

COMMON STOCK
ALTERNATIVE REPORTING
OTC Pink Disclosure Document

1) **Name of the issuer and its predecessor(s):**

HEMP, INC., AUGUST 2012
MARIJUANA, INC., JULY 2010
PREACHERS COFFEE INC., JANUARY 2008

2) **Address of the issuer's principal executive offices:**

Company Headquarters

Address 1: 8174 S. LAS VEGAS BLVD., #109-367
Address 2: LAS VEGAS, NV 89123
Phone: 855-436-7688
Email: INFO@HEMPINC.COM
Website(s): WWW.HEMPINC.COM

IR Contact

Name: EVEREST CORPORATE ADVISORS, INC.
Phone: 855-436-7688
Email: IR@HEMPINC.COM

3) **Security Information:**

Trading Symbol: HEMP

Exact title and class of securities outstanding: COMMON
CUSIP: 423 703 206
Par or Stated Value: \$0.00001
Total shares authorized: 10,500,000,000 as of 12.31.19
Total shares outstanding: 4,596,983,853 as of: 12.31.19

Preferred share information:

Exact title and class of securities outstanding: PREFERRED COLLECTIBLE
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 500,000,000 as of: 12.31.19
Total shares outstanding: 8,400,000 as of: 12.31.19

Exact title and class of securities outstanding: PREFERRED
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 31,835,878 as of: 12.31.19
Total shares outstanding: -0- as of: 12.31.19

Exact title and class of securities outstanding: NEW PREFERRED
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 468,164,422 as of: 12.31.19
Total shares outstanding: 24,347,800 as of: 12.31.19

Exact title and class of securities outstanding: PREFERRED K
CUSIP: N/A

Par or Stated Value: \$0.00001

Total shares authorized: 58,262,154 as of: 12.31.19

Total shares outstanding: 58,262,154 as of: 12.31.19

Exact title and class of securities outstanding: PREFERRED K(P)

CUSIP: N/A

Par or Stated Value: \$0.00001

Total shares authorized: 169,499,468 as of 12.31.19

Total shares outstanding: 130,836,701 as of: 12.31.19

Exact title and class of securities outstanding: PREFERRED Q

CUSIP: N/A

Par or Stated Value: \$0.00001

Total shares authorized: 100,000,000 as of: 12.31.19

Total shares outstanding: 9,095,597 as of: 12.31.19

Transfer Agent

Name: MADISON STOCK TRANSFER INC.

Address 1: 2715 CONEY ISLAND AVE., 2ND FLOOR

Address 2: BROOKLYN, NY 11235

Phone: 718-627-4453

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

List any restrictions on the transfer of security:

RULE 144

Describe any trading suspension orders issued by the SEC in the past 12 months.

NONE

Within the past year please list any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

NONE

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

ISSUANCES FOR SERVICES, DEBT, AND CASH

431,049,078 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 3.31.18

22,061,877 PREFERRED K(P) CONVERTED TO 220,618,770 COMMON DURING QE 6.30.18

120,955,304 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 6.30.18

14,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.18
225,857,777 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 9.30.18
3,860,000 PREFERRED K(P) CONVERTED TO 38,600,000 COMMON
DURING QE 9.30.18
23,487,778 PREFERRED P(NEW) CONVERTED INTO 58,719,445
COMMON DURING QE 9.30.18
164,700,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.18
307,227,069 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 12.31.18
25,300,713 PREFERRED K(P) CONVERTED TO 253,007,130 COMMON
DURING QE 12.31.18
40,000,000 COMMON ISSUED FOR SERVICES DURING QE 12.31.18
154,093,404 COMMON ISSUED INTEREST AND DEBT SERVICE
DURING QE 3.31.19
3,140,608 PREFERRED K(P) CONVERTED TO 31,406,080 COMMON
DURING QE 3.31.19
118,250,000 COMMON ISSUED FOR SERVICES DURING QE 3.31.19
150,046,702 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 6.30.19
25,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.19
285,199,997 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 9.30.19
12,000,000 PREFERRED K(P) CONVERTED TO 120,000,000 COMMON
DURING QE 9.30.19
25,000,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.19
169,214,783 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 12.31.19
27,288,468 PRE-SPLIT PREFERRED CONVERTED TO 6,822,117
COMMON DURING QE 12.31.19
6,500,000 PREFERRED K(P) CONVERTED TO 65,000,000 COMMON
DURING QE 12.31.19
904,403 PREFERRED Q CONVERTED TO 90,403,300 COMMON
DURING QE 12.31.19
57,300,000 COMMON ISSUED FOR SERVICES DURING QE 12.31.19

B. Any jurisdictions where the offering was registered or qualified;

N/A

C. The number of shares offered;

N/A

D. The number of shares sold;

N/A

E. The price at which the shares were offered, and the amount actually paid to the issuer;

N/A

F. The trading status of the shares; and

RESTRICTED

- G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

YES

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however*, that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than ten percent (10%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier

- A. Balance sheet;
- B. Statement of income;
- C. Statement of Stockholders' Equity (Deficit)
- D. Statement of cash flows;
- E. Financial statement notes;

FINANCIAL STATEMENTS AND FOOTNOTES ARE APPENDED TO THIS DOCUMENT

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. A description of the issuer's business operations

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD

With a deep-rooted social and environmental mission at its core, Hemp, Inc. seeks to build a business constituency for the American small farmer, the American veteran, and other groups experiencing the ever-increasing disparity between tapering income and soaring expenses. A global leader in the industrial hemp industry with bi-coastal processing centers including the 85,000 square-foot multipurpose industrial hemp processing facility in Spring Hope, North Carolina, a state of the art processing center in Medford, Oregon, and a 500-acre hemp growing Eco-Village in Golden Valley, Arizona, Hemp, Inc. believes there can be tangible benefits reaped from adhering to a corporate social responsibility plan.

It has been Hemp, Inc.'s intent to continually invest in building its hemp infrastructure, especially since none existed previously. In fact, the Company has instinctively been

following the same path as Amazon... reinvesting profits and operating capital back into building the infrastructure. This is a business strategy that has been proven and works well.

All the years leading up to this point were of building and finishing the largest hemp infrastructure in America. That infrastructure is briefly described in the beginning of most of the Company's press releases, as follows:

“A global leader in the industrial hemp industry with bi-coastal processing centers including the 85,000 square-foot multipurpose industrial hemp processing facility in Spring Hope, North Carolina, a state of the art processing center in Medford, Oregon, and a 500-acre hemp growing Eco-Village in Golden Valley, Arizona.”

In the second half of 2019, Hemp, Inc. focused most of its resources and personnel on growing and processing a very successful high CBD hemp grow in Southern Oregon as oppose to building a massive infrastructure. While there may be a few more infrastructure footprints created, the Company will be a full-blown marketing company starting the first quarter of 2020 as it completed transition from a developmental stage company to an operating company this year.

Hemp, Inc. has been helping to build the industrial hemp infrastructure that was basically non-existent in America. To date, there are ten divisions clearly defined below:

- Division One* – The Industrial Hemp Infrastructure
- Division Two* – The Hemp Farming Infrastructure
- Division Three* – The Hemp Extraction & Pre-Roll Blending Infrastructure
- Division Four* – The Hemp Educational Infrastructure
- Division Five* – The Hemp Marketing Infrastructure
- Division Six* – Accessories, Products and Services
- Division Seven* – Research and Development
- Division Eight* – Industrial Hemp Investments and Joint Ventures
- Division Nine* – Industrial Hemp Consulting
- Division Ten* – Educational Entertainment

Division One – The Industrial Hemp Infrastructure

The Industrial Hemp Infrastructure (*Division One*) currently consists of two hemp processing facilities across the country, with two more under development, which will include an in-house third party testing laboratory. The largest of the two is its multi-purpose industrial hemp processing facility and milling operation in Spring Hope, North Carolina. It's the largest “industrial hemp processing center” in the western hemisphere and has grown to become one of the pre-eminent centers of the industrial hemp industry. The 85,000 square foot facility sits on 9-acres. It is environmentally sustainable and was built from the ground up in hopes of “Making America Hemp Again.” With a patent pending manufacturing process, the North Carolina facility is operating full time to process millions of pounds of our unique kenaf-hemp blend, to manufacture all-green natural loss circulation material (LCMs), called DrillWallTM that is to be sold to the oil and gas drilling industry, along with an all-

green natural oil spill absorbent, a second industrial kenaf-hemp product called [Spill-Be-Gone™](#).

In addition to the company's industrial hemp processing facility in Spring Hope, North Carolina, Hemp, Inc. also has one of the most sophisticated local processing centers (LPC) in Medford, Oregon which focuses on hemp harvesting, drying, curing, trimming, bagging, storing, and in some cases selling high CBD hemp for local farmers and the Company's own hemp grows in that area, and post processing for the CBD industry. The Company's main focus is the "King of Hemp™" pre-rolls and high CBD smokable buds... a new phenomenon of smoking hemp which has caught the marketplace by storm.

Hemp, Inc. and their associates also have 4,500 acres of land in Golden Valley, Arizona (*100 miles from Las Vegas, 20 miles north of Kingman, AZ*). Out of the 4,500 acres of land, 500 acres are designated for the Veteran's Village Kins Community (VVKC) for Arizona. Hemp, Inc. is preparing 80+ acres, of the 500 acres, for hemp cultivation. The company aims to boost the economies of these towns by offering affordable hemp processing services, which incentivizes local growers to add hemp to their crop rotation. The company is continuing to scout new locations for local processing centers in Florida, Kentucky, West Virginia, Puerto Rico, and several other states.

Thus far, Hemp, Inc.'s Local Processing Center (LPC) in Oregon has employed over 200 employees during its 2018 harvest season and over 300 employees during its 2019 harvest season to further support the infrastructure necessary for local and large scale farmers operating in the industrial hemp space.

Division One Products:

- [DrillWall™](#) (a loss circulation material)
- [Spill-Be-Gone™](#) (an oil spill cleanup product)
- [Hemp bioplastics](#)

Subsequently, as of first quarter 2020, Hemp, Inc. is fulfilling a \$1 million dollar sales agreement, through its subsidiary, Industrial Hemp Manufacturing (IHM), for its **DrillWall™**. According to CEO, Bruce Perlowin, the Company has executed a sales agreement to sell \$1 million worth of DrillWall™ over the course of one year. IHM received its first \$30,000 payment and shipped the first batch of DrillWall™ out in December, 2020 and another \$60,000 payment was received for the second batch of DrillWall™ shortly thereafter in February, 2020 and a \$30,000 payment in March, 2020. "We expect the remaining balance from the \$1,000,000 to be in by the end of 2020," said Perlowin. IHM is based in Spring Hope, North Carolina, and is the production facility for **DrillWall™**, along with other industrial hemp products.

Division Two – The Hemp Farming Infrastructure

The Hemp Farming Infrastructure (*Division Two*) consists of hundreds of acres of hemp and kenaf growing in multiple locations, farm equipment, cloning rooms, clones and seeds, grow rooms, greenhouses, hemp drying facilities and a huge amount of peripheral farming tools and equipment. The progress Hemp, Inc. has made in its agricultural endeavors, over the course of four years, has been amazing. The year 2020 will mark the fifth year that Hemp, Inc. has been growing hemp. (*To see Hemp, Inc.'s agricultural progress from 2016 through 2019, visit Bruce Perlowin's personal Facebook page at www.facebook.com/kingofpot and scroll through posts from 2016 to the present. Visit www.hempincpresents.com to see the videos of Hemp, Inc.'s grows in multiple locations.*)

Hemp, Inc. also has two “Small Family Hemp Farm” models. The “Small Family Hemp Farm” in North Carolina is situated on 12 acres and consists of a cloning room, a greenhouse, and enough land to grow 2,000-3,000 high CBD hemp plants. (*This model farm can be seen on Bruce Perlowin's Facebook page, in the Aug. 22nd - 26th, 2018 posts.*) The model shows farmers how to grow high CBD hemp plants, operate a greenhouse and turn a barn into a cloning room to earn up to \$100,000+ a year. This shows an example of how the “Small Family Hemp Farm” can be duplicated and reappear on the American landscape. After all, the original small family farms in America were able to survive economically by growing hemp as their main cash crop and the first five presidents of the United States were all hemp farmers.

Hemp, Inc.’s other “Small Family Hemp Farm” is located Dolan Springs, Arizona. This “Small Family Hemp Farm” is referred to as “The Orchard” since it has a sizable organic orchard. There are: 2 acres on which hemp will be grown on; a cloning room; cold storage; and greenhouses that are currently being installed.

This year, according to Perlowin, the company is preparing to grow on up to 110 acres of land in Oregon, 300 acres in Arizona, hundreds of acres in North Carolina (*a combination of hemp and kenaf*), and an undetermined amount in other states. He says collective sales from all of these grows will be extremely significant in terms of pre-rolls, high CBD buds, distillate, isolate and biomass. “This year, we anticipate the main function of the company to be sales and marketing as we will have completed the infrastructure to support sales and marketing. Right now, I believe we have the largest footprint of bio-diverse hemp products with vertical integration in the hemp industry in America today. We are always looking for joint ventures where we have or can expand our footprint,” commented Perlowin.

Moreover, “A to Z” services for the farmers are available - from harvesting to drying, curing, bucking, machine trimming, hand trimming, bagging, storing, nitrogen sparging, and selling... creating a “one stop shop” for the small to large family farms.

Division Two Products:

- The King of Hemp™ Pre-Roll Blends
- High premium CBD buds from the Rogue Valley in Southern Oregon, North Carolina and Arizona

Hemp, Inc. is also hosting the Hemptathon at the Veteran Village Kins Community in Arizona. Contestants are growing 1 acre of hemp in a contest with other growers from around the country. Hemp, Inc. is providing land, water, security, and live streaming video coverage for participants. The Hemptathon entry fee is \$5,000 and a 50/50 revenue split. Winners of the Hemptathon will share in several awards and prizes of up to \$50,000.

The Veteran Village Kins Community in Arizona has 6 domes and the overnight RV camping sites are ready so people can stay on the land during the Hemptathon grow. Live streaming video cameras are also ready, so the world can watch the “The Great American Hemptathon” in real time.

Also, as part of the Hemptathon, Hemp, Inc.’s Hemp Academy (Arizona) will offer classes in one of its geodesic domes during the Hemptathon, which will include hemp experts, product developers, field trips to the grow area, and more. This hands-on, interactive, educational experience is the chance of a lifetime for people to learn about this new emerging multi-billion dollar industry from hemp industry experts.

A 44-ft geodesic dome will be set up to show movies, documentaries and courses on everything from bio-dynamic farming, permaculture, organic farming practices to bees, predator pest control, soil amendments, cloning, grafting and other peripheral agricultural course materials.

Those interested in signing up for the Hempathon should contact Chris Tinney ctinney@hempinc.com.

Division Three – The Hemp Extraction & Pre-Roll Blending Infrastructure

The Hemp CBD Oil Extraction & Pre-Roll Blending Infrastructure (*Division Three*) originally consisted of a Supercritical CO₂ Extractor. After operating for over a year it has been determined that Hemp, Inc. will not be involved in the extraction industry and has changed its direction to focus primarily on the King of Hemp™ pre-rolls and The King of Hemp™ high CBD smokable flower. The CBD oil that was extracted from the 2018 hemp grows in North Carolina has been made into pure crystalline CBD isolate which will add to our “King of Hemp™” branded line of pre-rolls to take to the marketplace and a pre-roll fortified with pure crystalline CBD isolate.

In lieu of building its own extraction laboratories, Hemp, Inc. plans to utilize the facilities of other labs in the industry to manufacture its own line of CBD oil products while they continue to build and expand the infrastructure for pre-rolls and high CBD smokable buds. The Company will hire or joint venture with other, already existing, labs to manufacture CBD, CBG, CBC, CBN, and other products in its future cannabinoid line. With 150 different cannabinoids, over 300 terpenes, and more of each being discovered almost monthly, the product range and possibilities in this area are endless.

Division Four – The Hemp Educational Infrastructure

The Hemp Educational Infrastructure (*Division Four*) includes Hemp, Inc.'s **Hemp University** which focuses on educating and empowering Hemp farmers and entrepreneurs with knowledge, processing, infrastructure and support. The **educational seminars**, through the Hemp University, are held periodically and teach farmers and landowners how to create a profitable income stream by maximizing the per-acre crop revenue. Through this division, Hemp, Inc. has trained well over 500 farmers in its first two years by doing a total of nine Hemp University seminars in North Carolina and Oregon, which included:

[The New Leaf Symposium and Golden Grow Awards Gala](#) - January 26, 2020 (Jacksonville, Oregon)

“*The New Leaf Symposium’s*” focus was “Regeneration” to celebrate optimism and resilience in the industry, the power of the plant, and faith in the hemp-producing community. The event sold out with over 180 attendees. The feedback from attendees was **overwhelmingly positive** and the speakers were hailed as the best yet. The educational symposium concluded with the “*Golden Grow Awards Gala*”. The Golden Grow Awards Gala honored Oregon's top cultivars and put Oregon’s best farmers head-to-head for some of the most prestigious hemp-industry accolades. (See Bruce Perlowin’s personal **[Facebook post on 1/28/20](#)** for a short video on this symposium.)

[The Pre-Harvest Symposium](#) – September 8, 2019 (Oregon)

“*The Pre-Harvest Symposium*” workshop at Southern Oregon University was expertly designed for both farmers and entrepreneurs of all experience levels, focused on harvesting, processing and profit channels within the hemp industry. The third edition of the Southern Oregon Hemp University brought an abundance of insight into innovations within the realm of harvesting and processing to the forefront. Additionally, the symposium touched on traditional practices in agriculture. (See Bruce Perlowin’s personal [Facebook post on 9/9/19](#) for a short video on this symposium.)

Pre-Plant Support Workshop – May 4, 2019 (Oregon)

“*The Pre-Plant Support Workshop*” was an incredible success that filled the entire venue to capacity with attendees. In total, there were close to 200 attendees, including 20 vendors in attendance. The workshop was designed to help hemp farmers or those who are interested in the hemp industry learn the best pre-planting practices prior to the planting season. The Hemp University Pre-Planting Support Workshop was an interactive and informative workshop that covered the various details hemp farmers should know prior to planting in the 2019 season and beyond. (See Bruce Perlowin’s personal [Facebook post on 5/9/19](#) for a short video on this workshop.)

The Hemp University Educational Seminar - March 23, 2019 (Oregon)

This was the first Hemp University held on the West Coast. The seminar provided attendees with a full day of networking, education, and support. The seminar helped others in the area who were interested in the hemp industry learn more about the “Industrial Hemp Revolution” and how this movement can not only transform Southern Oregon’s economy, but also revive family farms and small businesses in the surrounding areas. (See Bruce Perlowin’s personal [Facebook post on 3/28/19](#) for a short video on this seminar.)

Growing Hemp for Profit – March 10, 2018 – (North Carolina)

The Hemp University’s first educational [symposium](#) event of 2018 entitled “*Growing Hemp for Profit*” took place on Saturday, March 10, 2018. Attendees learned from the University’s industrial hemp experts as they shared their lessons from their experiences in growing industrial hemp. “*Growing Hemp for Profit*,” which took place from 8:30am to 5 pm at the Hilton Garden Inn in Charlotte, North Carolina. (See Bruce Perlowin’s [personal Facebook post on 3/17/18](#) for a short video on this symposium.)

Hemp Money Event: Economics, Lessons & Planning for 2018 – December 2, 2017 – (North Carolina)

The fifth most vital and anticipated educational symposium of the year was *Hemp Money Event: Economics, Lessons & Planning for 2018*. This symposium was held on Saturday, December 2, 2017 from 8:30am to 5:00pm at the Shrine Club (320 Airport Rd, Rocky Mount, NC 27804). Attendees learned the economics of growing industrial hemp for fiber, seeds, and CBD; learned about other master POD growers’ experiences and lessons; and, learned how to prepare for the 2018 industrial hemp growing season with a well-defined blueprint for success. (See Bruce Perlowin’s personal [Facebook post on 12/23/17](#) for a short video on this symposium.)

The Hemp Oil Event: The Art and Science of CBD Oil – September 30, 2017 (North Carolina)

The Hemp Oil Event (The Art & Science of CBD Oil) was The Hemp University's fourth symposium in North Carolina, held on Saturday, September 30, 2017 from 8:30am to 5:00pm at the Peachtree Hills Country Club, 3512 Peachtree Hills Road, Spring Hope, NC 27882. The symposium brought attendees up to speed on all business and scientific aspects of Industrial Hemp CBD cannabinoids by disseminating current, reliable information that continues to shape the revolutionary CBD market. Attendees also got a chance to go to Hemp, Inc.'s, then, 70,000 square foot multipurpose industrial hemp decortication facility for the first live public demonstration of its Supercritical CO2 Extraction System using North Carolina-grown CBD industrial hemp. Representatives from NuAxon Bioscience were also on-site to allow those interested in purchasing their own CBD extraction system. *(See Bruce Perlowin's personal [Facebook post on 9/30/17](#) for a short video on this symposium.)*

The Art and Science of CBD Greenhouse Growing – June 24, 2017 (North Carolina)

The [3rd Hemp University](#) educational symposium held on June 24, 2017 focused on The Art and Science of CBD Greenhouse Growing. The educational symposium was held at Louisburg College in Louisburg, North Carolina. A team of experts engaged attendees through the greenhouse and indoor growing process from cultivation to harvest and from processing to distribution. Dr. Robert Bruck, Dean of Science, Technology, Engineering and Mathematics and Distinguished Professor of Environmental Science at Louisburg College, was The Hemp University's special guest who lectured on soil microbiology during the symposium. Attendees were able to spend half of the course at Hemp, Inc.'s, then, 70,000 square-foot Industrial Hemp Hub, in a 3,000 square-foot cloning room. There, attendees had the opportunity to experience a more hands-on learning approach. *(See Bruce Perlowin's personal [Facebook post on 6/30/17](#) for a short video on this symposium.)*

Farming Hemp for Profit™ – April 29, 2017 (North Carolina)

Hemp, Inc.'s second, sold out, educational symposium (*Farming HEMP for Profit™*), through its Hemp University, was a phenomenal success. The [symposium](#) took place on Saturday, April 29, 2017, from 8:30am – 5:00pm, at the Hampton Inn & Suites located at 3920 Arrow Drive, Raleigh, NC 27612 and drew over 100 attendees. The one-day educational symposium and tour of Hemp, Inc.'s, then, 70,000 square-foot multipurpose industrial hemp facility was an opportunity for landowners and farmers to learn how to apply real business building tactics with a “specific step-by-step blueprint” on how to grow, sell and profit from farming industrial hemp. This event accomplished its mission to help landowners and farmers add a new viable and profitable income stream by maximizing the per-acre crop revenue. *(See Bruce Perlowin's personal [Facebook post on 4/30/17](#) for a short video on this symposium.)*

Farming Hemp for Profit™ – March 18, 2017 (North Carolina)

This was Hemp, Inc.'s first [Hemp University symposium](#). The symposium was a sold out event and was a huge success with 100 attendees who rated the quality of information presented as excellent. The symposium took place on Saturday, March 18, 2017, from 8:00am – 5:00pm, at Hemp, Inc.'s wholly owned subsidiary, Industrial Hemp Manufacturing, LLC, located at 1436 Highway 581 North, Spring Hope, North Carolina, 27882. The one-day educational symposium was an opportunity for landowners and farmers to receive a “specific step-by-step blueprint” on how to grow, sell and profit from farming industrial hemp by using real business tactics and principles, presented by industry experts. *(See Bruce Perlowin's*

personal [Facebook posts on 3/18-19 and 3/21-26, 2019](#) for a short videos on this symposium.)

To listen to past Hemp University workshops, please visit hemp-university.teachable.com. Also visit <https://www.hempincpresents.com> to see highlights from Hemp, Inc.'s inaugural Hemp University held in North Carolina, which sold out in two weeks.

The Hemp University's twelve online educational masterclasses are \$10 each and each masterclass is under an hour in length. The online courses include lectures from industry leaders who have educated attendees at the Hemp University workshops in Oregon. These online masterclasses provide farmers who were either not able to attend the first Hemp University or who would like to revisit certain topics presented by the event speakers.

A. Date and State (or Jurisdiction) of Incorporation:

JANUARY 16, 2008; COLORADO

B. The issuer's primary and secondary SIC Codes;

7380

C. The issuer's fiscal year end date;

DECEMBER 31

D. Principal products or services, and their markets;

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND THE MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD.

7) Describe the Issuer's Facilities

THE ISSUER LEASES AN EXECUTIVE OFFICE SPACE ON A MONTH TO MONTH BASIS WHICH IS ADEQUATE FOR ITS CURRENT NEEDS

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN

CRAIG PERLOWIN RESIGNED ON SEPTEMBER 29, 2016

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

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

NONE

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

NONE

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

NONE

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

NONE

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN (31%)

9) **Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Name: N/A

Accountant or Auditor

Name: N/A

Investor Relations Consultant

Name: N/A

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: N/A

11) **Subsequent Events**

Subsequent Events

January 1, 2020 through April 10, 2020

- The King of Hemp (KOH) super-premium quality pre-roll line is in full production. (www.kingofhempusa.com/)
- The first sales of KOH super-premium flower were made and are steadily growing. *(There was a slight interruption in sales due to the COVID-19 pandemic but sales are coming back on track.)*
- KOH Tinctures also hit the market with steady sales. *(There was a slight interruption in sales due to the COVID-19 pandemic but sales are coming back on track. Related COVID-19 issues delayed a nationwide roll-out but the Company is moving forward in selected areas.)*
- Within the next 30 days, we expect to roll-out the second product in the KOH product line “Midnight Express” in honor of Billy Hayes who made the name famous in the 1978 movie “Midnight Express” chronicling his suffering at the hands of Turkish authorities for trying to smuggle hash shish out of Turkey.
- The Golden Grow Awards were held in conjunction with the Hemp University’s Post Harvest Symposium. The sold-out event was held in Jacksonville, Oregon. There were four categories judged in the awards: Top CBD, Top Terpenes, Judge’s Favorite, and Peoples’ Choice.
- KOH opened its first retail store in Kingman, Arizona. Hemp, Inc. retrofitted the once Wells Fargo Bank building but will retain the working vault. The store carries the KOH pre-roll line, flower, tinctures, health and beauty products, and apparel.
- KOH has placed a significant amount of product in Dolan Station. This store welcomes many daily tour buses filled with tourists. On some days, up to 40 tour buses stop at Dolan Station. The Company expects a very good return later this year.
- The KOH website (<http://www.kingofhempusa.com/>) will be redesigned over the next four weeks for better functionality.
- Hemp, Inc.’s Kins Community website (www.kinscommunity.com) was released to increase awareness of the problems many U.S. Veterans face today as well a place for healing and growing for Veterans.
- Ten growers from six states (Arizona, Nevada, California, North Carolina, Oregon, West Virginia) were selected to grow various CBG cultivars to determine the quality and strength of the cultivars in different microclimates. Cloning has started in Arizona and North Carolina and the cultivars will continue to be planted at various times of the year to determine suitability by cultivars in the tested microclimate. Last year, two cultivars that were extremely successful in Southern Oregon, were tested and Hemp, Inc. grows in North Carolina. The results were very bad. While growing robust high quality plants in Oregon, the North Carolina microclimate proved to not be suitable for those two cultivars. Growing microclimate specific cultivars dramatically increases yield and quality.
- The cloning operation is now underway in Arizona and North Carolina. This will help to fill the void of CBG seeds expected this year which is in high demand.

- At the end of 2019, Hemp, Inc. signed a contract to supply \$1,000,000 of its loss circulation material (LCM) used as a green product in the drilling of oil wells this year. To date, \$120,000 of product has been delivered and paid for by the buyer.

Hemp, Inc. (Plaintiff) has filed a lawsuit against OTC Markets Group, Inc. (Defendant) for Defamation, Defamation Per Se, Business Disparagement, and Intentional Interference with Prospective Economic Advantage. The lawsuit was filed in the Clark County District Court of Nevada.

OTC Markets is in the business of helping users comply with the Securities and Exchange Commission's (SEC) Alternative Reporting Standards. While offering valuable services, it should be noted that OTC Markets is not a government agency and is not the only option available to public companies that choose to comply with SEC Alternative Reporting Standards.

On or about November 15, 2017, Hemp, Inc. submitted a new application to OTC Markets to continue services along with the \$6,000 payment. OTC Markets rejected Hemp, Inc.'s application to receive its services on or about December 26, 2017. Despite Hemp, Inc. having been a paying customer for 6 years, OTC Markets unilaterally refused to provide services to Hemp, Inc. To add insult to injury, OTC kept \$400 of the \$6,000 payment made to them.

OTC Markets prevented Hemp, Inc. from reporting on its website and accused Hemp, Inc. of not having current information. OTC Markets then placed a stop sign on its website under Hemp, Inc. and claimed Hemp, Inc.'s information was not current. Since Hemp, Inc. could not post their current filings on OTC Markets, the Company decided to maintain current filings and notices on its own website for public access and to comply with the SEC's Alternative Reporting Standards.

After months of trying to work something out with OTC Markets and informing them of their false statements about Hemp, Inc. on the OTC Markets website, Hemp, Inc. executives decided it would be in the best interest of the Company to file a lawsuit against OTC Markets.

The lawsuit is still in progress.

On October 12, 2018, Hemp, Inc.'s wholly owned subsidiary, Industrial Hemp Manufacturing, LLC (IHM) (Plaintiff) filed a lawsuit against American Hemp Seed Genetics, LLC (ASHG) (Defendant) for Breach of Contract, Breach of Express Warranty, Breach of Implied Warranty of Fitness for a Particular Purpose, Breach of Implied Warranty of Merchantability, Intentional Misrepresentation, Negligent Misrepresentation, Incidental and Consequential Damages, Unfair and Deceptive Trade Practices, and Fraud. ASHG is managed by Jerry Norton of Salem, Oregon.

IHM and ASHG entered into a contractual agreement on April 26, 2018. According to Hemp, Inc. executives, Norton convinced IHM executives that the seeds IHM were to purchase had excellent genetics and were the right seeds for planting in North Carolina's soil and climate. Thus, IHM agreed to purchase said seeds in order to plant 1,000 acres of hemp for biomass.

Norton recommended one pound of seeds per ten acres of land with 100% germination. He assured IHM his seeds had a 97% germination rate and to make up for the expected 3% failure rate, he added 3 more pounds of seed for a total of 103 pounds.

Seeds were sent to IHM in North Carolina, per contract. However, upon receiving the seeds, IHM did a test for germination and found the seeds had a germination rate in the high teens. Confounded by the results, IHM sent the seeds out for professional germination testing by experts who were able to get a 24% germination rate... higher than IHM's first test but still disturbingly lower than what Norton had promised.

Jerry Norton was informed of the results and of the seeds' failure to germinate properly. At that point, IHM demanded the return of their \$70,000 payment with the return of the seeds back to Norton. Norton refused to refund IHM's payment, did not accept the seeds back, and refused to discuss it further. As a result of his intransigence, IHM had no choice but to file a lawsuit against ASHG, which was done on October 12, 2018.

ASHG moved to dismiss the lawsuit for lack of personal jurisdiction on December 31, 2018. That motion was denied on February 25, 2019. ASHG entered an appeal on March 18, 2019. Norton was able to delay the trial for almost one year. While he may have thought the delay was a great tactical strategy, he only prolonged the inevitable. On March 3, 2020, ASHG's appeal was denied.

The contract had a clause that was quoted by the appellate judge in denying ASHG's appeal.

"The contract additionally stated in relevant part that "[a]ny dispute arising out of or related to this Agreement shall be venued [sic] in Raleigh, North Carolina."

IHM is now able to proceed with the lawsuit.

"This was an unfortunate situation that will take more time but we won't quit until this has been adjudicated. This lawsuit could award IHM \$10,000,000 or more for incidental and consequential damages so it's worth the wait" said Bruce Perlowin, CEO of Hemp, Inc.

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer.

I, BRUCE PERLOWIN, CEO/CFO/CHAIRMAN certify that:

1. I have reviewed this ANNUAL REPORT of HEMP, 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.

APRIL 10, 2020

/S/ BRUCE PERLOWIN [CEO/CFO's Signature]

CEO/CFO [Title]

Hemp, Inc. and Subsidiaries

Balance Sheets
(Unaudited)

	December 31, 2019	December 31, 2018
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 245,239	\$ 396,203
Securities held for sale	86,105	86,105
Receivables	1,950,830	450,830
Inventory	5,131,428	1,252,571
Notes receivable	37,500	37,500
Prepaid interest	6,474,480	5,455,142
Prepaid rent	20,000	20,000
Total Current Assets	13,945,582	7,698,351
OTHER ASSETS		
LPO software	1,810,775	1,810,775
Tax tracking software	156,250	156,250
Property, Plant, and Equipment-net	27,539,091	11,048,641
Total Other Assets	29,506,116	13,015,666
TOTAL ASSETS	\$ 43,451,698	\$ 20,714,017
<u>LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 271,852	\$ 152,840
Due to B. Perlowin	-	302,663
Due to D. Tobias	50	50
Payroll taxes payable	57	57
TOTAL CURRENT LIABILITIES	271,959	455,610
NON-CURRENT LIABILITIES		
Contingent disputed liability - JS	12,105	12,105
Note payable and accrued interest	23,095,814	14,270,473
TOTAL NON-CURRENT LIABILITIES	23,107,919	14,282,578
TOTAL LIABILITIES	23,379,878	14,738,188
STOCKHOLDERS' DEFICIT		
Preferred Collectible stock:		
500,000,000 shares authorized, \$0.00001 par value		
8,400,000 and 8,400,000 shares issued	84	84
Preferred stock:		
31,835,578 shares authorized, \$0.00001 par value		
0 and 31,835,578 shares issued	-	319
New Preferred stock:		
468,164,422 shares authorized, \$0.00001 par value		
24,347,800 and 27,288,468 and shares issued	243	272
Preferred K stock:		
58,262,154 shares authorized, \$0.00001 par value		
58,262,154 and 58,262,154 shares issued	583	583
Preferred K(P) stock:		
169,499,468 shares authorized, \$0.00001 par value		
130,836,701 and 104,959,291 shares issued	1,309	1,050
Preferred Q stock:		
100,000,000 shares authorized, \$0.00001 par value		
9,095,597 and 0 shares issued	91	-
Common stock:		
10,500,000,000 common shares, \$0.00001 par value		
4,654,283,853 and 2,676,638,938 shares issued	46,543	33,565
Additional paid-in capital	149,622,069	131,349,700
Subscriptions payable	1,998,037	-
Other comprehensive income/(expense)	(6,327,539)	(6,327,539)
Retained earnings/(deficit)	(125,269,600)	(119,082,706)
Total Stockholders' Equity/(Deficit)	20,071,820	5,975,328
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 43,451,698	\$ 20,714,017

The accompanying notes are an integral part of these statements

Hemp, Inc. and Subsidiaries
 Statements of Operations
 (Unaudited)

	For the Year Ended December 31,	
	2019	2018
SALES	\$ 2,352,905	\$ 1,960,754
Cost of sales	1,821,156	101,491
GROSS MARGIN	531,749	1,859,263
OPERATING EXPENSES		
Compensation - stock based	4,843,255	7,656,690
Professional and consulting fees	715,676	1,393,815
Occupancy expenses	969,088	1,615,405
Travel	328,799	285,173
Advertising and promotion	225,717	331,320
General and administrative	3,045,334	4,739,420
Total Operating Expenses	10,127,869	16,021,823
NET INCOME (LOSS) FROM OPERATIONS	(9,596,120)	(14,162,560)
OTHER INCOME (EXPENSE)		
Interest income		36
Other income		-
Settle lawsuit		(630,000)
Interest expense - stock based	(13,441,594)	(23,944,893)
Interest expense	(3,577,259)	-
Total other income (expense)	(17,018,853)	(24,574,857)
NET INCOME (LOSS) BEFORE TAXES	(26,614,973)	(38,737,417)
Provision for income taxes	-	-
NET INCOME (LOSS)	\$ (26,614,973)	\$ (38,737,417)
PER SHARE DATA:		
Basic and diluted income (loss) per common share	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	5,156,154,043	3,565,587,117

The accompanying notes are an integral part of these statements

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Hemp, Inc. and Subsidiaries
Statement of Stockholders' Equity (Deficit)
(Unaudited)

	Preferred A Artistic Shares		Preferred Stock		New Preferred Stock		Preferred K Stock		Preferred K(P) Stock		Preferred Q Stock		Common Stock		Additional Paid-in Capital	Sub- scriptions Payable	Other Com- prehensive Income/ (Expense)	Retained Earnings/ (Deficit)	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balance - December 31, 2017	8,400,000	84	31,835,578	319	27,288,468	273	58,262,154	583	104,959,291	1,050			2,481,812,897	24,818	88,294,195	0	(6,327,539)	(80,345,289)	
QE March 31, 2018 - Preferred K(P) issued for settlement									2,100,000	21					629,979				
QE March 31, 2018 - Preferred K(P) issued for lumber									640,608	6					192,176				
QE March 31, 2018 - Preferred K(P) issued for P,P,&E									100,000,000	1,000					2,089,000				
QE March 31, 2018 - Common issued for debt service													431,049,078	4,310	11,772,494				
QE March 31, 2018 - New P issued for Preferred K(P)				16,000,000	160				(4,000,000)	(40)					(120)				
QE March 31, 2018 - Preferred Q issued for Common											10,000,000	100	(1,000,000,000)	(10,000)	9,900				
QE June 30, 2018 - PK(P) converted to Common									(22,061,877)	(221)			220,618,770	2,206	(1,986)				
QE June 30, 2018 - Common issued for debt service													120,955,304	1,210	3,642,360				
QE June 30, 2018 - Common stock issued for services													14,000,000	140	425,380				
QE September 30, 2018 - PK(P) converted to Common									(3,860,000)	(39)			38,600,000	386	(347)				
QE September 30, 2018 - Preferred converted to Common				(23,487,778)	(235)								58,719,445	587	(587)				
QE September 30, 2018 - Common issued for debt service													225,857,777	2,259	7,303,210				
QE September 30, 2018 - Common stock issued for services													164,700,000	1,647	5,599,223				
QE December 31, 2018 - Common issued for debt service													307,227,069	3,072	9,767,199				
QE December 31, 2018 - PK(P) converted to Common									(25,300,713)	(253)			253,007,130	2,530	(2,277)				
QE December 31, 2018 - Common stock issued for services													40,000,000	400	1,629,900				
Income(Loss) for the Year Ended																			
Balance- December 31, 2018	8,400,000	\$ 84	31,835,578	\$ 319	19,800,690	\$ 198	58,262,154	\$ 583	152,477,309	\$ 1,525	10,000,000	\$ 100	3,356,547,470	\$ 33,565	\$ 131,349,699.62	\$ -	\$ (6,327,539)	\$ (80,345,289)	
Reallocation			(4,547,110)	(45)	4,547,110	45													
Subscriptions for assets																			1,712,308
QE March 31, 2019 - Common issued for debt service													154,093,404	1,541	3,913,266				
QE March 31, 2019 - PK(P) converted to Common									(3,140,608)	(31)			31,406,080	314	(283)				
QE March 31, 2019 - Common																			

The accompanying notes are an integral part of these statements

stock issued for services						118,250,000	1,183		3,312,393									
QE June 30, 2019 - Common issued for debt service						150,046,702	1,500		3,605,140									
QE June 30, 2019 - Common stock issued for services						25,000,000	250		587,250									
QE September 30, 2019 - Common issued for debt service						285,199,997	2,852		4,141,596									
QE September 30, 2019 - PK(P) converted to Common			(12,000,000)	(120)		120,000,000	1,200		(1,080)									
QE September 30, 2019 - Common stock issued for services						25,000,000	250		277,250									
QE December 31, 2019 - Common issued for debt service						169,214,783	1,692		1,774,006									
QE December 31, 2019 - Preferred converted to Common	(27,288,468)	(273)				6,822,117	68		205									
QE December 31, 2019 - PK(P) converted to Common			(6,500,000)	(65)		65,000,000	650		(585)									
QE December 31, 2019 - PQ converted to Common				(904,403)	(9)	90,403,300	904		(895)									
QE December 31, 2019 - Common stock issued for services						57,300,000	573		664,107									
Subscriptions for debt									285,729									
Income(Loss) for the Year Ended									(26,614,973)									
Balance- December 31, 2019	8,400,000	\$ 84	0	\$ -	24,347,800	\$ 243	58,262,154	\$ 583	130,836,701	\$ 1,309	9,095,597	\$ 91	4,654,283,853	\$ 46,543	\$ 149,622,069	\$ 1,998,037	\$ (6,327,539)	\$ (125,269,600)

e accompanying notes are an integral part of these statements

The accompanying notes are an integral part of these statements

Hemp, Inc. and Subsidiaries
Statements of Cash Flows
(Unaudited)

	For the Year Ended December 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income (loss)	\$ (26,614,973)
Adjustments to reconcile net income (loss) to net cash from operating activities:	
Issuance of stock for services	4,843,255
Issuance of stock for interest	13,441,594
Issuance of stock to settle lawsuit	-
Changes in Operating Assets and Liabilities:	
Inventory	(3,878,857)
Prepaid interest	(1,019,338)
Receivables	(1,500,000)
Accounts payable and accrued liabilities	119,012
Net cash from operating activities	<u>(14,609,307)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Securities held for sale	-
Property, plant, and equipment	(9,806,629)
Net cash from investing activities	<u>(9,806,629)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Advances from related parties	
Notes payable	8,825,341
Stock for debt service	13,441,594
Subscriptions payable	1,998,037
Net cash from financing activities	<u>24,264,972</u>
NET CHANGE IN CASH	(150,964)
CASH AT BEGINNING OF PERIOD	<u>396,203</u>
CASH AT END OF PERIOD	<u>\$ 245,239</u>
SUPPLEMENTAL CASH FLOW DISCLOSURES	
Cash paid for interest	\$ -
Cash paid for income taxes	\$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES	
Common stock issued for debt service	\$ (13,441,594)
Warrants issued for prepaid interest	\$ -

The accompanying notes are an integral part of these statements

HEMP, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
December 31, 2019

Note 1 - Organization and Basis of Presentation

Organization and Line of Business

The "Company" was incorporated on January 16, 2008 in Colorado as Preachers Coffee, Inc. and was given the trading symbol PCIO. On November 11, 2009 the Company changed its name to Marijuana, Inc. On October 10, 2011 the trading symbol was changed to HEMP. Subsequently the name was changed to Hemp, Inc.

Initially, the Company launched a comprehensive network of information, services and products focused on the rapidly emerging medical and recreational marijuana industries and movements. The Company has assembled the components of all encompassing educational, social networking, affinity programs, and distribution networks through internal development, mergers and acquisitions, and joint ventures. These components are being seamlessly integrated into a process designed to take the consumer from curious, to knowledgeable, to a satisfied and loyal community member with a lasting relationship with the Company through education, information, social networking, and product purchases.

After the name change, from Marijuana, Inc. to Hemp, Inc., the company's primary focus shifted to industrial hemp and the myriad of clean, green sustainable products that industrial hemp offers to the world.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company's wholly owned subsidiaries. All significant intercompany transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Securities Held for Sale

The Company owns a portfolio of marketable securities held for sale acquired directly from the issues in payment for providing consulting services and or direct purchase from the issuer. The portfolio is

evaluated from time to time and the carrying value is adjusted in accordance with the "Mark to Market" procedure.

Deposits

Deposits are the balances outstanding that have not been redeemed as of the date of the Financial Statements.

Accounts Receivable/Other Receivable

Accounts Receivable are amounts due to the company from sales or services rendered.

Notes Receivable

Notes Receivable are executed contractual obligations to the Company reflecting amounts due for sales or services rendered by the Company.

Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight line method over their useful lives.

Inventory

Inventory has been recorded at the lower of cost or fair market value.

Revenue Recognition

The Company's revenue recognition policies are in compliance with SEC Staff Accounting Bulletin ("SAB") 104.

Stock-Based Compensation

The Company accounts for its stock-based compensation in accordance with SFAS No. 123R, "ShareBased Payment, an Amendment of FASB Statement no. 123." The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees.

Income Taxes

The Company utilizes the SFAS No. 109, "Accounting for Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in the future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period and based on enacted tax laws and statutory tax 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.

Basic and Diluted Earnings per Share

Earnings per share are calculated in accordance with the SFAS No. 128 ("SFAS No. 128"), "Earnings per Share." Net earnings per share for all periods presented have been restated to reflect the adoption of

SFAS No. 128. Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. There are convertible shares as discussed in Note 8. There are no options or warrants. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. At this time there are no stock options granted.

Note 3 - Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern.

Note 4 - Accounts Payable

Accounts payable represent amounts owed to vendors for products and/or services rendered but not yet paid for in full.

Note 5 - Notes Payable

Notes payable was incurred for plant, property, equipment and inventory financing. The president of the Company pledged 23,500,000 shares of the Company's Preferred K stock to further secure this financing. The Company recorded \$951,150 in additional interest expense related to this collateral pledge.

On May 25, 2015 the lender exercised its right to foreclose on a 4,000,000 share Preferred K certificate pledged by the president which triggered debt assumption by the president.

Subsequently issued working capital notes payable were issued pursuant to a continuing financing agreement and are classified as non-current due to repayment characteristics.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

On November 9, 2016, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$533,800. The note matured on September 9, 2018 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On January 13, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matured on May 23, 2019 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 17, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 31, 2019 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On July 27, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,017,500 which includes a legal fee of \$5,000 and \$262,500 OID. The note matured on October 28, 2018 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On November 13, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on March 21, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 23, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 30, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On July 24, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on December 3, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On November 16, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on March 16, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 28, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 29, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On May 22, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,355,000 which includes a legal fee of \$5,000 and \$350,000 OID. The note matures on November 23, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On August 8, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on December 15, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On October 22, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,355,000 which includes a legal fee of \$5,000 and \$350,000 OID. The note matures on April 22, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On November 25, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,355,000 which includes a legal fee of \$5,000 and \$350,000

OID. The note matures on May 25, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

Note 6 - Loans To/From Officers

Loans are stated at par and are represented in aggregate. Such sum represents the loan of funds and/or withdrawal of funds by officers and is not considered revenue to the company, not income to individual officers.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

Note 7 - Stock Options and Warrants

Pursuant to the financing agreement(s) for the purchase of the decortication plant, land, and equipment the Company issued 10,000,000 Warrants.

Note 8 - Preferred Shares

The company has several types of preferred shares; Preferred A, Preferred, New Preferred, Preferred K, Preferred K(P), and Preferred Q.

Note 9 – Potential Conflicts of Interest

From time to time members of management and or stakeholders may enter into financial arrangements that must be examined to determine if such arrangements pose a conflict of interest that would precipitate the Company intervention.

Note 10 – Dividends

The Company has not declared or distributed any cash dividends.

Note 11 – Decortication Plant

On May 12, 2014, the Company purchased decortication equipment for processing kenaf, a fibrous plant used in industrial, commercial, and consumer applications, and for the anticipated future processing of hemp. On August 7, 2014 the Company acquired a 70,000 square-foot North Carolina factory building on 8 acres to house the decortication equipment along with rolling stock and forklifts. The Company's CEO advanced the \$17,000 to open escrow on the purchase. The Company borrowed \$1,600,000 to finance the purchase of the land, building, equipment and to provide working capital on a long term convertible note payable. The land, building, equipment, and 8,000,000 Preferred K shares are pledged as collateral against the Note. The CEO supplied the 8,000,000 Preferred K shares from his own personal portfolio. The Note further required the Company to issue 5,000,000 Common shares, 10,000,000 five year \$0.10 Common stock warrants, and six amortizing payments of \$296,667 for a total of \$1,760,000 beginning on May 12, 2015. The Note is convertible to Common stock at the election of the Company. The 5,000,000 Common shares issued pursuant to the terms of the Note were recorded as prepaid interest at \$286,000, the closing price of the shares. The Company used the Black Scholes method to calculate the derivative cost of the 10,000,000 Common stock warrants at \$565,771 and was also recorded as prepaid interest.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

NOTE 12 - SUBSEQUENT EVENTS

On January 16, 2020, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on June 16, 2022 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

In accordance with ASC 855-10, Company management reviewed all material events through the date of this report and there are no additional subsequent events to report.