

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

## **Vortex Brands Co.**

3511 Del Paso Rd., Ste. 160 PMB 432  
Sacramento, CA 95835

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Phone: (213) 260-0321

Website: www.vortexbrands.us

Email: info@vortexbrands.us

SIC Code: 7389

## **Quarterly Report**

**For the Period Ending: August 31, 2024**  
(the "Reporting Period")

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

2,787,750,000 as of October 14, 2024

2,667,750,000 as of February 29, 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 Control<sup>1</sup> of the company has occurred over this reporting period:

Yes:  No:

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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.

Vortex Brands Co. ("Vortex Brands", "we", "us", "our", the "Company" or the "Registrant") was originally incorporated in the State of Colorado on May 6, 2005 under the name of Global Sunrise, Inc. On January 15, 2007 the Company changed its name to Zulu Energy Corp. On May 29, 2014, the Company changed its name to Vortex Brands Co. The Company trades on OTC Pink Markets under the symbol "VTXB".

Current State and Date of Incorporation or Registration: Colorado – May 6, 2005

Standing in this jurisdiction: (e.g. active, default, inactive): Active

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

In addition to the history stated above, Vortex Brands Co. has Amended and Restated Articles of Incorporation on 01/29/2019, 02/01/2022, 12/07/2022, and an Articles Amendment on 03/29/2023, as available publicly via the Colorado Secretary of State.

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

After the end of the quarter covered in this filing, on September 20, 2024, Vortex Brands Co. filed a corporate action with FINRA on the declaration of a cash in the amount \$0.000001 per share to be paid on January 15, 2025, to the Common Stockholders on the record date of October 31, 2024.

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

3511 Del Paso Rd., Ste. 160 PMB 432, Sacramento, CA 95835

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

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

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

Yes:  No:

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

**2) Security Information**

Transfer Agent

Name: Pacific Stock Transfer Company

Phone: (800) 785-7782

Email: [info@PacificStockTransferCompany.com](mailto:info@PacificStockTransferCompany.com)

Address: 6725 Via Austi Parkway Suite 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>VTXB</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>92904T100</u>	
Par or stated value:	<u>0.0001.</u>	
Total shares authorized:	<u>4,000,000,000</u>	as of date: <u>10/14/2024</u>
Total shares outstanding:	<u>2,787,750,000</u>	as of date: <u>10/14/2024</u>
Total number of shareholders of record:	<u>51</u>	as of date: <u>10/14/2024</u>

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

**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:	Series C Preferred Stock	
CUSIP (if applicable):	None	
Par or stated value:	\$0.0001	
Total shares authorized:	9,996,000	<u>as of date: 10/14/2024</u>
Total shares outstanding:	5,775,960	<u>as of date: 10/14/2024</u>
Total number of shareholders of record:	<u>4</u>	<u>as of date: 10/14/2024</u>

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

**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 holders of outstanding shares of Common Stock are entitled to receive dividends out of assets or funds legally available for the payment of dividends of such times and in such amounts as the board from time to time may determine. Holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of shareholders. There is no cumulative voting of the election of directors then standing for election. The Common Stock is not entitled to pre-emptive rights and is not subject to conversion or redemption. Upon liquidation, dissolution or winding up of our company, the assets legally available for distribution to stockholders are distributable ratably among the holders of the Common Stock after payment of liquidation preferences, if any, on any outstanding payment of other claims of creditors.

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

*Series C Preferred Stock*

Preferred Series C Stock

The Company designated 9,996,000 shares of Series C Convertible Preferred Stock with a par value of \$0.0001 per share.

Initially, there will be no dividends due or payable on the Series C Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation's Certificate of Incorporation. Any and all such future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

All shares of the Series C Preferred Stock shall rank (i) senior to the Corporation's Common Stock and any other class or series of capital stock of the Corporation hereafter created, (ii) pari passu with any class or series of capital stock of the Corporation hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series C Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

The Series C Preferred shall have the following liquidation preferences over any other class of stock:

"In the event of a Liquidation Event, the Holders of the SERIES C PREFERRED STOCK shall have the same rights as holders of Common Stock, except that each share of outstanding SERIES C PREFERRED STOCK shall have one thousand (1,000) times the rights as each share of Common Stock ("Liquidation Ratio"). Collectively, the holders of the then outstanding shares of Common Stock and the holders of the then outstanding shares of SERIES C PREFERRED STOCK shall be entitled to receive all of the remaining assets of the Corporation available for distribution to such stockholders. The distribution shall be ratable, in proportion to the number of shares of the Common Stock and/or Series C Preferred Stock held by them, after giving effect to the Liquidation Ratio."

Each holder of outstanding shares of Series C Preferred Stock shall be entitled to the number of votes equal to twenty-five thousand (25,000) Common Shares. Except as provided by law, or by the provisions establishing any other series of Preferred Stock, holders of Series C Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

Each holder of shares of Series C Preferred Stock may, at any time and from time to time, convert (an "Optional Conversion") each of its shares of Series C Preferred Stock into a 25,000 of fully paid and non-assessable shares of Common Stock; provided, however, that any Optional Conversion must involve the issuance of at least 25,000 shares of Common Stock.

In the event of a reverse split the conversion ratio shall not be change. However, in the event a forward split shall occur then the conversion ratio shall be modified to be increased by the same ratio as the forward split.

The company has evaluated the Series C Preferred Stock in accordance with ASC 815 and has determined their conversion options were for equity and ASC 815 does not apply.

**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

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 Opening Balance:									
Date 02/28/2022 Common: 321,750,000 Preferred: 5,836,280*		*Corrected starting balance of preferred shares from prior reports							
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. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>12/19/2022</u>	<u>New Issuance</u>	<u>31,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/10/2023</u>	<u>New Issuance</u>	<u>31,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/17/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/23/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>1/24/2023</u>	<u>Cancelled</u>	<u>-2,000,000</u>	<u>Series C Preferred</u>	<u>\$0.00</u>	<u>n/a (not traded)</u>	<u>Cecilia Widner-White</u>	<u>Agreed to cancel stock</u>	<u>n/a</u>	<u>n/a</u>
<u>1/24/2023</u>	<u>New Issuance</u>	<u>2,000,000</u>	<u>Series C Preferred</u>	<u>\$0.00</u>	<u>n/a (not traded)</u>	<u>Todd Higley</u>	<u>Conversion of accrued salary</u>	<u>R</u>	<u>4(a)(1)</u>

<u>1/31/2023</u>	<u>New Issuance</u>	<u>35,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/14/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/21/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/28/2023</u>	<u>New Issuance</u>	<u>3,900</u>	<u>Series C Preferred</u>	<u>\$1</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>Cash</u>	<u>R</u>	<u>4(a)(1)</u>
<u>2/28/2023</u>	<u>Cancelled</u>	<u>-10,520</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>3/2/2023</u>	<u>New Issuance</u>	<u>48,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/10/2023</u>	<u>New Issuance</u>	<u>62,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/21/2023</u>	<u>New Issuance</u>	<u>68,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/24/2023</u>	<u>New Issuance</u>	<u>75,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>3/31/2023</u>	<u>New Issuance</u>	<u>83,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>4/11/2023</u>	<u>New Issuance</u>	<u>92,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>4/25/2023</u>	<u>New Issuance</u>	<u>100,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>5/9/2023</u>	<u>New Issuance</u>	<u>100,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>

<u>5/31/2023</u>	<u>Cancelled</u>	<u>-25,120*</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>6/22/2023</u>	<u>New Issuance</u>	<u>120,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>7/14/2023</u>	<u>New Issuance</u>	<u>120,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>8/31/2023</u>	<u>Cancelled</u>	<u>-9,600</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>9/6/2023</u>	<u>New Issuance</u>	<u>575,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Brian McLain</u>	<u>Services Rendered</u>	<u>R</u>	<u>4(a)(1)</u>
<u>9/25/2023</u>	<u>Cancelled</u>	<u>-4,800</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>9/29/2023</u>	<u>New Issuance</u>	<u>120,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>10/5/2023</u>	<u>Cancelled</u>	<u>-4,800</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>10/11/2023</u>	<u>New Issuance</u>	<u>120,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>11/1/2023</u>	<u>Cancelled</u>	<u>-8,000</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>
<u>11/20/2023</u>	<u>New Issuance</u>	<u>200,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/15/2024</u>	<u>New Issuance</u>	<u>200,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
<u>2/15/2024</u>	<u>Cancelled</u>	<u>-8,000</u>	<u>Series C Preferred</u>	<u>n/a</u>	<u>n/a (not traded)</u>	<u>Novus Group (Joseph Wade)</u>	<u>converted</u>	<u>n/a</u>	<u>n/a</u>

<u>3/22/2024</u>	<u>New Issuance</u>	<u>120,000,000</u>	<u>Common</u>	<u>\$0.00</u>	<u>Yes</u>	<u>Novus Group (Joseph Wade)</u>	<u>Conversion of preferred stock</u>	<u>UR</u>	<u>4(a)(1)</u>
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date <u>05/31/2024</u>									
Common:	2,787,750,000								
Preferred:	5,771,160*								

**Example:** A company with a fiscal year end of December 31<sup>st</sup> 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

\*\*\***Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

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 *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)

\*\*\***Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

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](http://www.OTCMarkets.com).

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

Vortex Brands Co., ("Vortex", the "Company") is a Colorado corporation incorporated on May 6, 2005. It is based in Sacramento, California. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, and the Company's fiscal year end is February 28 (February 29 in leap years).

The Company is engaged in Bitcoin Mining and may add other lines of business in the future.

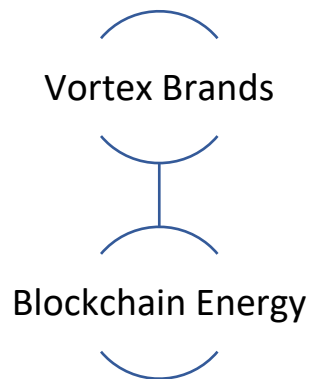
##### **Bitcoin Mining Business**

The Company engages in "Bitcoin Mining" – i.e. the process by which Bitcoins are created, resulting in new blocks being added to the blockchain and new Bitcoins being issued to the miners. Miners engage in a set of prescribed complex mathematical calculations to add a block to the blockchain and thereby confirm cryptocurrency transactions included in that block's data. Miners that are successful in adding a block to the blockchain are automatically awarded a fixed number of Bitcoins for their effort.

The Company purchases and maintains ASIC (application-specific integrated circuit) computers - computers that are specifically designed for cryptocurrency mining - that will be used for Bitcoin Mining. We place the Bitcoin Mining equipment with 3<sup>rd</sup> party datacenters or farms (often referred to as a "Co-Location") that will power and operate our Bitcoin Mining equipment for a fee. We plan to generate revenues through receiving Bitcoin from our Bitcoin Mining equipment.

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

This is the current corporate organization:



C. Describe the issuers' principal products or services.

Bitcoin Mining

#### 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. 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's mailing address is: 3511 Del Paso Rd., Ste. 160 PMB 432 Sacramento, CA 95835. The Company maintains no other offices. The Company's operations are conducted at the mining sites of 3<sup>rd</sup> party datacenters as described above.

## 6) Officers, Directors, and Control Persons

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	Names of control person(s) if a corporate entity
<u>Todd Higley</u>	<u>Officer/Director/5%</u>	<u>Sacramento, CA</u>	5,250,000	<u>Series C Preferred Stock</u>	<u>90.97%</u>	Todd Higley owns 90.97% of the outstanding Series C Preferred Stock  (1) Series C Preferred Stock shall be entitled to the number of votes equal to twenty-five thousand (25,000) Common Shares  (2) Series C Preferred Shares may be converted into common shares at a ratio of 1:25000.
<u>Brian McLain</u>	<u>Owner of more than 5%</u>	<u>Port Neches, TX</u>	<u>695,000,000*</u>	<u>Common</u>	<u>24.93%*</u>	Brian McLain owns 24.93% of the outstanding Common Shares

						with a voting power of 1:1
--	--	--	--	--	--	----------------------------

\*corrections from prior filed annual report

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

**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](http://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: Nicholas F. Coscia, Esq.  
Address 1: 1270 Pasatiempo Rd.  
Address 2: Palm Springs, CA 92262  
Phone:  
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): <https://twitter.com/Vortexbrands>  
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:  
Nature of Services:  
Address 1:  
Address 2:  
Phone:  
Email:

## 9) Financial Statements

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

Name: Todd Higley  
Title: CEO  
Relationship to Issuer: CEO

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: Todd Higley  
Title: CEO  
Relationship to Issuer: CEO

Describe the qualifications of the person or persons who prepared the financial statements<sup>2</sup>: Todd Higley holds an MBA and has acted as CEO for Vortex Brands Co. for more than 5 years.

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.

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<sup>2</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

## 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, Todd Higley, certify that:

1. I have reviewed this Disclosure Statement for Vortex Brands Co.;
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 23, 2024 [Date]

/s/ Todd Higley [CEO's Signature]

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

### *Principal Financial Officer:*

I, Todd Higley, certify that:

1. I have reviewed this Disclosure Statement for Vortex Brands Co.;
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 23, 2024 [Date]

/s/ Todd Higley [CEO's Signature]

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

**VORTEX BRANDS CO.**  
**FINANCIAL STATEMENTS**  
**INDEX TO FINANCIAL STATEMENTS**

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# Vortex Brands Co. Consolidated Balance Sheet

Unaudited

	Total	
	As of Aug 31, 2024	As of Aug 31, 2023 (PY)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	157.02	470.02
BTC Wallet	1,554.16	29,402.58
<b>Total Current Assets</b>	<b>\$ 1,711.18</b>	<b>\$ 29,872.60</b>
Property and equipment, net	\$ 298,296.27	\$ 357,281.27
Other Assets - Securities Purchased	1,550.00	0.00
<b>TOTAL ASSETS</b>	<b>\$ 301,557.45</b>	<b>\$ 387,153.87</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts Payable	80,946.00	80,946.00
Accrued Management Fees	<b>\$ 514,059.60</b>	<b>\$ 514,059.60</b>
Dividend payable	2,555.00	2,555.00
Loan Payable	89,700.00	58,000.00
<b>Total Liabilities</b>	<b>\$ 687,260.60</b>	<b>\$ 655,560.60</b>
<b>Stockholders' Deficit</b>		
Series C Preferred Stock, 9,996,000 shares designated; \$0.0001 par value; 5,771,160 shares issued and outstanding	577.60	605.00
Common stock: 4,000,000,000 shares authorized; \$0.0001 par value 2,787,742,000 shares issued and outstanding	278,775.00	145,275.00
Accumulated deficit	-1,819,158.98	-1,648,238.19
Dividends Paid	-13,617.34	-8,653.54
Net loss	-33,726.83	-34,815.00
<b>Total Stockholders' deficit</b>	<b>-\$ 385,703.15</b>	<b>-\$ 268,406.73</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 301,557.45</b>	<b>\$ 387,153.87</b>

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

| F2 |



**Vortex Brands Co.**  
**Consolidated Statement of Operations**  
Unaudited

	Total	
	Jun - Aug, 2024	Jun - Aug, 2023 (PY)
Revenues	\$ 11,800.54	\$ 14,921.36
Total Cost of Goods Sold	\$ 15,453.03	\$ 3,368.32
Net Revenues	-\$ 3,652.49	\$ 11,553.04
Operating Expenses		
General and administrative	\$ 17,655.50	\$ 23,454.32
Total operating expenses	\$ 17,655.50	\$ 23,454.32
Operating Loss	-\$ 21,307.99	-\$ 11,901.28
Other Income (Expense)		
Unrealized Gain (Loss) on BTC Holdings	-1,287.37	-1,366.96
Net Loss	-\$ 22,595.36	-\$ 13,268.24

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

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**Vortex Brands Co.**  
**Consolidated Statement of Stockholders' Deficit**  
**For the period from Inception (December 28, 2017) to August 31, 2024**  
(Unaudited)

	Series C Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Dividend	Total Shareholders' Equity (Deficit)
	Number of Shares	Amount	Number of shares	Amount				
<b>Balance, December 28, 2017 (inception)</b>	-	\$ -	-	\$ -	\$ -	\$ -	-	\$ -
Preferred shares issued for services	9,996,000	\$ 1,000	-	-	-	-	-	\$ 1,000
Common shares issued for cash	-	-	117,000,000	11,700	\$ 222,300	-	-	\$ 234,000
Recapitalization	-	-	90,050,000	\$ 9,005	\$ -9,005	-	-	-
Net loss	-	-	-	-	-	\$ -33,192	-	\$ -33,192
<b>Balance, February 28, 2018</b>	9,996,000	\$ 1,000	207,050,000	\$ 20,705	\$ 213,295	\$ -33,192	-	\$ 201,808
Preferred shares canceled	-	\$ -553	-	-	\$ 553	-	-	-
	5,528,500							
Preferred shares issued for cash	125,000	\$ 12	-	-	\$ 24,988	-	-	\$ 25,000
Net loss	-	-	-	-	-	\$ -394,983	-	\$ -394,983
<b>Balance, February 28, 2019</b>	4,592,500	\$ 459	207,050,000	\$ 20,705	\$ 238,836	\$ -428,175	-	\$ -168,175
Common shares issued for cash	-	-	49,700,000	\$ 4,970	\$ 218,205	-	-	\$ 223,800
Net loss	-	-	-	-	-	-437,493	-	-437,493
<b>Balance, February 29, 2020</b>	4,592,500	\$ 459	256,750,000	\$ 25,675	\$ 457,666	\$ -865,668	-	\$ -381,868
Net loss	-	-	-	-	-	-216,459	-	-216,459
<b>Balance, February 28, 2021</b>	4,592,500	\$ 459	256,750,000	\$ 25,675	\$ 457,666	\$ -1,082,127	-	\$ -598,327
Common shares issued for cash	-	-	50,000,000	\$ 5,000	\$ 495,000	-	-	\$ 500,000
Common Stock issued for services	-	-	15,000,000	\$ 1,500	\$ 268,500	-	-	\$ 270,000
Preferred shares issued for services	1,250,000	\$ 125	-	-	\$ 124,875	-	-	\$ 125,000

Net loss	-	-	-	-	-	\$ -443,757		\$ -443,757
Dividend	-	-	-	-	-	-	-3,848	\$ -3,848
<b>Balance, February 28, 2022</b>	<b>5,842,500</b>	<b>\$ 584</b>	<b>321,750,000</b>	<b>\$ 32,175</b>	<b>\$ 1,346,041</b>	<b>\$ -1,525,884</b>	<b>-3,848</b>	<b>\$ 151,516</b>
Common shares issued for cash	-	-	-	-	-	-	-	-
Stock issued	2,003,900	\$ 0	263,000,000	\$ 26,300	\$ -6,801	-	-	\$ 19,498
Shares cancelled	-	-1	-	-	-	-	-	-
	2,010,520							
Net loss	-	-	-	-	-	\$ -122,354		\$ -122,354
Dividend	-	-	-	-	-	-	-	-
<b>Balance, February 28, 2023</b>	<b>5,835,880</b>	<b>\$ 584</b>	<b>584,750,000</b>	<b>\$ 58,475</b>	<b>\$ 1,364,214</b>	<b>\$ -1,648,238</b>	<b>-3,848</b>	<b>\$ -228,788</b>
Common shares issued for cash	-	-	-	-	-	-	-	-
Stock issued	-	0	2,082,992,000	\$ 208,299	\$ (150,767)	-	-	57,532
Shares cancelled	-60,320	-6	-	-	-	-	-	-
Net loss	-	-	-	-	-	\$ -170,920		\$ -170,920
Dividend	-	-	-	-	-	-	-9,769	\$ -9,769
<b>Balance, February 29, 2024</b>	<b>5,775,560</b>	<b>\$ 578</b>	<b>2,667,742,000</b>	<b>\$ 266,774</b>	<b>\$ 1,213,447</b>	<b>\$ -1,819,158</b>	<b>-13,617</b>	<b>\$ -351,976</b>
Common shares issued for cash	-	-	-	-	-	-	-	-
Stock issued	-	0	120,000,000	\$ 12,000	\$ (12,000)	-	-	-
Shares cancelled	-4,800	-1	-	-	-	-	-	-
Net loss	-	-	-	-	-	\$ -11,131		\$ -11,131
Dividend	-	-	-	-	-	-	-	-
<b>Balance, August 31, 2024</b>	<b>5,771,160</b>	<b>\$ 577</b>	<b>2,787,742,000</b>	<b>\$ 278,774</b>	<b>\$ 1,201,447</b>	<b>\$ -1,808,027</b>	<b>-13,617</b>	<b>\$ -363,107</b>

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

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**Vortex Brands Co.**  
**Consolidated Statement of Cash Flows**  
Unaudited

	Total	
	Jun - Aug, 2024	Jun - Aug, 2023 (PY)
<b>OPERATING ACTIVITIES</b>		
Net Loss	-22,595.36	-13,268.24
Total Adjustments to reconcile Net Income to Net Cash provided by operations: Securities Purchased / Investment	-\$ 1,550.00	-\$15,651.24
Net cash provided by operating activities	<b>-\$ 24,145.36</b>	<b>-\$13,268.24</b>
<b>FINANCING ACTIVITIES</b>		
Loan Payable	0.00	34,500.00
Additional paid in capital	0.00	-23,999.04
Common stock	0.00	24,000.00
Common stock: Preferred Stock	0.00	-0.96
Shareholders' equity: Distributions	0.00	-4,805.69
Net cash provided by financing activities	<b>\$ 0.00</b>	<b>\$ 29,694.31</b>
Net cash increase for period	<b>-\$ 24,145.36</b>	<b>\$ 774.83</b>
Cash at beginning of period	25,856.54	29,097.77
Cash at end of period	<b>\$ 1,711.18</b>	<b>\$ 29,872.60</b>

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

**Vortex Brands Co.**  
**Notes to the Consolidated Financial Statements**  
**Jun - Aug 2024, and Jun - Aug 2023**

**NOTE 1. ORGANIZATION AND BUSINESS**

Vortex Brands Co., (“Vortex”, the “Company”) is a Colorado corporation incorporated on May 6, 2005. It is based in Sacramento, California. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, and the Company’s fiscal year end is February 28 (February 29 in leap years).

The Company operates a Bitcoin Mining operation

**Bitcoin Mining Business**

The Company is engaged in “Bitcoin Mining” – i.e. the process by which Bitcoins are created, resulting in new blocks being added to the blockchain and new Bitcoins being issued to the miners. Miners engage in a set of prescribed complex mathematical calculations to add a block to the blockchain and thereby confirm cryptocurrency transactions included in that block’s data. Miners that are successful in adding a block to the blockchain are automatically awarded a fixed number of Bitcoins for their effort.

The Company has purchased and maintains ASIC (application-specific integrated circuit) computers - computers that are specifically designed for cryptocurrency mining - that will be used for Bitcoin Mining. We place the Bitcoin Mining equipment with 3<sup>rd</sup> party datacenters or farms (often referred as a “Co-Location”) that power and operate our Bitcoin Mining equipment for a fee. We generate revenues through receiving Bitcoin from our Bitcoin Mining equipment.

The Company’s bitcoin wallet can be viewed at:

<https://www.blockchain.com/btc/address/38xnQP3mbWoDQTqLZy3GFMZyd2bwigvwCp>

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**General principles**

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”). The fiscal year end is February 28 (February 29 in leap years).

**Related Party Transactions**

Transactions between related parties are considered to be related party transactions even though they may not be given accounting recognition. FASB ASC 850, Related Party Disclosures (“FASB ASC 850”) requires that transactions with related parties that would make a difference in decision making shall be disclosed so that users of the financial statements can evaluate their significance. Related party transactions typically occur within the context of the following relationships:

- Affiliates of the entity;
- Entities for which investments in their equity securities is typically accounted for under the equity method by the investing entity;
- Trusts for the benefit of employees;
- Principal owners of the entity and members of their immediate families;
- Management of the entity and members of their immediate families.

that can significantly influence the management or operating policies of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

**Consolidation Policy**

These consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiary, Blockchain Energy. All significant intercompany balances and transactions have been eliminated in consolidation.

### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the 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**

Cash equivalents are short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired.

### **Revenue recognition**

Effective January 1, 2018, the Company adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products by: (1) identify the contract (if any) with a customer; (2) identify the performance obligations in the contract (if any); (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract (if any); and (5) recognize revenue when each performance obligation is satisfied. Under ASC 606, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured. The Company has no outstanding contracts with any of its' customers. The Company recognizes revenue when title, ownership, and risk of loss pass to the customer, all of which occurs upon shipment or delivery of the product and is based on the applicable shipping terms.

For contracts with customers, ownership of the goods and associated revenue are transferred to customers at a point in time, generally upon shipment of a product to the customer or receipt of the product by the customer and without significant judgments. Advance payments are typically required for commercial customers and are recorded as current liability until revenue is recognized. Advance payments are not required for government customers. The majority of contracts typically require payment within 30 to 60 days after transfer of ownership to the customer.

### **Advertising and marketing expenses**

Advertising and marketing expenses are charged to the statement of operations and comprehensive income, as incurred.

### **Income taxes**

The Company accounts for income taxes in accordance with ASC No. 740, "Income Taxes". This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Deferred tax liabilities and assets are classified as current or non-current based on the classification of the related asset or liability for financial reporting, or according to the expected reversal dates of the specific temporary differences, if not related to an asset or liability for financial reporting.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, "Income Taxes". Accounting guidance addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements, under which a company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Accordingly, the Company would report a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company elects to recognize any interest and penalties, if any, related to unrecognized tax benefits in tax expense.

### **Share-Based Expense**

ASC 718, "Compensation – Stock Compensation," prescribes accounting and reporting standards for all share-based payment transactions in which employee and non-employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees and non-employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

Share-based expense totaled \$0 for the period ending August 31, 2024 & August 31, 2023. However, the company issued preferred shares to Mr. Higley in exchange for the cancellation of \$150,000 in accrued salary in a prior fiscal year.

### **Earnings per Share**

The Company computes basic and diluted earnings per share amounts in accordance with ASC Topic 260, "Earnings per Share." Basic earnings per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share reflects the potential dilution that could occur if stock options and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company. As of August 31, 2024, there are no convertible shares that were dilutive instruments and are not included in the calculation of diluted loss per share as their effect would be antidilutive.

### **Fair value measurements**

Fair value is defined as the price that the Company would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent counter-party in the principal market or in the absence of a principal market, the most advantageous market for the investment or liability. A three-tier hierarchy is established to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs); and establishes a classification of fair value measurements for disclosure purposes.

The hierarchy is summarized in the three broad levels listed below:

- Level 1      quoted prices in active markets for identical assets and liabilities
- Level 2      other significant observable inputs (including quoted prices for similar assets and liabilities, interest rates, credit risk, etc.)
- Level 3      significant unobservable inputs (including the Company's own assumptions in determining the fair value of assets and liabilities).

The Company's financial instruments consist primarily of cash and due to related parties. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

There were no transfers between the levels of the fair value hierarchy during the period ended August 31, 2024 & August 31, 2023.

### **Contingencies**

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company's management and legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies relating to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to

be sought. If the assessment of the contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, the estimated liability would be accrued in the Company's financial statements.

## Recently Issued Accounting Standards

### *Recent Accounting Pronouncements*

In February 2016, the FASB issued ASU No. 2016-02, Leases. Under the new guidance, lessees will be required to recognize a lease liability and a right-of-use asset for all leases (with the exception of short-term leases) at the commencement date. The ASU is effective for fiscal years and interim periods within those years beginning after December 15, 2018.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles - Goodwill and Other: Simplifying the Test for Goodwill Impairment. The amendments simplify the subsequent measurement of goodwill and eliminate the two-step goodwill impairment test. The Company will perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize a goodwill impairment charge for the amount by which the reporting unit's carrying amount exceeds its fair value. If fair value exceeds the carrying amount, no impairment should be recorded. Any loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Impairment losses on goodwill cannot be reversed once recognized. The ASU is effective prospectively for fiscal years and interim periods within those years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. We do not anticipate any material impact on the condensed consolidated financial statements.

Management has considered all recent accounting pronouncements issued. The Company's management believes that recent pronouncements will not have a material effect on the Company's financial statements.

## NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of August 31, 2024, the Company has a loss from operations, an accumulated deficit, no revenue, and a working capital deficiency. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the period ending August 31, 2024.

Management intends to raise additional funds through public or private placement offerings.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

## NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of August 31, 2024 and August 31, 2023 consist of the following:

	<u>August 31,</u> <u>2024</u>		<u>August 31,</u> <u>2023</u>
Equipment	\$ 298,296	\$ \$	341,630
Less: accumulated depreciation	0*		0*
Equipment	<u>\$ 298,296</u>	<u>\$ \$</u>	<u>341,630</u>

*\*Depreciation not yet recognized in Q1 of each year*

## NOTE 5. STOCKHOLDERS' DEFICIT

### *General*



We have authorized capital stock consisting of 4,000,000,000 shares of common stock, \$0.0001 par value per share (“Common Stock”) and 20,000,000 shares of preferred stock, \$0.0001 par value per share (“Preferred Stock”). As of the date of this filing, we have 2,787,750,000 shares of Common Stock, 5,771,160 shares of Preferred Series C Stock issued and outstanding.

### **Common Stock**

The holders of outstanding shares of Common Stock are entitled to receive dividends out of assets or funds legally available for the payment of dividends of such times and in such amounts as the board from time to time may determine. Holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of shareholders. There is no cumulative voting of the election of directors then standing for election. The Common Stock is not entitled to pre-emptive rights and is not subject to conversion or redemption. Upon liquidation, dissolution or winding up of our company, the assets legally available for distribution to stockholders are distributable ratably among the holders of the Common Stock after payment of liquidation preferences, if any, on any outstanding payment of other claims of creditors.

During the period ended August 31, 2024, there were no issuances of common stock.

During the period ended May 31, 2024, there were issuances for 120,000,000 shares of common stock.

During the period ended February 29, 2024, there were issuances for 2,083,000,000 shares of common stock.

During the period ended February 28, 2023, there were issuances for 263,000,000 shares of common stock.

During the period ended February 28, 2022, there were issuances for 65,000,000 shares of common stock.

During the period ended February 28, 2021, there were no issuances of common stock.

During the period ended February 29, 2020, the Company issued 55,950,000 shares of common stock for \$238,800.

### **Preferred Stock**

#### ***Series C Preferred Stock***

The Company initially designated 9,996,000 shares of Series C Convertible Preferred Stock with a par value of \$0.0001 per share.

Initially, there will be no dividends due or payable on the Series C Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation’s Certificate of Incorporation. Any and all such future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

All shares of the Series C Preferred Stock shall rank (i) senior to the Corporation’s Common Stock and any other class or series of capital stock of the Corporation hereafter created, (ii) *pari passu* with any class or series of capital stock of the Corporation hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series C Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

The Series C Preferred shall have the following liquidation preferences over any other class of stock:

“In the event of a Liquidation Event, the Holders of the SERIES C PREFERRED STOCK shall have the same rights as holders of Common Stock, except that each share of outstanding SERIES C PREFERRED STOCK shall have one thousand (1,000) times the rights as each share of Common Stock (“Liquidation Ratio”). Collectively, the holders of the then outstanding shares of Common Stock and the holders of the then outstanding shares of SERIES C PREFERRED STOCK shall be entitled to receive all of the remaining assets of the Corporation available for distribution to such stockholders. The distribution shall be ratable, in proportion to the number of shares of the Common Stock and/or Series C Preferred Stock held by them, after giving effect to the Liquidation Ratio.”

Each holder of outstanding shares of Series C Preferred Stock shall be entitled to the number of votes equal to twenty-five thousand (25,000) Common Shares. Except as provided by law, or by the provisions establishing any other series of Preferred Stock, holders of Series C Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

Each holder of shares of Series C Preferred Stock may, at any time and from time to time, convert (an "Optional Conversion") each of its shares of Series C Preferred Stock into a 25,000 of fully paid and non-assessable shares of Common Stock; provided, however, that any Optional Conversion must involve the issuance of at least 25,000 shares of Common Stock.

In the event of a reverse split the conversion ratio shall not be change. However, in the event a forward split shall occur then the conversion ratio shall be modified to be increased by the same ratio as the forward split.

The company has evaluated the Series C Preferred Stock in accordance with ASC 815 and has determined their conversion options were for equity and ASC 815 does not apply.

The Series C Preferred Stock is non-redeemable.

On October 29, 2018, as part of the resignation of two of our directors, they agreed to cancel and return to the Company 4,000,000 shares of Series C preferred stock. There was no consideration given for the 4,000,000 shares that were returned.

During the period ended November 30, 2022, November 30, 2021, February 28, 2021 and February 29, 2020, there were no issuances of preferred stock

During the period ended February 28, 2021, there were issuances of 1,500,000 shares of Series C Preferred Stock.

During the period ended February 28, 2023, there were issuances of 2,003,900 shares of Series C Preferred Stock and we cancelled 2,010,520 shares of Series C Preferred Stock.

During the period ended February 29, 2024, there were no issuances of Series C Preferred Stock, and we cancelled 60,320 shares of Series C Preferred Stock.

During the period ended May 31, 2024, there were no issuances of Series C Preferred Stock, and we cancelled 4,800 shares of Series C Preferred Stock.

During the period ended August 31, 2024, there were no issuances of Series C Preferred Stock, and no cancellations of Series C Preferred Stock.

## NOTE 6. PROVISION FOR INCOME TAXES

The Company provides for income taxes under ASC 740, "Income Taxes." Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax basis of assets and liabilities and the tax rates in effect when these differences are expected to reverse. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

The provision for income taxes differs from the amounts which would be provided This mby applying the statutory federal income tax rate of 21% to the net loss before provision for income taxes for the following reasons:

Net deferred tax assets consist of the following components as of:

	August 31, 2024	August 31, 2023
NOL carry forward	\$ (10,513)	\$ (25,948)
Valuation allowance	10,513	25,948
Net deferred tax asset	\$ -	\$ -

Utilization of the NOL carry forwards, which expire 20 years from when incurred, may be subject to an annual limitation due to ownership change limitations that may have occurred or that could occur in the future, as required by Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"). These ownership changes may limit the amount of the NOL carry forwards that can be utilized annually to

offset future taxable income and tax, respectively. In general, an "ownership change" as defined by Section 382 of the Code results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50 percentage points of the outstanding stock of a company by certain stockholders.

#### **NOTE 7. RELATED PARTY CONSIDERATIONS**

The officer and director have agreed to receive stock as compensation for their employment. Mr. Higley has agreed to \$100,000 in annual compensation. This is paid up to \$60,000 per year and \$40,000 or any shortfall is deferred. The Company has agreed to allow Mr. Higley to draw a loan against any deferred compensation.

On January 1, 2022, the Company issued 1,250,000 shares of Series C Preferred Stock to Mr. Higley in exchange for \$150,000 of accrued expenses.

On January 24, 2023, Cecilia Widner-White confirmed she resigned from the Board of Directors on June 28, 2021 as previously disclosed by the Company and agreed to cancel all stock previously issued to her thereby cancelling the 2,000,000 shares of Series C Preferred Stock.

On January 24, 2023, the 2,000,000 shares of Series C Preferred Stock were reissued to Todd Higley.

#### **NOTE 8. SUBSEQUENT EVENTS**

Management has evaluated events occurring between the end of the fiscal quarter, August 31, 2024 to the date when the financial statements were issued:

The Company has announced that it would acquire MicroStrategy stock (MSTR) and hold on the balance sheet, which begun at the end of the quarter.

No other subsequent events