)
Weighted average shares outstanding - basic	31,498,064	25,498,064

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

RIGHT ON BRANDS, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

	Preferred Stock		Common Stock		Additional Paid in Capital	Common Stock Payable	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balances, March 31, 2023	5,000,000	\$ 5,000	25,498,064	\$ 25,498	\$ 15,218,684	\$ 15,000	\$ (15,761,241)	\$ (497,059)
Net income	-	-	-	-	-	-	(79,183)	(79,183)
Balances, June 30, 2023	<u>5,000,000</u>	<u>\$ 5,000</u>	<u>25,498,064</u>	<u>\$ 25,498</u>	<u>\$ 15,218,684</u>	<u>\$ 15,000</u>	<u>\$ (15,840,424)</u>	<u>\$ (576,242)</u>
Balances, March 31, 2024	5,000,000	\$ 5,000	31,498,064	\$ 31,499	\$ 15,355,442	\$ 15,000	\$ (16,107,263)	\$ (700,322)
Settlement of derivative liability	-	-	-	-	24,953	-	-	24,953
Net loss	-	-	-	-	-	-	(370,727)	(370,727)
Balances, June 30, 2024	<u>5,000,000</u>	<u>\$ 5,000</u>	<u>31,498,064</u>	<u>\$ 31,499</u>	<u>\$ 15,380,395</u>	<u>\$ 15,000</u>	<u>\$ (16,477,990)</u>	<u>\$ (1,046,096)</u>

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

RIGHT ON BRANDS, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the periods ended	
	June 30,	
	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Net income (loss)	\$ (370,727)	\$ (79,183)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	-	1,400
Amortization of debt discount	14,943	6,274
Financing costs	-	40,785
Change in fair value of derivative liability	160,619	(153)
Changes in operating assets and liabilities:		
Accounts receivable	-	(28,392)
Prepaid expenses	1,825	-
Inventory	23,422	8,717
Accounts payable	18,933	536
Accrued interest payable	6,781	17,847
Accrued expenses	25,153	3,107
NET CASH USED IN OPERATING ACTIVITIES	<u>(119,051)</u>	<u>(29,062)</u>
INVESTING ACTIVITIES		
NET CASH USED IN INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
FINANCING ACTIVITIES		
Proceeds from advances	117,000	-
Proceeds from notes payable	-	63,195
Proceeds from convertible notes payable	-	-
Repayment of notes payable	(373)	(23,602)
Repayment of convertible debt	(33,705)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>82,922</u>	<u>39,593</u>
NET INCREASE (DECREASE) IN CASH	\$ (36,129)	\$ 10,531
CASH, BEGINNING OF PERIOD	45,097	33,322
CASH, END OF PERIOD	<u>\$ 8,968</u>	<u>\$ 43,853</u>
CASH PAID FOR INCOME TAXES	<u>\$ -</u>	<u>\$ -</u>
CASH PAID FOR INTEREST	<u>\$ -</u>	<u>\$ -</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Settlement of derivative liability	\$ 24,953	\$ -
Original issuance discount on note payable	<u>\$ -</u>	<u>\$ 14,000</u>
Discount on note payable from derivative liability	<u>\$ -</u>	<u>\$ 70,000</u>
Settlement of accrued interest with notes payable	<u>\$ -</u>	<u>\$ 6,805</u>

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

RIGHT ON BRANDS, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS

Formation and Business Activity

Right on Brands, Inc. (“we” or “the Company” or “Right on Brands”) was incorporated under the laws of the State of Nevada on April 1, 2011, as HealthTalk Live, Inc. On August 10, 2017, the Company amended its articles of incorporation and changed its name to Right On Brands, Inc. On August 31, 2017, the Company common shares commenced trading under the new stock symbol RTON. The Company’s primary business is the sale of health and wellness products.

The Company has the following wholly owned subsidiaries:

- Endo Brands, Inc.
- Humble Water Company
- California Best Product, Inc.

The Company has the following partially owned subsidiaries:

- Endo & Centre Venture LLC (51% owner – no operations)
- Spring Hill Water Company, LLC (49% owner – no operations)

The Company, through its subsidiaries Humble Water Company and Endo & Centre Venture LLC, had joint ventures with no activity. The Company has discontinued these joint ventures and Humble Water Company and Endo & Centre Venture LLC contain no assets, liabilities, or operations.

On April 16, 2018, the Company entered into an operating agreement with Centre Manufacturing, Inc. (“Centre”) and agreed to form an LLC. The LLC is owned 51% by the Company and 49% owned by Centre, but all income and losses will be split evenly. The owner of Centre is the former CEO of the Company. On June 19, 2018, the Company formed a majority owned subsidiary, Endo & Centre Venture LLC. No significant activity has occurred to date. At June 30, 2024 and March 31, 2024, the Company owed Centre \$14,154, respectively, which is included in accounts payable on the accompanying condensed consolidated balance sheets.

NOTE 2 – GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. For the period ended June 30, 2024, the Company had a net loss from operations and net cash used in operating activities and a lack of profitable operational history. These matters, among others, raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to generate greater revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of additional public and/or private offerings of its stock. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements of the Company include the accounts of Right On Brands, Inc. and its wholly owned subsidiaries and majority owned business. Intercompany accounts and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company has defined cash and cash equivalents as all cash in banks and highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Company had no cash equivalents at June 30, 2024 or March 31, 2024.

The Company maintains its cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation (“FDIC”). The FDIC provides coverage of up to \$250,000 per depositor, per financial institution, for the aggregate total of depositors' interest and non-interest-bearing accounts. At June 30, 2024, none of the Company's cash balances were in excess of FDIC limits. The Company has not experienced any losses on these accounts and management does not believe that the Company is exposed to any significant risks.

Accounts Receivable

The Company performs periodic credit evaluations of its customers' financial condition and extends credit to virtually all of its customers on an uncollateralized basis. Credit losses to date have been insignificant and within management's expectations. The Company provides an allowance for doubtful accounts that is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Normal accounts receivable are due 30 to 45 days after the issuance of the invoice. Receivables past due more than 60 days are considered delinquent. Delinquent receivables are evaluated for collectability based on individual credit evaluation and specific circumstances of the customer.

Inventory

Inventories are stated at the lower of cost (average cost) or market (net realizable value). Cost includes materials related to the purchase of finished goods to be sold to retail and wholesale customers. We regularly review inventory quantities on hand, future purchase commitments with our suppliers, and the estimated utility of our inventory. If our review indicates a reduction in utility below carrying value, we reduce our inventory to a new cost basis through a charge to cost of revenue.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided by the straight-line method over the useful lives of the related assets, ranging from one to five years.

Recoverability of Long-Lived Assets

The Company's long-lived assets and other assets (consisting of property and equipment) are reviewed for impairment in accordance with the guidance of the FASB ASC 360, "Property, Plant, and Equipment," and FASB ASC 205 "Presentation of Financial Statements". The Company tests for impairment losses on long-lived assets used in operations whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Recoverability of an asset to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the asset. If such asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. Impairment evaluations involve management's estimates on asset useful lives and future cash flows. Actual useful lives and cash flows could be different from those estimated by management which could have a material effect on our reporting results and financial positions. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary. Through March 31, 2024, and 2023, the Company had not experienced impairment losses on its long-lived assets.

Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources are recorded when management assesses that it is probable that a liability has been incurred and the amount can be reasonably estimated.

Stock Based Compensation

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with FASB ASC 718, "Compensation – Stock Compensation". Costs are measured at the estimated fair value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 718, "Compensation – Stock Compensation".

Income Taxes

In accordance with FASB ASC 740, "Income Taxes," the Company provides for the recognition of deferred tax assets if realization of such assets is more likely than not. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

In addition, the Company's management performs an evaluation of all uncertain income tax positions taken or expected to be taken in the course of preparing the Company's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. This evaluation is required to be performed for all open tax years, as defined by the various statutes of limitations, for federal and state purposes. If the Company has interest or penalties associated with insufficient taxes paid, such expenses are reported in income tax expense.

Revenue Recognition

We recognize revenue when our performance obligation is satisfied. Our primary performance obligation (the distribution and sales of hemp products) is satisfied upon the shipment or delivery of products to our customers, which is also when control is transferred. The transfer of control of products to our online customers is typically based on sales terms that do not allow for a right of return after 7 days from the date of purchase. The transfer of control of products to our in-store customers is typically based on sales terms that do not allow for a right of return. Our products are sold for cash with payments received at pickup or before shipping.

Fair Value Measurement

ASC Topic 820, “Fair Value Measurement”, requires that certain financial instruments be recognized at their fair values at our balance sheet dates. However, other financial instruments, such as debt obligations, are not required to be recognized at their fair values, but Generally Accepted Accounting Principles in the United States (“GAAP”) provides an option to elect fair value accounting for these instruments. GAAP requires the disclosure of the fair values of all financial instruments, regardless of whether they are recognized at their fair values or carrying amounts in our balance sheets. For financial instruments recognized at fair value, GAAP requires the disclosure of their fair values by type of instrument, along with other information, including changes in the fair values of certain financial instruments recognized in income or other comprehensive income. For financial instruments not recognized at fair value, the disclosure of their fair values is provided below under “Financial Instruments.”

Nonfinancial assets, such as property, plant and equipment, and nonfinancial liabilities are recognized at their carrying amounts in the Company’s balance sheets. GAAP does not permit nonfinancial assets and liabilities to be remeasured at their fair values. However, GAAP requires the remeasurement of such assets and liabilities to their fair values upon the occurrence of certain events, such as the impairment of property, plant and equipment. In addition, if such an event occurs, GAAP requires the disclosure of the fair value of the asset or liability along with other information, including the gain or loss recognized in income in the period the remeasurement occurred.

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

Level 2 - Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; or

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company did not have any Level 1 or Level 2 assets and liabilities at June 30, 2024. The Derivative liabilities are Level 3 fair value measurements.

The following is a summary of activity of Level 3 liabilities during the period ended June 30, 2024:

Balance at March 31, 2024	\$ 64,418
Additions	-
Settlement	(24,953)
Change in fair value	160,619
Balance at June 30, 2024	<u>\$ 200,084</u>

The following is a summary of activity of Level 3 liabilities during the year ended June 30, 2023:

Balance at March 31, 2023	\$ -
Additions	110,785
Change in fair value	(153)
Balance at June 30, 2023	<u>\$ 110,632</u>

During prior years, the Company entered into several convertible note agreements (Note 4). These notes were convertible at a fraction of the stock closing price near the conversion date. Additionally, the conversion price, as well as other terms including interest rates, adjust if any future financings have more favorable terms. The conversion features of these notes met the definition of a derivative which therefore requires bifurcation and are accounted for as a derivative liability.

At June 30, 2024, the Company estimated the fair value of the conversion feature derivatives embedded in the convertible promissory notes based on assumptions used in the Cox-Ross-Rubinstein binomial pricing model using the following inputs: the price of the Company's common stock of \$0.08; a risk-free interest rate of 5.50%, and expected volatility of the Company's common stock of 300%, various estimated exercise prices, and terms under one year.

Financial Instruments

The Company's financial instruments include cash and cash equivalents, receivables, payables, and debt and are accounted for under the provisions of ASC Topic 825, "Financial Instruments". The carrying amount of these financial instruments, with the exception of discounted debt, as reflected in the consolidated balance sheets approximates fair value.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in convertible instruments in accordance with ASC 815 "Derivatives and Hedging Activities."

Applicable GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under other GAAP with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument.

The Company accounts for convertible instruments (when it has been determined that the embedded conversion options should not be bifurcated from their host instruments) as follows: The Company records when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption. Proceeds from these convertible notes are reported under the financing section of the statements of cash flows. Changes to the fair value of the derivative liability are reported as adjustments to reconcile net loss to net cash used in operating activities in the accompanying statement of cash flows.

Basic and Diluted Loss Per Share

Basic net loss/income per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options, warrants and convertible notes. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented.

Recently Accounting Pronouncements

During the period ended June 30, 2024, and subsequently, there were several new accounting pronouncements issued by the FASB. Each of these pronouncements, as applicable, has been or will be adopted by the Company. Management does not believe the adoption of any of these accounting pronouncements has had or will have a material impact on the Company's consolidated financial statements.

Subsequent Events

The Company has evaluated all transactions through the date the consolidated financial statements were issued for subsequent event disclosure consideration.

NOTE 4 – DEBT

Notes Payable

On November 22, 2019, the Company issued a \$50,000 promissory note to a third-party lender for a \$25,000 cash borrowing. Accordingly, a \$25,000 discount was recorded at issuance, all of which was amortized by March 31, 2020. The non-interest-bearing note is secured by inventory, matured February 20, 2020, and remained in default at June 30, 2024 and March 31, 2024.

During December 2021, the Company was listed as defendant on a complaint from Noteholder 10 seeking repayment of amounts due under a February 2020 convertible note payable. The Company has recorded all unpaid principal and interest due to Noteholder 10 through March 31, 2022. On April 15, 2022, the Company and Noteholder 10 entered into a settlement agreement whereby the Company will repay Noteholder 10 a total of \$115,000 consisting of \$25,000 paid on April 18, 2022, \$5,000 to be paid monthly from May 15, 2022 to October 15, 2022, \$6,250 to be paid monthly from November 15, 2022 to April 15, 2023, and \$7,500 to be paid monthly from May 15, 2023 to July 15, 2023. As a result of the settlement, the Company reclassified the note from convertible debt to notes payable and recorded a gain on settlement of liabilities totaling 140,297, including \$107,112 from the elimination of the derivative liability associated with the note. On June 30, 2024 and March 31, 2024, the balance of the note totaled \$60,000 and was in default.

On January 31, 2022, the Company entered into a loan agreement totaling \$73,450, consisting of cash proceeds totaling \$65,000 and loan fees totaling \$8,450. The note is to be repaid on an ongoing basis by deducting 19.75% of daily sales and applying against the loan balance. The note matures on July 1, 2023 but will be paid off during the year ending March 31, 2023, based on current daily sales. On July 21, 2022, the \$6,999 balance of the note was rolled into the July 21, 2022 note below.

On July 21, 2022, the Company entered into a note payable agreement totaling \$89,581, consisting of cash proceeds totaling \$72,101, repayment of the January 31, 2022 loan balance totaling \$6,999, and loan fees totaling \$10,481. The note is to be repaid on an ongoing basis by deducting 19.75% of daily sales and applying against the loan balance. The note matures on January 21, 2024. On June 30, 2024 and March 31, 2024, the balance of the note totaled \$46,725 and \$66,632, respectively, and was in default.

On August 4, 2022, the Company entered into a note payable agreement for \$80,000 received as advances during the three months ended June 30, 2022. The note is to be repaid in \$3,000 monthly installments beginning on September 10, 2022, with the remaining balance due at maturity on December 31, 2022. On June 30, 2024 and March 31, 2024, the balance of the note totaled \$69,786, respectively, and was in default.

Convertible Debt

At June 30, 2024, the Company's convertible debt related to the notes which can be converted are as follows:

Noteholder	Origination	Maturity	Interest rate	Fixed conversion rate	Principal balance	Debt discount	Net amount of liabilities presented
Noteholder 8	9/5/2023	12/5/2023	8.00%	\$0.025/Share	\$ 65,000	\$ -	\$ 65,000
Noteholder 9	7/7/2016	9/30/2019	6.00%	\$25.00/Share	25,000	-	25,000
Noteholder 13	2/16/2021	8/16/2021	6.00%	\$3.75/Share	140,000	-	140,000
Noteholder 16	10/16/2023	7/30/2024	10.00%	Variable	11,295	4,000	7,295
Noteholder 17	2/17/2023	8/20/2023	6.00%	\$0.025/Share	17,051	-	17,051
					<u>\$ 258,346</u>	<u>\$ 4,000</u>	<u>\$ 254,346</u>

At March 31, 2024, the Company's convertible debt related to the notes which can be converted are as follows:

Noteholder	Origination	Maturity	Interest rate	Fixed conversion rate	Principal balance	Debt discount	Net amount of liabilities presented
Noteholder 8	9/5/2023	12/5/2023	8.00%	\$0.025/Share	\$ 65,000	\$ -	\$ 65,000
Noteholder 9	7/7/2016	9/30/2019	6.00%	\$25.00/Share	25,000	-	25,000
Noteholder 13	2/16/2021	8/16/2021	6.00%	\$3.75/Share	140,000	-	140,000
Noteholder 16	10/16/2023	7/30/2024	10.00%	Variable	45,000	18,943	26,057
Noteholder 17	2/17/2023	8/20/2023	6.00%	\$0.025/Share	17,051	-	17,051
					<u>\$ 292,051</u>	<u>\$ 18,943</u>	<u>\$ 273,108</u>

The convertible debt held by noteholders 8, 9, 13 and 17 are in default at June 30, 2024 and the debt held by noteholder 16 defaulted in July 2024.

During August 2024, noteholder 8 exercised its conversion rights under the terms of the September 5, 2023, convertible note. Accordingly, the Company issued 2,786,640 shares of common stock for the conversion of \$65,000 and \$6,976 of principal and accrued interest, respectively.

Future Maturities

The Company's future maturities of notes payable and convertible debt are as follows:

Year ending	Amount
<u>March 31,</u> 2025	<u>\$ 484,858</u>

NOTE 5 – EARNINGS PER SHARE

FASB ASC 260, "Earnings Per Share," requires a reconciliation of the numerator and denominator of the basic and diluted earnings (loss) per share (EPS) computations.

Basic earnings (loss) per share are computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed similar to basic earnings per 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.

The Company had no potential additional dilutive securities outstanding at June 30, 2024 and 2023, except as follows:

	<u>June 30,</u> <u>2024</u>	<u>June 30,</u> <u>2023</u>
Preferred stock	25,000,000	25,000,000
Warrants	-	-
Options	-	-
Convertible debt	<u>3,881,476</u>	<u>720,373</u>
Total	<u><u>28,881,476</u></u>	<u><u>25,720,373</u></u>

NOTE 6 – STOCKHOLDERS’ EQUITY

During December 2022, the Company’s shareholders approved a reverse split of the Company’s common stock in the amount of 250 for 1. The reverse split was to be effective during January 2023. However, the reverse split was not approved by FINRA until fiscal 2024. As of the date of this report, FINRA has approved the reverse split and, accordingly, the effect of the reverse split has been presented in these consolidated financial statements.

Series A Preferred Stock

The Series A Preferred Stock is convertible to common stock at a rate of five shares for every share held and the holder(s) have the right to cast a total of fifty-percent (50%) plus one votes on all matters submitted to a vote of holder of the Company’s common stock. Our Series A Preferred Stock ranks equally, on an as-converted basis, to our common stock with respect to rights upon winding up, dissolution, or liquidation.

On June 6, 2019 the Board of Directors agreed to amend the certificate of designation for the Series A Preferred stock to have the right to cast a total of fifty-percent (50%) plus one vote on all matters submitted to a vote of holder of the Company’s common stock, including the election of directors, and all other matters as required by law. There is no right to cumulative voting in the election of directors. The holders of Series A Preferred Stock shall vote together with all other classes and series of common stock of the Company as a single class on all actions to be taken by the common stockholders of the Company except to the extent that voting as a separate class or series is required by law. Our Series A Preferred Stock does not have any special dividend rights.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

On April 1, 2019, the Company entered into an office and warehouse lease in Carrollton, Texas. At the inception of the lease, the Company adopted ASC 842 requiring the recording of assets and liabilities related to leases on the balance sheet. The Company records rent on straight-line basis over the terms of the underlying lease. As a result of the ongoing COVID-19 pandemic, the lease was abandoned during May 2020. The Company impaired the right-of-use asset related to the lease, resulting in a \$91,200 impairment expense for the year ended March 31, 2021. The lease states the Company is responsible for the remaining payments through March 31, 2022, totaling approximately \$87,000. Through June 30, 2024 and March 31, 2024, the Company has accrued \$87,341, respectively, of the remaining payments as accrued expenses. To date, the lessor has not demanded payment from the Company for the any unpaid amounts due under the lease.

On March 17, 2021, the Company entered into a storefront lease agreement in Rowlett, Texas. At the inception of the lease, the Company recorded a right of use asset and lease liability of \$93,000, respectively. The Company records rent on straight-line basis over the terms of the underlying lease. The lease expires in February 2025 and, as of June 30, 2024, has \$20,000 in remaining lease payments.

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, Roy Hammonds, certify that:

1. I have reviewed this Disclosure Statement for Right On Brands, 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.

October 14, 2024

/s/ Roy Hammonds

Principal Financial Officer:

I, Jerry Grisaffi, certify that:

1. I have reviewed this Disclosure Statement for Right On Brands, 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.

October 14, 2024

/s/ Jerry Grisaffi