

## OTC Pink Basic Disclosure as of Fiscal Year Ending September 30, 2018

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

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Castle Holding Corp. and name changed to Enerkon Solar International, Inc. 10/31/17  
Ticker Symbol Change from "CHOD" to "ENKS" on 11/3/2017

### 2) Address of the issuer's principal executive offices

Company Headquarters  
Address 13620 Weyburn Dr.  
Delray Beach, FL 33446

Phone: 561-431-7762  
Email: info@ENERKONINTERNATIONAL.COM  
Website(s):  
www.ENERKONINTERNATIONAL.COM

IR Contact  
The Company as above.

### 3) Security Information

Trading Symbol: ENKS  
Exact title and class of securities outstanding: Common Stock  
CUSIP: 29278K 109  
Par or Stated Value: \$0.0025  
Total shares authorized: 200,000,000 as of: 9-30-18  
Total shares outstanding: 51,182,510 as of: 9-30-18

Additional class of securities (if necessary):  
Class A Convertible Preferred non trading \$0.01 par value  
Class A Convertible Preferred stock, \$.01 par value; authorized 1,000,000  
And 522,250 outstanding

Class B Preferred Stock non trading \$0.01 par value  
Preferred authorized 100,000 shares, issued and outstanding 100,000

Transfer Agent  
Name: Standard Register and Transfer Agent  
Address 1: 440 E 400 S Suite 200  
Address 2: Salt Lake City, UT 84111  
Phone: 801-571-8844

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

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None known other than normal restrictions related to Rule 144 and Directors and Officers  
Describe any trading suspension orders issued by the SEC in the past 12 months.

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:

On February 8, 2018 Enerkon Solar International Inc. (the Company) entered into a Share Exchange Agreement (no additional shares issued), and closed the transaction, with Enerkon Solar International, Inc.(Enerkon Florida), a company incorporated in the State of Florida, owned by Benjamin Ballout. Enerkon Florida became a 100% wholly owned subsidiary. Enerkon Florida is in the Utility Scale PV powerplants and renewable energy sector, with operations in the Middle East, China, USA and Africa.

#### 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 equity 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, 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:

The Company had reported previously that 47,003,510 Common Shares on 12/31/2017, but the actual number of Common Shares outstanding is 51,182,510. This is due to common shares that were originally to be cancelled, but ultimately where not cancelled.

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

N/A

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.

N/A.

## **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. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

Attached below are the:

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes;
- E. Audit letter, if audited-N/A

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date

## **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;

Enerkon Solar International, Inc. (ENKS) is a holding company which was incorporated in Nevada on June 13, 1986. The name of the Company was changed from Castle Holding Corp. (CHOD) to ENKS on November 2, 2017.

Previous Subsidiary Companies are no longer owned By Enerkon Solar International Inc. due to Divestment after the February 8, 2018 share exchange agreement with previous management as per notations disclosed in Form 8K Supplemental information filed with the SEC and posted on the OTC Disclosure Page.

The Company is engaged in the construction of industrial and commercial Solar Power Utility Scale Plants in a Turkey, Mozambique, Egypt and the United States. The Company's work is performed under a cost plus-plus-fee contracts, as well as participation in long term profit sharing or revenue stream participation.

**B. Date and State (or Jurisdiction) of Incorporation:**  
June 13, 1986

**C. the issuer's primary and secondary SIC Codes;**

221114 Solar Electric Power Generation  
5961-E Commerce and Online Stores

**D. the issuer's fiscal year end date; September 30 each year**

**E. principal products or services, and their markets;**

The Company is engaged in the construction of industrial and commercial Solar Power Utility Scale Plants in a Turkey, Mozambique, Egypt, China, and the United States. The Company's work is performed under a cost plus-plus-fee contracts, as well as participation in long term profit sharing or revenue stream participation.

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

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

Delray Beach, Florida—The Company leases its US Corporate headquarters in in Delray Beach, Florida, which is approximately 3,000 square feet.

Guangdong Province, China and comprise 3,000 square feet, leased monthly.

Maputo Mozambique are 1,000 Sq Ft representative offices

#### **8) Officers, Directors, and Control Persons**

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

**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.

Benjamin Ballout, CEO, Director and owner of more than 5%

**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;

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;

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.

**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 address.

**Benjamin Ballout (Chief Executive Officer and Director) 23,000,000 shares plus 10,000,000 voting shares 64.8%**

#### **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:** John T. Root Jr.  
**Address 1:** PO Box 701  
**Address 2:** Greenbrier, AR 72058  
**Phone:** 501-529-8567  
**Email:** J.ROOT.5013@GMAIL.COM

##### **Accountant or Auditor**

**Name:** Internally Prepared by Company  
**Firm:**  
**Address**  
**Email:** Info@ENKERKONINTERNATIONAL.COM

##### **Investor Relations Consultant**

**Name:** None  
**Firm:**  
**Address 1:**  
**Address 2:**  
**Phone:**  
**Email:**

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

**Name:** None

**Firm:**

**Address 1:**

**Address 2:**

**Phone:**

**Email:**

#### **10) Issuer Certification**

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). The certifications shall follow the format below:

I, Benjamin Ballout, CEO certify that:

1. I have reviewed this Annual Disclosure Statement of Enerkon Solar International, 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.

12-27-18 [Date]

/s/ BENJAMIN BALLOUT CEO

Digital Signatures should appear as “/s/ Benjamin Ballout CEO

**ENERKON SOLAR INTERNATIONAL , INC.**  
**BALANCE SHEET**  
**YEAR ENDING 09/30/2018**  
(Unaudited)

**ASSETS**

<b>Current Assets</b>	
Cash	\$ 79,215,957
Accounts Receivable	\$ -
Inventory	\$ 4,806,011
Other Assets	\$ 299,600
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 84,321,568</b>

**FIXED ASSETS**

Land	\$ 3,277,446
Buildings	\$ 2,369,270
Furniture & Equipment	\$ 274,439
Computers	\$ 114,376
Vehicles	\$ 1,414,439
<b>TOTAL FIXED ASSETS</b>	<b>\$ 7,449,970</b>

**OTHER ASSETS**

Deposits	\$ 376,000
<b>TOTAL ASSETS</b>	<b>\$ 92,147,538</b>

**LIABILITIES**

<b>Current Liabilities</b>	
Accounts payable	\$ 985,134
Taxes Payable	\$ 417,110
Accrued Employee Payroll Benefits	\$ 7,520
Other Current Liabilities	\$ 1,333,738
Notes Payable	\$ 36,162
Deferred Revenue	\$ 77,299,962
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 80,079,625</b>

<b>LONG TERM LIABILITIES</b>	<b>\$ 6,369,906</b>
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<b>TOTAL LIABILITIES</b>	<b>\$ 86,449,531</b>
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**STOCKHOLDERS' EQUITY**

Common stock, \$0.0025 par value, 200,000,000 authorized, and 51,182,510 shares issued and outstanding	\$ 127,956
Class A Convertible Preferred Stock, \$ .01 Par Value, Authorized 1,000,000 shares, issued and outstanding shares 522,250	\$ 5,223
Class B Preferred Stock, \$.01 Par Value, Authorized 100,000 Shares, shares issued and outstanding 100,000	\$ 1,000
Treasury Common Stock, 588,800 @ Cost	\$ (32,620)
Additional Paid in Capital	\$ 1,872,730
Retained Earnings	\$ 3,723,717
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 5,698,007</b>

<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 92,147,538</b>
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**ENERKON SOLAR INTERNATIONAL , INC.**  
**STATEMENTS OF OPERATIONS**  
**YEAR ENDING 09/30/2018**  
**(Unaudited)**

<b>REVENUES</b>	<b>\$</b>	<b>18,959,947</b>
<b>LESS COST OF GOODS SOLD</b>	<b>\$</b>	<b>12,187,826</b>
<b>GROSS PROFIT</b>	<b>\$</b>	<b>6,772,121</b>
<b>EXPENSES</b>		
Administrative expenses	\$	6,770
Salaries & Wages	\$	3,693,836
Rent	\$	41,400
Professional fees	\$	32,315
Interest Expense/Bank Fees	\$	18,631
Repairs & Maintenance	\$	33,318
Utilities	\$	50,902
Depreciation Expense	\$	374,748
Taxes	\$	15,271
Equipment Leases	\$	615,045
Insurance	\$	44,150
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>4,926,386</b>
<b>NET (LOSS) INCOME FROM OPERATIONS</b>	<b>\$</b>	<b>1,845,735</b>

The accompanying notes are an integral part of these financial statements

**ENERKON SOLAR INTERNATIONAL , INC.**  
**STATEMENTS OF CASH FLOWS**  
**PERIOD 07/01/2018 THRU 09/30/2018**  
(Unaudited)

**OPERATING ACTIVITIES**

<b>Net (loss) Income</b>	<b>\$ 1,662,797</b>
<b>Adjustment to reconcile net loss to cash used by operations:</b>	
<b>Cash Deposit Advance on Projects</b>	<b>\$ 9,709,456</b>
<b>Stock based compensation, management services</b>	<b>\$ -</b>
<b>Amortization/Depreciation/Interest</b>	<b>\$ 205,000</b>
<b>Prepaid Expenses/Deposits</b>	<b>\$ -</b>
<b>Accounts Receivable</b>	<b>\$ -</b>
<b>Accounts Payable/Notes Payable/Other Payables</b>	<b>\$ 1,660,074</b>
<b>Net cash (used) for operating activities</b>	<b>\$ 13,237,327</b>

**FINANCING ACTIVITIES/ACQUISITION**

<b>Advances Payable</b>	<b>\$ -</b>
<b>Sale of common stock</b>	<b>\$ -</b>
<b>Net cash provided by financing activities</b>	<b>\$ -</b>
<b>Net increase (decrease) in cash and equivalents</b>	<b>\$ 13,237,327</b>
<b>Cash and equivalents at beginning of the period</b>	<b>\$ 65,978,630</b>
<b>Cash and equivalents at end of the period</b>	<b>\$ 79,215,957</b>

The accompanying notes are an integral part of these financial statements

# **ENERKON SOLAR INTERNATIONAL, INC.**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FISCAL YEAR ENDING 09/30/2018**

#### 1. COMPANY HISTORY

##### ORGANIZATION

Enerkon Solar International, Inc. (ENKS) is a holding company which was incorporated in Nevada on June 13, 1986. The name of the Company was changed from Castle Holding Corp. (CHOD) to ENKS on November 2, 2017. The subsidiaries of ENKS are as follows:

Global Star Holdings Limited (incorporated 2006 Hong Kong SAR China);

Global Star Holdings Replaced İnşaat ve Mühendislik Co. (“Mertokon”), founded in 2001, which had completed various projects in Turkey since its inception

Previous Subsidiary Companies are no longer owned By Enerkon Solar International Inc. due to Divestment after the February 8, 2018 share exchange agreement with previous management as per notations disclosed in Form 8K Supplemental information filed with the SEC and posted on the OTC Disclosure Page.

On February 8, 2018 the Company entered into a share exchange agreement with Enerkon Solar International, Inc. (Incorporated in Florida, September 28, 2016). The Company engages in Utility Scale PV Power Plants and renewable systems, with a particular focus on the Middle East, China, USA and Africa.

#### **2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### METHOD OF ACCOUNTING

Interim financial statements—The accompanying unaudited interim financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States of America for interim financial information and pursuant to rules and regulations of the Securities Exchange Commission (SEC). Accordingly, they do not include all information and footnotes required by Generally Accepted Accounting Principles(GAAP) for Annual Audited Financial Statements. In the opinion of Management, the unaudited financial statements have been prepared in accordance with GAAP, and reflect all adjustments considered necessary for a fair presentation.

**Principles of Consolidation**—The consolidated financial statements include all the accounts of ENKS and its subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

**Use of Estimates**—The preparations of the Financial Statements in conformity with United States GAAP. GAAP requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements and accompanying Notes. Actual result could differ from those estimates.

**Cash and Cash Equivalents**—The Company considers highly liquid investments with maturity dates of three months or less at the time of purchase. As of 09/30/2018 the Company has \$ 79,215,957. The Company currently has deferred revenue liability of \$ 77,299,962.

**Revenue Recognition**—Revenues from fixed price construction contracts are recognized on the percentage of completion method, measured on the basis of incurred costs to estimated total costs for each contract. This cost to cost method is used because management considers it to be the best available measure of progress on these contracts. Revenues from cost-plus fee contracts are recognized on the basis of costs incurred during the period plus the fee earned, measured by the cost to cost method. Participation in Power Purchase Agreements over long term with Governmental Electricity Ministries or Utilities are calculated on a quarterly and annualized basis according to the agreement on revenue sharing and values are calculated in equivalent values in United States Dollars when paid in local currencies and booked as accounts receivables (long Term) on both its annual value and total value across the life of the contract (usually 25 – 30 Years) and terminated thereafter in the case of BOOT or other revenue sharing models in accordance with GAAP Standard accounting principles.

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to costs to complete long-term contracts. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs, and depreciation costs. Selling, general, and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined.

Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions, and final contract settlements may result in revisions to costs and income

Fixed Assets/Other Assets—The Company currently has \$ 7,449,970 of fixed assets and 376,000 Deposit on the Balance Sheet. Property and equipment are stated at cost. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets, which range from 5 to 25 years. Leasehold improvements are amortized over the shorter of the useful life of the related assets or the lease term. Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any related gain or loss is reflected in income for the period.

Fair Value of Financial Instruments—Pursuant to SFAS No. 107 “Disclosures about Fair Value of Financial Instruments”, the Company is required to estimate the fair value of all financial instruments included on its balance sheet. Fiscal Year Ending 09/30/2018 instruments consisted of cash and cash equivalents, accounts payable, notes payable, deferred revenue. The Company considers its items in the Financial Statements to approximate their value due to the relatively short period of time between organization of instruments and their expected realization.

### **3.LIABILITIES /DEBT**

The Company as of 09/30/2018 has \$ 80,079,625 in current liabilities, of which includes deferred revenue liability of \$ 77,299,962 and \$ 6,369,906 in Long Term Liabilities. The Company has a Convertible Note Payable to John V. Cappello that was originally executed on in December 2015. In December 2016 the Company defaulted on the original Note Payable and the Note was restated in December 2016. As of 09/30/2018 the Company owed \$ 36,162 in Notes Payable with a conversion rate of 0.0025 (par value).

### **4.STOCKHOLDERS EQUITY**

The Company as of 09/30/2018 has Common Shares issued and outstanding of 51,182,510 authorized of 200,000,000 with a par value of 0.0025. Class A Convertible Preferred Stock has 522,250 issued and outstanding, authorized of 1,000,000 par value of 0.01. Class B Preferred Stock has 100,000 issued and outstanding and 100,000 authorized. The Company has 588,800 of Treasury Stock, listed at cost (32,620).