ENDEXX CORPORATION

A NEVADA Corporation

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Cave Creek, AZ. 85331

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Corporation Email: endexx@endexx.com
Primary SIC Code: 424210

ANNUAL REPORT

For the Years Ending: September 30, 2020 and 2019
(the "Reporting Period")

As of September 30, 2020, the number of shares outstanding of our Stock was:

Common Stock: 404,908,141 shares Preferred Stock: 7,296,000 shares

As of September 30, 2019, the number of shares outstanding of our Stock was:

Common Stock: 358,489,928 shares Preferred Stock: 7,296,000 shares

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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: ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

Cautionary Note Regarding Forward-Looking Information and Factors That May Affect Future Results:

This unaudited report contains forward-looking statements. The Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This report and other written and oral statements that we make from time to time contain such forward-looking statements that set out anticipated results based on management's plans and assumptions regarding future events or performance. We have tried, wherever possible, to identify such statements by using words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "will" and similar expressions in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated sales efforts, expenses, the outcome of contingencies, such as legal proceedings and financial results.

We caution that the factors described herein and other factors could cause our actual results of operations and financial condition to differ materially from those expressed in any forward-looking statements we make and that investors should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date on which such statement is made and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. New factors emerge from time to time and it is not possible for us to predict all of such factors. Further, we cannot assess the impact of each such factor on our results of operations or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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

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

September 5, 1997 - Formed Micron Solutions, Inc. in the State of Nevada
March 1, 2002 – Changed name to Panamed Corporation in the State of Nevada
June 22, 2005 – Changed name to Endexx Corporation in the State of Nevada
October 29, 2018 – Changed name to CBD Unlimited Inc. in the State of Nevada
May 1, 2020 – Changed name to Endexx Corporation in the State of Nevada

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

<u>The Company was incorporated in Nevada on September 5, 1997 and has an 'active' status with the state.</u>

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

Yes: ☐ No: ☒

2) Security Information

Trading symbol:	EDXC	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	29259K 10 2	
Par or stated value:	$0.0001	
Total shares authorized:	1,000,000,000	as of date: September 30, 2020
Total shares outstanding:	404,908,141	as of date: September 30, 2020
Number of shares in the Public Float:	268,315,566	as of date: September 30, 2020
Total number of shareholders of record:	9,957	as of date: September 30, 2020

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

<u>None</u>

<u>Transfer Agent</u>

Name: American Stock Transfer & Trust Company, LLC
Phone: 800-249-7702
Email: Admin12@astfinancial.com

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

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

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

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct 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

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Stock:

Shares Outstanding as of Second Most Recent Fiscal Year End:									
Date:	September 30, 2018								
Common:	313,342,558								
Preferred:	7,296,000								
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).**	**Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)**	**Restricted or Unrestricted as of this filing?**	**Exemption or Registration Type?**
12/10/2018	New Issuance	1,666,666	Common	$ 50,000	No	Timothy Banazek	Private placement	Restricted	144
12/10/2018	New Issuance	1,666,666	Common	$ 50,000	No	Scott Miller	Private placement	Restricted	144
12/20/2018	New Issuance	333,333	Common	$ 10,000	No	Chris Lewis	Payment for finder's fees	Restricted	144
12/21/2018	New Issuance	100,000	Common	$ 4,400	No	Charles Reeves	Payment for finder's fees	Restricted	144
1/1/2019	New Issuance	506,073	Common	$ 25,000	No	Dustin Sullivan	Payment for consulting services	Restricted	144
1/2/2019	New Issuance	14,285,716	Common	$ 500,000	No	Timothy Banazek, Scott Miller, Rob Hasty, Michael Baxter	Private placement	Restricted	144
1/2/2019	New Issuance	705,882	Common	$ 45,812	No	Richard Steinhart	Payment for consulting services	Restricted	144
1/11/2019	New Issuance	3,188,750	Common	$ 127,550	No	Hampton Growth (Theresa Kunz)	Conversion of note payable and payment for consulting services	Unrestricted	144
1/17/2019	New Issuance	5,619,907	Common	$ 120,828	Yes	Apollo Capital (Yohan Naraine)	Conversion of note payable	Restricted	144
1/17/2019	New Issuance	9,456,307	Common	$ 241,609	Yes	Apollo Capital (Yohan Naraine)	Conversion of note payable	Restricted	144

2/26/2019	New Issuance	1,075,269	Common	$ 100,000	No	Mamesh Lakhani	Private placement	Restricted	144
3/25/2019	New Issuance	250,000	Common	$ 87,250	No	Uptick Capital (Ari Blaine)	Payment for consulting services	Restricted	144
3/31/2019	New Issuance	32,154	Common	$ 10,000	No	Dana Early	Payment for consulting services	Restricted	144
3/31/2019	New Issuance	490,196	Common	$ 25,000	No	Dustin Sullivan	Payment for consulting services	Restricted	144
4/15/2019	New Issuance	370,370	Common	$ 100,000	No	Nicholas and Jacqueline Garofalo	Private placement	Restricted	144
4/25/2019	New Issuance	395,000	Common	$ 118,500	No	H. David Belote/Pamela Belote	Private placement	Restricted	144
5/5/2019	New Issuance	230,000	Common	$ 9,660	No	Step Up Capital, Inc. (Jerome Slutsky)	Payment for consulting services	Restricted	144
5/5/2019	New Issuance	81,433	Common	$ 25,041	No	Dustin Sullivan	Payment for consulting services	Restricted	144
6/10/2019	New Issuance	500,000	Common	$ 100,000	No	Timothy Banazek	Private placement	Restricted	144
6/10/2019	New Issuance	500,000	Common	$ 100,000	No	Russell P. Miller	Private placement	Restricted	144
6/10/2019	New Issuance	500,000	Common	$ 100,000	No	Scott Miller	Private placement	Restricted	144
6/13/2019	New Issuance	1,125,000	Common	$ 281,250	No	Uptick Capital (Ari Blaine)	Payment for consulting services	Restricted	144
6/23/2019	New Issuance	750,000	Common	$ 255,000	No	Step Up Capital, Inc. (Jerome Slutsky)	Payment for consulting services	Restricted	144
7/31/2019	New Issuance	1,125,000	Common	$ 337,500	No	Uptick Capital (Ari Blaine)	Payment for consulting services	Restricted	144
9/30/2019	New Issuance	193,648	Common	$ 22,541	No	Dustin Sullivan	Payment for consulting services	Restricted	144
10/11/2019	New Issuance	975,610	Common	$ 100,000	Yes	M2B Funding Corp. (Daniel Kordash)	Inducement for note payable	Restricted	144
10/23/2019	New Issuance	1,733,923	Common	$ 260,356	Yes	Apollo Capital (Yohan Naraine)	Conversion of note payable	Restricted	144
11/1/2019	New Issuance	588,236	Common	$ 93,333	Yes	M2B Funding Corp. (Daniel Kordash)	Inducement for note payable	Restricted	144
12/31/2019	New Issuance	263,158	Common	$ 25,000	No	Dustin Sullivan	Payment for consulting services	Restricted	144
1/1/2020	New Issuance	1,625,028	Common	$ 72,126	No	Gary Edling	Payment for consulting services	Restricted	144
1/15/2020	New Issuance	5,587,644	Common	$ 389,795	Yes	Apollo Capital (Yohan Naraine)	Conversion of note payable	Restricted	144
1/15/2020	New Issuance	250,000	Common	$ 48,725	No	Janine Delaney	Payment for consulting services	Restricted	144
1/15/2020	New Issuance	47,620	Common	$ 16,557	No	Jessica Catanzaro	Signing bonus	Restricted	144
1/24/2020	New Issuance	2,000,000	Common	$ 100,000	Yes	Robert Hasty	Private placement	Restricted	144
1/24/2020	New Issuance	2,000,000	Common	$ 100,000	Yes	Timothy Banazek	Private placement	Restricted	144
1/24/2020	New Issuance	800,000	Common	$ 64,384	Yes	M2B Funding Corp. (Daniel Kordash)	Inducement for note payable	Restricted	144
2/1/2020	New Issuance	500,000	Common	$ 42,500	No	Charles Mohr	Acquisition	Restricted	144
2/7/2020	New Issuance	4,655,078	Common	$ 382,111	Yes	Apollo Capital (Yohan Naraine)	Conversion of note payable	Restricted	144

3/5/2020	New Issuance	50,000	Common	$ 3,900	Yes	R Innovations, Inc. (Jonathan Rotger)	Payment for website development services	Restricted	144
3/6/2020	New Issuance	10,000	Common	$ 814	No	Margaret Webster	Signing bonus	Restricted	144
3/22/2020	New Issuance	333,333	Common	$ 10,000	Yes	David Belote	Private placement	Restricted	144
3/30/2020	New Issuance	3,333,333	Common	$ 100,000	Yes	Timothy Banazek	Private placement	Restricted	144
3/31/2020	New Issuance	256,410	Common	$ 16,667	No	Dustin Sullivan	Payment for consulting services	Restricted	144
3/31/2020	New Issuance	6,375,303	Common	$ 669,892	No	Rayne Forecast, Inc. (Todd Davis)	Payment for consulting services	Restricted	144
4/20/2020	New Issuance	1,000,000	Common	$ 85,100	Yes	M2B Funding Corp. (Daniel Kordash)	Default remedy	Restricted	144
4/25/2020	New Issuance	2,000,000	Common	$ 162,400	No	Ronald Cotting	Acquisition	Restricted	144
4/25/2020	New Issuance	2,000,000	Common	$ 162,400	No	Stephen Herron Sr.	Acquisition	Restricted	144
5/17/2020	New Issuance	200,000	Common	$ 10,000	Yes	John Drury	Private placement	Restricted	144
5/17/2020	New Issuance	300,000	Common	$ 15,000	Yes	Natalie Drury Howell	Private placement	Restricted	144
5/18/2020	New Issuance	100,000	Common	$ 7,500	No	Moverz LLC (Steven DeAngelis)	Payment for consulting services	Restricted	144
6/1/2020	New Issuance	183,537	Common	$ 14,873	No	Strategic Innovations First, Inc. (Brad Listerman)	Payment for consulting services	Restricted	144
8/21/2020	New Issuance	1,500,000	Common	$ 50,000	Yes	Anton Steinhart	Private placement	Restricted	144
9/21/2020	New Issuance	3,000,000	Common	$ 142,200	No	Ronald Cottling	Payment for consulting services	Restricted	144
9/21/2020	New Issuance	3,000,000	Common	$ 142,200	No	Stephen Herron	Payment for consulting services	Restricted	144
9/30/2020	New Issuance	1,750,000	Common	$ 51,100	Yes	Rock Bay Partners (Jamie Nelson)	Conversion of note payable	Restricted	144

Number of shares outstanding as of September 30, 2020
Common: 404,908,141
Preferred: 7,296,000

Warrants:

Warrants Outstanding as of Second Most Recent Fiscal Year End:
Date: September 30, 2018
Warrants: 1,250,000

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares for which warrant may be exercised	Class of Securities	Value of shares issued ($/per share) at Issuance	Were the warrants issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
12/5/2018	New	4,500,000	Warrant	$ 0.040	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
1/7/2019	New	3,000,000	Warrant	$ 0.050	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
1/30/2019	New	1,000,000	Warrant	$ 0.100	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
1/30/2019	New	1,000,000	Warrant	$ 0.100	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144

2/12/2019	New	3,250,000	Warrant	$ 0.120	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
3/15/2019	New	2,500,000	Warrant	$ 0.290	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
4/5/2019	New	4,300,000	Warrant	$ 0.370	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144
8/5/2019	New	1,200,000	Warrant	$ 0.220	no	Apollo Capital (Yohan Naraine)	Debt incentive	n/a	144

Warrants Outstanding on Date of This Report:

Date: September 30, 2020

Warrants 20,750,000

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

<u>None</u>

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
1/30/2019	$ 437,222	$ 437,222	$ 25,370	1/30/2021	The note has conversion price equal to fifty percent (50%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	Apollo Capital Corp. (Yohan Naraine)	Loan
2/12/2019	$ 388,889	$ 388,889	$ 74,861	2/11/2020	The note has conversion price equal to fifty percent (50%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	Apollo Capital Corp. (Yohan Naraine)	Loan
3/15/2019	$ 222,222	$ 222,222	$ 39,445	3/14/2019	The note has conversion price equal to fifty percent (50%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	Apollo Capital Corp. (Yohan Naraine)	Loan
4/5/2019	$ 388,889	$ 388,889	$ 46,667	4/4/2020	The note has conversion price equal to fifty percent (50%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	Apollo Capital Corp. (Yohan Naraine)	Loan
8/5/2019	$ 111,111	$ 111,111	$ 15,555	8/5/2020	The note has conversion price equal to fifty percent (50%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	Apollo Capital Corp. (Yohan Naraine)	Loan
4/9/2020	$ 25,000	$ 25,000	$ (475)	8/5/2020	None	Apollo Management Group, Inc. (Yohan Naraine)	Loan
4/28/2020	$ 105,000	$ 105,000	$ 2,750	8/5/2020	None	Apollo Management Group, Inc. (Yohan Naraine)	Loan
4/27/2020	$ 112,888	$ 112,888	$ 470	4/27/2022	None	Bank of America, NA	Loan
12/3/2018	$ 262,500	$ 250,000	$ 27,708	12/4/2019	The note has conversion price equal to sixty percent (60%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	David Wolfswinkel	Loan
7/11/2019	$ 158,900	$ 200,000	$ 30,733	1/11/2020	The note has conversion price equal to sixty percent (60%) of the lowest trading price of the preceding ten (10) days from the date of conversion.	David Wolfswinkel Trust	Loan
6/20/2017	$ 55,353	$ 50,000	$ 35,519	8/5/2017	None	Hampton Growth Resources, LLC (Teresa Kunz)	Loan
10/11/2019	$ 750,000	$ 750,000	$ 60,084	10/11/2020	Conversion feature becomes effective 240 days after note issuance at the lower of $0.1587 or forty percent (40%) discount of the lowest trading price of the preceding ten (10) days from the date of conversion.	M2B Funding Corp (Daniel Kordash)	Loan

11/1/2019	$ 700,000	$ 700,000	$ 56,078	11/1/2020	Conversion feature becomes effective 240 days after note issuance at the lower of $0.1587 or forty percent (40%) discount of the lowest trading price of the preceding ten (10) days from the date of conversion.	M2B Funding Corp (Daniel Kordash)	Loan
1/16/2020	$ 351,000	$ 351,000	$ 28,119	1/16/2021	Conversion feature becomes effective 240 days after note issuance at the lower of $0.1587 or forty percent (40%) discount of the lowest trading price of the preceding ten (10) days from the date of conversion.	M2B Funding Corp (Daniel Kordash)	Loan
3/5/2020	$ 125,000	$ 125,000	$ 10,014	3/5/2021	Conversion feature becomes effective 240 days after note issuance at the lower of $0.1587 or forty percent (40%) discount of the lowest trading price of the preceding ten (10) days from the date of conversion.	M2B Funding Corp (Daniel Kordash)	Loan
4/30/2020	$ 75,000	$ 75,000	$ 6,008	4/30/2021	Conversion feature becomes effective 240 days after note issuance at the lower of $0.1587 or forty percent (40%) discount of the lowest trading price of the preceding ten (10) days from the date of conversion.	M2B Funding Corp (Daniel Kordash)	Loan
6/30/2017	$ 1,072,185	$ 1,157,500	$ 327,484	On Demand	Fixed conversion price of $0.026 per share	Todd Davis, CEO	Loan
6/17/2020	$ 160,000	$ 160,000	$ 1,500	6/17/2050	None	U.S. Small Business Administration	Loan
7/21/2020	$ 20,750	$ 20,750	$ 888	10/8/2020	None	Odin Associates (Yohan Naraine)	Loan

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

None

4) Financial Statements

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

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual):

Name: Doug Williams
Title: CPA, Consultant
Relationship to Issuer: Accountant

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C. Consolidated Balance Sheets as of September 30, 2020 (unaudited) and 2019

D. Consolidated Statements of Operations for the Years Ended September 30, 2020 (unaudited) and 2019

E. Consolidated Statements of Cash Flows for the Years Ended September 30, 2020 (unaudited) and 2019

F. Consolidated Statement of Stockholders' Deficit for the Years Ended September 30, 2020 (unaudited) and 2019

G. Notes to the Consolidated Financial Statements (unaudited)

H. The accompanying financial statements for the year ended September 30, 2020 have not been audited

Endexx Corporation
Consolidated Balance Sheets

	September 30, 2020 (unaudited)	September 30, 2019 (audited)
Assets		
Current assets		
Cash	$ 4,650	$ 36,363
Accounts receivable, net of allowance of $-0- and $27,097, respectively	107,971	20,043
Inventory, net of allowance of $394,500 and $578,062, respectively	1,311,150	1,269,488
Prepaid expenses	214,160	12,025
Total current assets	1,637,931	1,337,919
Investment in marketable securities	9,920	9,920
Property and equipment, net of accumulated depreciation of $54,988 and $39,536, respectively	470,061	485,513
Prepaid advertising	856,640	-
Intangible - website domains	16,250	6,250
Total assets	$ 2,990,802	$ 1,839,602
Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable	$ 420,482	$ 333,030
Customer deposits	36,705	64,735
Accrued expenses	121,876	17,612
Accrued expenses, Rayne Forecast Inc.	141,883	150,000
Accrued Interest	463,378	156,421
Accrued Interest, related party	327,484	241,710
Payroll and taxes payable, primarily related party	1,482,504	1,156,086
Notes payable	280,738	255,353
Convertible notes payable, net of discounts of $622,134 and $776,268, respectively	3,348,599	1,112,651
Convertible note payable - related party	1,072,185	1,072,185
Derivative liability	5,649,412	3,012,597
Total current liabilities	13,345,246	7,572,380
Notes payable	198,253	-
Convertible note payable, net of discount of $-0- and $291,681, respectively	-	145,541
Total liabilities	13,543,499	7,717,921
Commitments and contingencies (Note 8)		
Stockholders' deficit		
Preferred Stock, $0.0001 Par Value, 10,000,000 shares authorized, 7,296,000 shares issued and outstanding, respectively	730	730
Common Stock, $0.0001 Par Value, 1,000,000,000 shares authorized, 404,908,141 and 358,489,928 shares issued and outstanding, respectively	40,491	35,849
Additional paid-in capital	21,010,497	17,627,463
Accumulated deficit	(31,604,415)	(23,542,361)
Total stockholders' deficit	(10,552,697)	(5,878,319)
Total liabilities and stockholders' deficit	$ 2,990,802	$ 1,839,602

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

Endexx Corporation
Consolidated Statements of Operations

	For the years ended September 30,	
	2020 (unaudited)	2019 (audited)
Revenues	$ 1,971,120	$ 1,110,207
Cost of revenues	606,619	1,029,469
Inventory impairment	-	578,062
Gross profit (loss)	1,637,931	(497,324)
Operating expenses		
Depreciation	15,452	17,420
Advertising and promotion	445,144	255,897
Payroll expenses	850,273	757,809
Professional fees	1,747,784	1,658,508
Professional fees, related party	-	341,928
Research and development	15,266	18,700
General and administrative expenses	906,767	740,145
Impairment expense	-	-
Total operating expenses	3,980,686	3,790,407
Loss from operations	(2,616,185)	(4,287,731)
Other (income) expense		
Unrealized loss on investments	-	20,080
Change in fair value of derivative liability	1,493,615	(1,016,430)
Financing costs	286,538	3,503,973
Interest expenses	3,132,350	1,481,039
Default penalty	85,100	-
Loss on acquisition	448,266	-
Total other (income) expense	5,445,869	3,988,662
Net loss	$ (8,062,054)	$ (8,276,393)
Net loss per share – basic and diluted	$ (0.02)	$ (0.02)
Weighted average shares outstanding – basic and diluted	379,165,693	343,489,983

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

Endexx Corporation
Consolidated Statements of Stockholders' Deficit

	Preferred Stock		Common Stock		Paid-in	Accumulated	
	Shares	Amount	Shares	Amount	Capital	(Deficit)	Total
Balances, September 30, 2018 (audited)	7,296,000	$ 730	313,342,558	$ 31,334	$ 12,671,069	$ (15,265,968)	$ (2,562,835)
Shares issued for private placements	-	-	20,959,687	2,096	1,216,404	-	1,218,500
Shares issued for services	-	-	7,840,119	784	1,345,549	-	1,346,333
Shares issued for employee compensation	-	-	1,271,350	127	223,189	-	223,316
Shares issued for debt settlement	-	-	15,076,214	1,508	198,258	-	199,766
Settlement of derivative liability	-	-	-	-	1,004,730	-	1,004,730
Warrants issued with notes payable	-	-	-	-	968,264	-	968,264
Net (loss) for the period	-	-	-	-	-	(8,276,393)	(8,276,393)
Balances, September 30, 2019 (audited)	7,296,000	730	358,489,928	35,849	17,627,463	(23,542,361)	(5,878,319)
Shares issued for private placements	-	-	9,666,666	967	384,033	-	385,000
Shares issued for services	-	-	14,583,868	1,458	1,099,982	-	1,101,440
Shares issued for employee compensation	-	-	577,188	58	58,980	-	59,038
Shares issued for debt settlement	-	-	13,726,645	1,373	474,245	-	4
Settlement of derivative liability	-	-	-	-	656,462	-	656,462
Shares issued for financing	-	-	2,363,846	236	257,481	-	257,717
Shares issued for default penalty	-	-	1,000,000	100	85,000	-	85,100
Shares issued for acquisition	-	-	4,500,000	450	366,850	-	367,300
Net loss for the year	-	-	-	-	-	(8,062,054)	(8,062,054)
Balances, September 30, 2020 (unaudited)	7,296,000	$ 730	404,908,141	$ 40,491	$ 21,010,497	$ (31,604,415)	$ (10,552,697)

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

Endexx Corporation
Consolidated Statements of Cash Flows

	For the years ended September 30, 2020 (unaudited)	For the years ended September 30, 2019 (audited)
Operating activities		
Net loss	$ (8,062,054)	$ (8,276,393)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	1,160,478	1,569,649
Shares issued for default penalty	85,100	-
Depreciation and amortization	15,452	17,420
Impairment expense	-	578,062
Amortization of debt discount	2,283,672	1,213,067
Change in fair value of derivative liability	1,493,615	(1,016,430)
Loss from acquisition	448,266	-
Unrealized loss on investments	-	20,080
Financing costs	286,538	3,520,825
Bad debt expense	37,677	45,445
Changes in operating assets and liabilities:		
Accounts receivable	(125,605)	(65,488)
Inventory	(32,628)	(1,778,727)
Prepaid expenses	(1,058,775)	23,175
Accounts payable	87,452	173,942
Customer deposit	(28,030)	64,735
Accrued expenses	104,264	7,126
Accrued expenses, Rayne Forecast Inc.	(8,117)	150,000
Accrued interest	402,902	155,285
Accrued interest, related party	85,774	88,260
Payroll and taxes payable, primarily related party	326,418	354,383
Net cash used in operating activities	(2,497,601)	(3,155,584)
Investing activities		
Acquisition of website domain and digital intangibles	(100,000)	-
Purchase of property and equipment	-	(73,337)
Net cash used in investing activities	(100,000)	(73,337)
Financing activities		
Proceeds from sale of common stock	385,000	1,218,500
Proceeds from convertible notes payable	541,000	1,695,000
Proceeds from notes payable	1,839,888	196,500
Repayment of convertible note payable	(200,000)	-
Net cash provided by financing activities	2,565,888	3,110,000
Net decrease in cash	$ (31,713)	$ (118,921)
Cash, beginning of year	36,363	155,284
Cash, end of year	$ 4,650	$ 36,363
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ 350,697	$ -
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Convertible notes and interest converted to common stock	$ 425,019	$ 362,437
Derivative liability settled through stock issuance	$ 607,744	$ -
Debt discount from derivative liability	$ 1,542,670	$ 2,021,930
Notes payable that became convertible	$ 1,450,000	$ -
Mortgage note funded directly through convertible note payable	$ -	$ 380,000

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

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

We were incorporated under the laws of State of Nevada on September 5, 1997, as Micron Solutions. From 2002-2005, the Company operated as Panamed Corporation, a biotech service and licensing company. Panamed Corporation merged with Visual Board Books Inc. (VBB) in February 2005 and changed the consolidated company name to Endexx Corporation (the Company).

Our primary business is the manufacturing and sale of hemp products for personal use and pets. The Company has the following wholly owned subsidiaries:

- Global Solaris Group, LLC
- Greenleaf Consulting LLC
- Cann Can LLC
- Together One Step Closer, LLC
- PhytoLabs LLC
- Go Green Global Enterprises, Inc.
- CBD Health Solutions
- Kush, Inc.
- CBD Life Brands, Inc.
- Retail Pro Associates

Basis of Presentation and Going Concern

The Company prepares its consolidated financial statements in conformity with generally accepted accounting principles in the United States of America. These principles require 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. Management believes that these estimates are reasonable and have been discussed with the Board of Directors; however, actual results could differ from those estimates. The operating results of the above listed wholly owned subsidiaries were consolidated with the consolidated financial statements of the Company. All significant intercompany accounts and transactions have been eliminated in consolidation.

Our consolidated financial statements have been presented on the basis that we are a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. We have sustained operating losses since inception, which raises substantial doubt about the Company's ability to continue as a going concern.

As of September 30, 2020, we have a working capital deficit of $11,707,315, and an accumulated deficit of $31,604,415. During the year ended September 30, 2020 we had a net loss of $8,062,054 and cash used in operating activities of $2,497,601. The Company's ability to continue in existence is dependent on its ability to develop additional sources of capital, and/or achieve profitable operations and positive cash flows. Management's plans with respect to operations include the sustained and aggressive marketing of hemp cannabidiol products and raising additional capital through sales of equity or debt securities as may be necessary to pursue its business plans and sustain operations until such time as the Company can achieve profitability. Management believes that aggressive marketing combined with additional financing as necessary will result in improved operations and cash flow in 2021 and beyond. However, there can be no assurance that management will be successful in obtaining additional funding or in attaining profitable operations. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to revenue recognition, bad debts, investments, intangible assets, and income taxes. Our estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with maturity of three months or less, when purchased, to be cash equivalents. There were no cash equivalents as of September 30, 2020 and 2019.

The Company maintains its cash balances at one financial institution that is insured by the Federal Deposit Insurance Corporation.

Accounts Receivable

Accounts receivable consists of invoiced and unpaid product sales. The Company records an allowance for doubtful accounts to allow for any amounts that may not be recoverable, which is based on an analysis of the Company's prior collection experience, customer credit worthiness, and current economic trends. Accounts are considered delinquent when payments have not been received within the agreed upon terms and are written off when management determines that collection is not probable.

At September 30, 2020 and 2019, we recorded $0 and $27,097, respectively, for an allowance for doubtful accounts based upon management's review of accounts receivable.

Inventory

Inventory is composed of finished goods, in-process, and raw goods inventory, valued on a first in first out basis, and includes production cost, product freight in, and packaging costs. Slow moving and obsolete inventories are written down based on a comparison of on-hand quantities to historical and projected usages.

The Company has authorized a consignment inventory arrangement with one of its mass retail customers. After consignment inventory has been sold by this customer, the customer notifies the Company of the sale and the Company records revenue in that accounting period. The Company authorizes the replenishment of consignment inventory based on orders placed by the customer. The Company is provided with weekly reports of consignment sales activity and balances.

Prepaid Expenses

The Company considers all items incurred for future services to be prepaid expenses. As of September 30, 2020 and 2019, the Company had $1,070,800 and $12,025, respectively of future professional services to be received through September 30, 2025. The largest portion of the prepaid expenses consist of prepaid advertising that was received in exchange for inventory totaling $1,070,800. The advertising credits received are expected to be used over the next five years. Accordingly, $856,640 of the prepaid advertising has been classified as a noncurrent asset in the accompanying consolidated balance sheets.

Investment in Marketable Securities

During fiscal year ended September 30, 2018, the Company invested in marketable securities consisting of publicly traded stocks. These investments are recorded at fair value based on quoted prices at the end of the Company's reporting period. Any realized or unrealized gains or losses are recognized in the accompanying statements of operations.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Maintenance and repairs are charged to operations as incurred. Depreciation and amortization are based on the straight-line method over the estimated useful lives of the related assets. When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts, and any resulting gain or loss is reflected in operations in the period realized.

Depreciation is computed on the straight-line method net of salvage value with useful lives as follows:

Computer equipment and software	5 years
Business equipment and fixtures	7 years
Property and buildings	39 years

Recoverability of Long-Lived Assets

The Company reviews its long-lived assets on a periodic basis, whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment will be based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets. Fixed assets to be disposed of by sale will be carried at the lower of the then current carrying value or fair value less estimated costs to sell.

We amortize the cost of other intangible assets over their estimated useful lives, which range up to ten years, unless such lives are deemed indefinite. During the years September 30, 2020 and 2019, we recorded no impairment charges related to other intangible assets.

Customer Deposits

From time-to-time the Company receives payment from wholesale customers in advance of delivering products to the customer. All such deposits are short term in nature as the Company delivers the product, unfulfilled portions or engineering services to the customer before the end of its next annual fiscal period. These deposits are credited to the customer against product deliveries or at the completion of the customer's order.

Revenue Recognition

On October 1, 2018, the Company adopted ASU 2014-09, "Revenue from Contracts with Customers" (ASC 606) and adoption of the new standard had no impact on the Company's statements of operations or balance sheets. Revenue is recognized from the sale of hemp products when our performance obligation is satisfied. Our primary performance obligation (the distribution and sales of hemp products) is satisfied upon the shipment or delivery of products to our customers, which is also when control is transferred. The transfer of control of products to our customers is typically based on written sales terms that do not allow for a right of return after 30 days from the date of purchase. Revenue is recognized net of allowances for returns and any taxes collected from customers and subsequently remitted to governmental authorities.

The following table presents the Company's revenues disaggregated by type:

	For the Year Ended September 30, 2020	2019
Wholesale	$ 1,427,555	$ 1,003,708
Retail	543,565	106,499
Total	$ 1,971,120	$ 1,110,207

Fair Value of Financial Instruments

In accordance with the reporting requirements of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 825*, Financial Instruments*, the Company calculates the fair value of its assets and liabilities which qualify as financial instruments under this standard and includes this additional information in the notes to the financial statements when the fair value is different than the carrying value of those financial instruments. The Company does not have assets or liabilities measured at fair value on a recurring basis except its derivative liability.

Consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at the balance sheet dates, nor gains or losses reported in the statements of operations that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held during the years ended September 30, 2020 and 2019, except as disclosed.

Fair Value Measurement

ASC Topic 820, *Fair Value Measurements*, provides a comprehensive framework for measuring fair value and expands disclosures which are required about fair value measurements. Specifically, ASC 820 sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. ASC 820 defines the hierarchy as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed on the New York Stock Exchange.

Level 2 - Pricing inputs are other than quoted prices in active markets but are either directly or indirectly observable as of the reported date. The types of assets and liabilities in Level 2 are typically either comparable to actively traded securities or contracts or priced with models using highly observable inputs.

Level 3 - Significant inputs to pricing that are unobservable as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine the fair value.

The following tables present the Company's assets and liabilities that were measured and recognized at fair value as of September 30, 2020 and 2019:

September 30, 2020

	Level 1	Level 2	Level 3	Total
Marketable securities	$ 9,920	$ -	$ -	$ 9,920
Derivative liability	-	-	5,649,412	5,649,412
	$ 9,920	$ -	$ 5,649,412	$ 5,659,332

September 30, 2019

	Level 1	Level 2	Level 3	Total
Marketable securities	$ 9,920	$ -	$ -	$ 9,920
Derivative liability	-	-	3,012,597	3,012,597
	$ 9,920	$ -	$ 3,012,597	$ 3,022,517

A reconciliation of the changes in the Company's Level 3 derivative liability at fair value is as follows:

Balance at September 30, 2018	$ 475,619
Conversions of debt to equity	(1,004,730)
Decrease in fair value of the liability	(1,016,430)
Additions to the liability	4,558,138

Balance at September 30, 2019	$ 3,012,597
Conversions of debt to equity	(656,462)
Increase in fair value of the liability	1,493,615
Additions to the liability	1,799,662
Balance at September 30, 2020	$ 5,649,412

From time to time, the Company enters into convertible promissory note agreements (Note 5). These notes are convertible at a fraction of the stock closing price near the conversion date. Additionally, the conversion price, as well as other terms including interest rates, adjust if any future financings have more favorable terms. The conversion features of these notes meet the definition of a derivative which therefore requires bifurcation and are accounted for as a derivative liability.

The Company estimated the fair value of the conversion feature derivatives embedded in the convertible promissory notes based on assumptions used in the Black Scholes pricing model. At September 30, 2020 and 2019, the fair value of the derivative liabilities of convertible notes was estimated using the following weighted-average inputs: the price of the Company's common stock of $0.057 and $0.116, respectively; a risk-free interest rate ranging from .08% to 2.71%, and expected volatility of the Company's common stock ranging from 65% to 160%, various estimated exercise prices, and terms under one year.

Convertible Instruments

The Company evaluates and account for conversion options embedded in convertible instruments in accordance with ASC Topic 815, Derivatives and Hedging Activities.

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

The Company accounts for convertible instruments (when it has been determined that the embedded conversion options should not be bifurcated from their host instruments) as follows: The Company records when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption.

Beneficial Conversion Features

ASC 470-20 applies to convertible securities with beneficial conversion features that must be settled in stock and to those that give the issuer a choice in settling the obligation in either stock or cash. ASC 470-20 requires that the beneficial conversion feature should be valued at the commitment date as the difference between the conversion price and the fair market value of the common stock into which the security is convertible, multiplied by the number of shares into which the security is convertible. This amount is recorded as a debt discount and amortized over the life of the debt. ASC 470-20 further limits this amount to the proceeds allocated to the convertible instrument.

Research and development costs

Research and development costs are charged to expense as incurred and are included in operating expenses. Total research and development costs were $15,266 and $18,700 for the years ended September 30, 2020 and 2019, respectively.

Advertising Costs

The costs of advertising are expensed as incurred. Advertising expenses are included in the Company's operating expenses. Advertising expense was $445,144 and $255,897 for the years ended September 30, 2020 and 2019, respectively.

Income Taxes

The Company accounts for income taxes utilizing the liability method of accounting. Under the liability method, deferred taxes are determined based on differences between financial statement and tax bases of assets and liabilities at enacted tax rates in effect in years in which differences are expected to reverse. Valuation allowances are established, when necessary, to reduce deferred tax assets to amounts that are expected to be realized.

The Company follows ASC 740-10, "Accounting for Uncertainty in Income Taxes" ("ASC 740-10"). This interpretation requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. The Company has adopted ASC 740-10 for 2016, and evaluates its tax positions on an annual basis, and as of September 30, 2019, no additional accrual for income taxes is necessary. The Company's policy is to recognize both interest and penalties related to unrecognized tax benefits expected to result in payment of cash within one year are classified as accrued liabilities, while those expected beyond one year are classified as other liabilities. The Company has not recorded any interest or penalties since its inception. The Company is required to file income tax returns in the U.S. federal tax jurisdiction and in various state tax jurisdictions and the prior three fiscal years remain open for examination by federal and/or state tax jurisdictions. The Company is currently not under examination by any other tax jurisdictions for any tax year.

Share Based Compensation

The Company accounts for share-based compensation in accordance with the fair value recognition provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) No. 718 and No. 505. The Company issues restricted stock to employees for their services. Cost for these transactions are measured at the fair value of the equity instruments issued at the date of grant. These shares are considered fully vested and the fair market value is recognized as expense in the period granted. The Company also issues restricted stock to consultants for various services. Costs for these transactions are measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The value of the common stock is measured at the earlier of (i) the date at which a firm commitment only if there is sufficient disincentive to ensure performance or (ii) the date at which the counterparty's performance is complete. The Company recognized consulting expenses and a corresponding increase to additional paid-in-capital related to stock issued for services. For agreements requiring future services, the consulting expense is to be recognized ratably over the requisite service period.

(Loss) Income Per Share of Common Stock

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

The Company had total potential additional dilutive securities outstanding at September 30, 2020 and 2019, as follows.

	2020	2019
Warrants	22,000,000	22,000,000
Convertible debt	108,792,458	80,229,741
Total	130,792,458	102,229,741

All convertible notes payable, by written agreement, provide for a beneficial ownership limitation cap of 4.99% shares of the total issued and outstanding common stock of the Company, at any given time.

Recently Issued Accounting Standards

In May 2014, FASB issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers: Topic 606, or ASU 2014-09. ASU 2014-09 establishes the principles for recognizing revenue and develops a common revenue standard for U.S. GAAP. The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. In applying the new revenue recognition model to contracts with customers, an entity: (1) identifies the contract(s) with a customer; (2) identifies the performance obligations in the contract(s); (3) determines the transaction price; (4) allocates the transaction price to the performance obligations in the contract(s); and (5) recognizes revenue when (or as) the entity satisfies a performance obligation. The accounting standards update applies to all contracts with customers except those that are within the scope of other topics in the FASB Accounting Standards Codification. The accounting standards update also requires significantly expanded quantitative and qualitative disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company adopted Topic 606 as of October 1, 2018, using the modified retrospective transition method. Under the modified retrospective method, the Company would recognize the cumulative effect of initially applying the standard as an adjustment to opening retained earnings at the date of initial application; however, the Company did not have any material adjustment as of the date of the adoption and adoption had no impact on the Company's consolidated balance sheet, results of operations, equity or cash flows as of the adoption date. The comparative periods have not been restated.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) The standard requires all leases that have a term of over 12 months to be recognized on the balance sheet with the liability for lease payments and the corresponding right-of-use asset initially measured at the present value of amounts expected to be paid over the term. Recognition of the costs of these leases on the income statement will be dependent upon their classification as either an operating or a financing lease. Costs of an operating lease will continue to be recognized as a single operating expense on a straight-line basis over the lease term. Costs for a financing lease will be disaggregated and recognized as both an operating expense (for the amortization of the right-of-use asset) and interest expense (for interest on the lease liability). The Company adopted ASU 2016-02 as of October 1, 2019. However, the adoption did not have a material impact on the Company’s financial position or results of operations.

During the year ended September 30, 2020, there were several new accounting pronouncements issued by the FASB. Each of these pronouncements, as applicable, has been or will be adopted by the Company. Management does not believe the adoption of any of these accounting pronouncements has had or will have a material impact on the Company’s consolidated financial statements.

NOTE 3 – INVENTORY

The Company's inventory consisted of the following at the respective balance sheet dates:

	September 30, 2020	September 30, 2019
Raw materials and packaging components	$ 394,306	$ 249,898
Finished goods	569,020	1,351,456
Consigned goods	641,780	246,196
Apparel	100,544	-
Less obsolescence allowance	(394,500)	(578,062)
	$ 1,311,150	$ 1,269,488

NOTE 4 – PROPERTY, PLANT, & EQUIPMENT

The Company's property, plant, and equipment consisted of the following at the respective balance sheet dates:

	September 30, 2020	September 30, 2019
Land	$ 114,200	$ 114,200
Building	305,800	305,800
Machinery and equipment	66,264	66,264
Computer/office equipment	38,785	38,785
	525,049	525,049
Less accumulated depreciation	(54,988)	(39,536)
Property, plant, and equipment, net	$ 470,061	$ 49,596

Depreciation and amortization expense was $15,452 and $17,420 for the years ended September 30, 2020 and 2019, respectively.

NOTE 5 – NOTES PAYABLE

Notes payable:

During June 2017, the Company entered into a short-term note payable that matured in August 2017. The principal balance of $55,353 bears interest at the default rate of 18%; no other default penalties have been incurred.

On May 17, 2019, the Company entered into a $200,000 promissory note with Noteholder A bearing a fifteen percent (15%) interest rate per annum. The note was in default as it had a maturity date of September 14, 2019. The note was repaid during November 2019, with no penalties incurred.

On April 28, 2020, the Company entered into a note agreement and Securities Purchase Agreement with Noteholder A to borrow $105,000. An additional $25,000 was added on to this note during the quarter ended June 30, 2020. The note bears interest at 22% and matures April 28, 2021.

On April 27, 2020, pursuant to the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the Company received a two-year loan for $112,888. Interest is deferred for six months, then is at 1% until maturity in April 2022.

On June 17, 2020, the Company entered into a note agreement with the U.S. Small Business Administration for a total of $150,000 plus a $10,000 grant. The note calls for monthly principal and interest payments totaling $731 beginning in June 2021. The loan bears interest at 3.8% and matures June 17, 2050.

Convertible note payable – related party:

During 2016, Todd Davis, President and Chief Executive Officer converted accrued salary and accrued payroll taxes for a total of into a long term note payable bearing an interest rate of eight percent (8%) per annum, due on demand. The note is convertible in shares of our common stock at a rate of $0.026 per share. As of September 30, 2020 and 2019, there is an outstanding principal balance of $1,072,185 and outstanding accrued interest on this note of $327,484 and $241,709, respectively (see Note 9).

Convertible notes payable:

On April 23, 2018, the Company entered into a $111,111 convertible promissory note with Noteholder A bearing a twelve percent (12%) interest rate per annum. The note has a maturity date of October 23, 2018 and has a conversion price equal to fifty percent (50.00%) of the lowest trading price of the preceding twenty (20) days from the date of conversion. During the year ended September 30, 2019, the note was converted into shares of the Company's common stock. No default penalties were charged by the lender.

On August 1, 2018, the Company entered into a $277,778 convertible promissory note with Noteholder A bearing a twelve percent (12%) interest rate per annum. The note has a maturity date of August 1, 2019 and has a conversion price equal to fifty percent (50.00%) of the lowest trading price of the preceding ten (10) days from the date of conversion. During the year ended September 30, 2019, principal totaling $227,778 and interest totaling $23,548 were converted into shares of the Company's common stock. During the year ended September 30, 2020, principal totaling $50,000 and interest totaling $38,083 were converted into shares of the Company's common stock. No default penalties were charged by the lender.

On October 11, 2019, the Company entered into a Securities Purchase Agreement with Noteholder C to borrow up to $2,000,000. During the three months ended December 31, 2019, the first and second tranches totaling $1,450,000 were issued. The third tranche of $351,000 was issued on January 16, 2020, the fourth tranche of $125,000 issued March 6, 2020 and the fifth (final) tranche for the remaining $75,000 was issued April 30 2020. These notes bear an interest rate of 24%, due monthly, and mature one year from issuance. The noteholder has the right to convert the outstanding principal after 240 days from issuance into common stock of the Company. The conversion price is the lower of (i) $0.1587, or (ii) 60% (representing a 40% discount) of the lowers VWAP trading price for the common stock during the ten-trading day period ending on the latest complete trading day prior to the conversion date.

The terms and balances of the convertible notes issued during fiscal years ended September 30, 2020 and 2019 are summarized below. Each of these notes may be converted at the option of the holder at a 50%-40% discount to common stock price. These notes include certain provisions including that the Company shall maintain in reserve the amount of the shares issuable for the amount of the principal and interest accrued and payable.

At September 30, 2019, the Company's convertible notes payable and related debt discount and derivative liability are summarized as follows:

Noteholder	Origination	Maturity	Interest	Balance	Debt Discount	Net amount of liabilities presented	Corresponding derivative balance
Noteholder A	08/01/18	08/01/19	12.0%	$ 50,000	$ -	$ 50,000	$ 61,285
Noteholder A	12/05/18	12/04/19	12.0%	166,667	(30,137)	136,530	206,048
Noteholder A	01/07/19	01/07/20	12.0%	111,111	(30,137)	80,974	138,146
Noteholder A	01/30/19	01/30/21	10.0%	437,222	(291,681)	145,541	682,336
Noteholder A	02/12/19	02/11/20	8.0%	388,889	(143,836)	245,053	505,078
Noteholder A	03/15/19	03/14/20	8.0%	222,222	(101,065)	121,157	300,457
Noteholder A	04/05/19	04/04/20	8.0%	388,889	(199,239)	189,650	550,493
Noteholder A	08/05/19	08/05/20	12.0%	111,111	(94,064)	17,047	168,659
Noteholder B	12/03/18	12/04/19	9.0%	250,000	(34,770)	215,260	91,773
Noteholder B	07/11/19	01/11/20	14.0%	200,000	(143,020)	56,980	168,028
				$ 2,326,111	$(1,067,949)	$ 1,258,192	$ 2,872,303

At September 30, 2020, the Company's convertible notes payable and related debt discount and derivative liability are summarized as follows:

Noteholder	Origination	Maturity	Interest	Balance	Debt Discount	Net amount of liabilities presented	Corresponding derivative balance
Noteholder A	01/30/19	01/30/21	10.0%	$ 437,222	$ (73,070)	$ 364,152	$ 1,190,002
Noteholder A	02/12/19	02/11/20	8.0%	388,889	-	388,889	647,591
Noteholder A	03/15/19	03/14/20	8.0%	222,222	-	222,222	370,051
Noteholder A	04/05/19	04/04/20	8.0%	388,889	-	388,889	647,591
Noteholder A	08/05/19	08/05/20	12.0%	111,111	(37,037)	74,074	185,026
Noteholder B	12/03/18	12/04/19	9.0%	262,500	-	262,500	232,108
Noteholder C	Various – see above		24.0%	2,001,000	(512,027)	1,488,973	1,862,542
Noteholder D	07/11/19	01/11/20	14.0%	158,900	-	158,900	151,491
				$ 3,970,733	$ (622,134)	$ 3,348,599	$ 5,286,402

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

For the fiscal year ended September 30,	Amount
2021	$ 5,323,656
2022	47,147
2023	3,159

2024	3,280
2025	3,405
Thereafter	141,262
	$ 5,521,909

Accrued Interest:

At September 30, 2020 and 2019, accrued interest on all notes and convertible notes amounted to $790,862 and $398,131, respectively. Interest expense, including amortization of debt discounts, for the years ended September 30, 2020 and 2019 totaled $3,132,250 and $1,481,039, respectively. The derivative liability associated with accrued interest for the convertible notes totaled $363,010 and $140,294 at September 30, 2020 and 2019, respectively.

NOTE 6 – PAYROLL AND PAYROLL TAXES PAYABLE

As of the periods shown below, payroll and taxes payable included:

	September 30, 2020	September 30, 2019
Accrued payroll - Officer	$ 1,043,105	$ 819,163
Accrued taxes - Officer	165,525	127,525
Accrued taxes - employee	273,874	209,400
	$ 1,482,504	$ 1,156,086

In 2005, the Company entered into an employment agreement with our President with the provisions for a $156,000 per year salary. For the years ended September 30, 2020 and 2019, his full salary was accrued.

NOTE 7 – STOCKHOLDERS' DEFICIT

1,000,000,000 shares and 10,000,000 shares of the Company's common stock and preferred stock are authorized, respectively. As of September 30, 2020, 404,908,141 shares of common stock and 7,296,000 shares of preferred stock were issued and outstanding. All common stock shares have equal voting rights, are non-assessable and have one vote per share. There are four preferred stockholders which have super voting rights in the ratio of 25 votes to 1 share held.

Issuances pursuant to private placements

During the years ended September 30, 2020 and 2019, we issued shares of our restricted common stock under private placement agreements for proceeds received as follows:

Date	Shares	Proceeds
12/03/18	1,666,666	$ 50,000
12/03/18	1,666,666	50,000
01/02/19	3,571,429	125,000
01/02/19	3,571,429	125,000
01/02/19	3,571,429	125,000
01/02/19	3,571,429	125,000
02/26/19	1,075,269	100,000
04/15/19	370,370	100,000
04/25/19	395,000	118,500
06/10/19	500,000	100,000
06/10/19	500,000	100,000
06/10/19	500,000	100,000
Fiscal year 2019	20,959,687	$ 1,218,500

Date	Shares	Proceeds
01/24/20	2,000,000	$ 100,000
12/03/18	2,000,000	100,000
01/02/19	3,333,333	100,000
01/02/19	333,333	10,000
01/02/19	200,000	10,000
01/02/19	300,000	15,000
02/26/19	1,500,000	50,000
Fiscal year 2020	9,666,666	$ 385,000

Issuances for employee compensation

During the year ended September 30, 2019, the Company issued 1,271,350 shares of common stock to an employee pursuant to his employment agreement. These shares were valued at $223,316 and are included in professional fees on the accompanying statement of operations.

Pursuant to an employment agreement, the Company issued 519,568 shares of common stock valued at $41,667 for consulting expenses during the six months ended March 31, 2020. 263,158 were issued on December 31, 2019 and 256,410 were issued on March 31, 2020.

As a signing bonus for employment with the Company, 47,620 shares were issued to an employee on January 15, 2020 valued at $16,557.

As a signing bonus for employment with the Company, 10,000 shares were issued to an employee on March 6, 2020 valued at $814.

Issuances for acquisitions

On April 25, 2020 the Company issued 4,000,000 shares of common stock valued at $324,800 for the acquisition of Retail Pro Associates (see Note 12).

On February 1, 2020, the Company issued 500,000 common stock shares to acquire Kush, Inc. valued at $42,500 (see Note 12).

Issuances for services

On January 11, 2019, the Company issued 3,188,750 shares of common stock valued at $126,050 in connection with a registration rights agreement.

On June 23, 2019, the Company entered into a six-month agreement with a consultant to provide management consulting services. In connection with the services provided, 980,000 shares of common stock were issued to the consultant valued at $363,100.

During the years ended September 30, 2019 and 2018, the Company issued 705,882 and 600,000 shares, respectively, of common stock valued at $36,000 and $27,300, respectively, to a consultant for sales commission and business development services.

During the year ended September 30, 2019, the Company entered into an advisory agreement for strategic business planning matters. The initial term of the agreement was 60 days, then extended another 180 days from June 13, 2019. In exchange for the services provided, the Company issued 2,500,000 shares of common stock valued at $706,000.

During the quarter ended March 31, 2020, the Company issued 1,625,028 restricted common shares to a consultant for financing services provided from 2008 to 2019. These shares were valued at $72,126 and are included in professional fees on the accompany statements of operations.

On January 15, 2020, the Company issued 250,000 shares of common stock to a consultant for services to be provided through August 2020 valued at $48,750.

On March 5, 2020, the Company issued 50,000 shares of common stock valued at $3,900 for website services provided.

On March 31, 2020, the Company issued 6,375,303 shares of common stock valued at $669,892 to Rayne Forecast, Inc. for consulting services provided regarding corporate financing (see Note 9).

On May 18, 2020, the Company issued 100,000 shares of common stock valued at $7,500 for services.

On June 1, 2020, the Company issued 183,537 shares of common stock valued at $14,873 for marketing consulting services.

On September 21, 2020, the Company issued 6,000,000 shares of common stock valued at $284,400 for services.

Issuances pursuant to securities purchase agreement

From October 2019 to January 2020, the Company issued Noteholder C 3,363,846 shares of common stock valued at $257,717 in connection with the October 11, 2019 securities purchase agreement.

On April 20, 2020, the Company issued Noteholder C 1,000,000 shares of common stock valued at $85,100 as required under a provision of the October 11, 2019 securities purchase agreement.

Issuances pursuant to debt settlements

On January 17, 2019, the Company settled $338,889 principal balance and $23,548 accrued interest on two convertible notes with Noteholder A (Note 5) through the issuance of 15,076,214 shares of common stock. This issuance also settled the associated derivative liabilities totaling $1,004,730.

On October 23, 2019, the Company settled the remaining $50,000 principal balance and $38,083 accrued interest on a convertible note through the issuance of 1,733,923 shares of common stock. This issuance also settled a derivative liability of $89,353.

On January 15, 2020, the Company settled a $166,667 principal balance and $23,425 accrued interest on a convertible note through the issuance of 5,587,644 shares of common stock. This issuance also settled a derivative liability of $175,093.

On February 7, 2020, the Company settled a $111,111 principal balance and $35,733 accrued interest on a convertible note through the issuance of 4,655,078 shares of common stock. This issuance also settled a derivative liability of $178,396.

On September 30, 2020, the Company settled a $51,100 of principal on a convertible note through the issuance of 1,750,000 shares of common stock to Noteholder D. This issuance also settled a derivative liability of $48,718.

Warrants outstanding

During the fiscal year ended September 30, 2018, the Company issued two warrants for the purchase of 750,000 and 500,000 shares of common stock, respectively, in connection with private placements. The warrants during fiscal year ending September 30, 2018 have a two-year life and have exercise prices of $0.055 and $.075, respectively. The warrants expired after two years during the year ended September 30, 2020.

During the fiscal year ended September 30, 2019, the Company issued warrants for the purchase of 20,750,000 shares of common stock in connection with convertible note issuances. These warrants expire in four years and have exercise prices ranging from $.055 to $.355.

The weighted average volatility for the warrants at issuance was approximately 130%. A summary of the status of the Company's warrant grants as of September 30, 2020 and the changes during the two years then ended is presented below:

	Warrants	Weighted-Average Exercise Price		Weighted-Average Remaining Contractual Life
Outstanding, September 30, 2018	1,250,000	$	0.06	2 years
Granted	20,750,000	$	0.17	4 years
Exercised	-		-	
Expired	-		-	
Outstanding, September 30, 2019	22,750,000	$	0.16	3.8 years
Granted	-		-	
Exercised	-		-	
Expired	1,250,000		0.16	
Outstanding, September 30, 2020	20,750,000	$	0.17	2.8 years
Warrants exercisable at September 30, 2020	20,750,000	$	0.17	2.8 years

NOTE 8 – COMMITMENTS/CONTINGENCIES

From time to time, the Company may be involved in litigation in the ordinary course of business. The Company is not currently involved in any litigation that we believe could have a material adverse effect on its financial condition or results of operations.

Contracts and Commitments

On May 7, 2018, we assumed two consulting agreements for the two principals of Go Green Global Enterprises, a Nevada Corporation, when we acquired them. The consultants provide general business services as needed by the Company, and the term of the contract is for one year and automatically renews from year to year after that, compensation is set at a monthly fee of $5,000, and a 10% perpetual fee of 10% of the gross revenues generated by the project currently under formation. The contract also has provisions for reimbursement of all expenses incurred by them in conjunction of performing their duties.

On January 11, 2019, we entered into a joint venture agreement with a biometric company (GFE), in conjunction with our Jamaica financial interest, Go Green Global. GFE will contribute use of its software licenses, payment solutions software, and to assist with capital raises and build all building required for redevelopment. We agreed to use of our M3Hub and Gorilla Tek Technologies globally and use of our 150 acre grow facility in Jamaica. GFE agreed to fund the purchase of the property and retrofitting of existing buildings and making the operation fully functional.

On January 28, 2019, we entered into an agreement with an unrelated individual to represent our products to customers, the term of the agreement is for four (4) years from the date of the contract, January 28, 2024, and has automatic four-year renewal clauses. We agreed to pay a commission of nineteen percent (19%), composed of ten percent (10%) for commission, two percent (2%) for override, and seven percent (7%) for expenses of managing and advertising the account. Within thirty (30) days of the end of the calendar year, we agreed to pay the representative a bonus for certain sales milestones if two percent (2%) of the net receipts, payable in shares of our restricted common stock.

From time to time, we enter into consulting agreements for our products to be represented to certain customers or geographic areas. The terms of these agreements range from one (1) to five (5) years, and some include automatic one-year renewal clauses. As part of the agreement, commissions of ten percent (10%) are paid for sales with no distributor involved, and commissions of seven percent (7%) are paid for sales with a distributor. Depending on the consultant's performance and achievement of certain milestones, the Company also may issue a stock bonus.

NOTE 9 – RELATED PARTY TRANSACTIONS

Todd Davis, CEO and CFO, Employment Agreement

During April 2005, the Company entered into an employment agreement with Todd Davis providing for an annual salary of $156,000. On October 1, 2016, Todd Davis, President and Chief Executive Officer converted accrued salary and accrued payroll taxes for a total of $1,157,500 into a long term note payable bearing an interest rate of eight percent (8%) per annum, due on demand. The note is convertible into shares of our common stock at a rate of $0.026 per share. As of September 30, 2020 and 2019, there is an outstanding principal balance of $1,072,185 and outstanding accrued interest on this note of $327,484 and $241,709, respectively.

Rayne Forecast Inc. Consulting Agreement

Rayne Forecast, Inc. (RFI), an entity owned by the CEO, is a party with the Company to a Consulting Agreement, pursuant to which the CEO, through RFI, provides certain services to the Company in connection with his role as the Company's CEO and is compensated, through RFI, for certain services rendered to the Company. Pursuant to the terms of the Consulting Agreement, as amended, the Company shall pay to the CEO a minimum fee of $50,000 up to a maximum fee of $500,000 for the CEO's reasonable services in any merger or acquisition involving the Company. The agreement provides that any such fees are not "finder's fees" and are not to be calculated on the basis of any percentage of the amount of any financing or the deemed monetary value of any merger or acquisition transaction. The fees may be paid in Company stock or cash depending, among other items, on the cash availability of the Company. As of September 30, 2020 and 2019, $141,883 and $150,000, respectively, payable to RFI for the CEO's reasonable services (as defined in the Consulting Agreement) for the fiscal years then ended is included in accrued expenses on the accompanying consolidated balance sheets. During the year ended September 30, 2020, the Company issued 6,375,303 shares of common stock to settle other amounts earned under the Consulting Agreement (Note 7).

From time to time, RFI directly pays for travel expenses and miscellaneous operating expenses on behalf of the Company. These expenses are reimbursed by the Company on a regular basis. These expenses totaled 216,874 for the fiscal year ended September 30, 2019.

Black Mountain Botanicals

Black Mountain Botanicals (BMB) was a contractor of the Company for sales and procurement, owned by the President's spouse. During the year ended September 30, 2019, BMB was paid $31,674 for such services. Additionally, during the years ended September 30, 2020 and 2019, BMB collected and processed the Company's credit card charges from sales and advanced funds totaling $60,391 and $151,084, respectively, and remitted $59,626 and $146,611, respectively, in the same time periods. The transaction fee for the service is three percent (3%).

Dustin Sullivan, Board Member and Chief Operating Officer, Employment Agreement

On September 1, 2018, the Company entered into an employment agreement with Dustin Sullivan providing for an annual salary of $150,000. Additionally, pursuant to terms of the employment agreement, 1,271,350 shares of common stock valued at $223,317 were issued to Mr. Sullivan. During the second quarter of fiscal 2020, Mr. Sullivan resigned as Chief Operating Officer and was appointed to the Board of Directors.

Steinback & Associates

During the year ended September 30, 2019, the Company paid $12,000 for accounting services rendered by Ed Steinback.

NOTE 10 – MAJOR CUSTOMERS and ACCOUNTS RECEIVABLE

At September 30, 2020 and 2019, the Company had the following customer concentrations:

	Revenues		Accounts Receivable	
	2020	**2019**	**2020**	**2019**
Customer A	*	*	19%	*
Customer B	*	*	12%	*
Customer C	54%	*	*	72%
Customer D	*	*	*	72%

* = < 10%

During March 2020, the Company had a large wholesale order from a customer, resulting in the realization of revenues totaling $1,070,800.

NOTE 11 – INCOME TAX FOOTNOTE

The Company accounts for income taxes under ASC 740-10, which provides for an asset and liability approach of accounting for income taxes. Under this approach, deferred tax assets and liabilities are recognized based on anticipated future tax consequences, using currently enacted tax laws, attributed to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts calculated for income tax purposes.

The components of income tax expense for the years ended September 30, 2020 and 2019 consist of the following:

	2020	2019
Federal tax statutory rate	26%	26%
Temporary differences	-1%	-.5%
Permanent differences	-17%	-18.5%
Valuation allowance	-8%	-7%
Effective rate	0%	0%

Significant components of the Company's deferred tax assets as of September 30, 2020 and 2019 are summarized below.

	2020	2019
Deferred tax assets:		
Net operating loss carryforwards	$ 6,737,000	$ 4,641,000
Temporary differences	(648,000)	(579,000)
Permanent differences	(4,398,000)	(3,039,000)
Valuation allowance	(1,691,000)	(1,023,000)
	$ -	$ -

As of September 30, 2020 and 2019, the Company had approximately $6,740,000 and $4,640,000, respectively, of federal net operating loss carry forwards. Future utilization of the net operating loss carry forwards is subject to certain limitations under Section 382 of the Internal Revenue Code. The Company believes that there has not been any transaction to warrant any limitation of any previous operating losses.

To the extent that the tax deduction is included in a net operating loss carry forward and is in excess of amounts recognized for book purposes, no benefit will be recognized until the loss carry forward is recognized. Upon utilization and realization of the carry forward, the corresponding change in the deferred asset and valuation allowance will be recorded as additional paid-in capital.

The Company provides for a valuation allowance when it is more likely than not that it will not realize a portion of the deferred tax assets. The Company has established a valuation allowance against the net deferred tax asset due to the uncertainty that enough taxable income will be generated in those taxing jurisdictions to utilize the assets. Therefore, we have not reflected any benefit of such deferred tax assets in the accompanying financial statements. Our net deferred tax asset and valuation allowance increased by $668,000 and $582,000 during the years ended September 30, 2020 and 2019, respectively.

The Company reviewed all income tax positions taken or that we expect to be taken for all open years and determined that our income tax positions are appropriately stated and supported for all open years. The Company is subject to U.S. federal income tax examinations by tax authorities for years after 2012 due to unexpired net operating loss carryforwards originating in and subsequent to that year. The Company may be subject to income tax examinations for the various taxing authorities which vary by jurisdiction. The Company has not filed its tax returns since 2013. The Company estimates that the amount of penalties, if any, will not have a material effect on the results of operations, cash flows or financial position. No provisions have been made in the financial statements for such penalties, if any. The Company is working with its accountants to prepare and file past due federal tax returns for 2013 through 2020, which are anticipated to be completed and filed in fiscal 2021.

NOTE 12 – BUSINESS ACQUISITIONS

Kush Inc.

The Company completed an acquisition of all outstanding capital stock of Kush Inc. (aka Kushwear) with an effective date of February 1, 2020, in a transaction accounted for under the acquisition method of accounting, whereby the assets acquired and the liabilities, if any assumed are to be valued at fair value, and, compared to the fair value of the consideration given to identify if there are any identifiable intangible assets to be recognized as a result of the transaction.

The recorded cost of this acquisition was based upon the fair market value of the assets and liabilities acquired. As consideration for all outstanding shares of Kushwear capital stock, the Company issued 500,000 shares of the Company's common stock valued at $42,500 based on the closing price of the Company's common stock on the date of acquisition. Kushwear has minimal assets and liabilities, and no sales or customer base as of the acquisition date. Accordingly, an acquisition impairment was immediately recognized. The Company purchased Kushwear for rebranding purposes to reach a younger demographic with its CBD products.

As a result of the acquisition, Kushwear is now a wholly owned subsidiary of the Company and is included in the accompanying consolidated financial statements only from the effective date through September 30, 2020.

CBD Life Brands, Inc.

The Company completed an acquisition of all outstanding capital stock of CBD Life Brands, Inc. with an effective date of March 1, 2020, in a transaction accounted for under the acquisition method of accounting, whereby the assets acquired and the liabilities, if any assumed are to be valued at fair value, and, compared to the fair value of the consideration given to identify if there are any identifiable intangible assets to be recognized as a result of the transaction.

The recorded cost of this acquisition was based upon the fair market value of the assets and liabilities acquired. As consideration for all outstanding shares of CBD Life Brands, Inc. capital stock, the Company paid $100,000. The Company purchased CBD Life Brands, Inc. for its digital and social assets, copyrights, trademarks, and formulas/recipes for its CBD infused beverages valued at approximately $10,000. Accordingly, an acquisition impairment of $90,000 was immediately recognized.

As a result of the acquisition, CBD Life Brands, Inc. is now a wholly owned subsidiary of the Company and is included in the accompanying consolidated financial statements only from the effective date through September 30, 2020.

Retail Pro Associates

On April 25, 2020 the Company issued 4,000,000 shares of common stock valued at $324,800 for the acquisition of Retail Pro Associates. There were no significant assets or liabilities acquired; accordingly, an acquisition impairment was immediately recognized. As a result of the acquisition, Retail Pro Associates is now a wholly owned subsidiary of the Company and is included in the accompanying consolidated financial statements only from the effective date through September 30, 2020.

NOTE 13 – SUBSEQUENT EVENTS

Subsequent to September 30, 2020, we issued shares of our restricted common stock under private placement agreements for proceeds received as follows:

Date	Shares	Proceeds
10/19/20	650,000	$ 25,000
11/03/20	228,572	$ 8,000
11/13/20	2,512,563	$ 100,000
12/14/20	232,560	$ 20,000

On October 1, 2020, the Company entered into an LLC operating agreement for the formation of Khode, LLC. Pursuant to the operating agreement, the Company owns 70% and is required to make a capital contribution of $3,500,000.

On October 1, 2020, the Company entered into a one-year agreement for strategic, creative, and operational support for marketing. Pursuant to this agreement, $1,235,000 is to be paid by September 1, 2021.

During October 2020, the Company entered into a five-year endorsement contract with an American DJ, record executive and producer, and media personality. Pursuant to the endorsement contract, the Company is to make quarterly payments totaling $5,000,000 by July 1, 2025.

From October through December 2020, the Company received conversion notices from Noteholder D which converted principal and interest totaling $286,518 through the issuance of 5,525,000 shares of common stock.

During December 2020, the Company completed an exchange of 5,472,000 shares of preferred stock for 9,000,000 shares of common stock with three shareholders. The preferred shares were then cancelled.

During November 2020, the Company received conversion notices from Noteholder A for the conversion of the note payable originating January 1, 2019 with principal and interest totaling $472,167 through the issuance of 20,846,210 shares of common stock.

On November 4, 2020, the Company entered into a promissory note for $100,000. The note matures May 4, 2021 and bears interest at 15% that is payable in shares of restricted common stock.

On November 30, the Company entered into a convertible promissory note for $175,000. The note matures one year later, on November 30, 2022 and bears interest at 10%. The note is convertible six months from issuance at 60% of the average of the three (3) lowest closing prices (as defined below in the agreement) for the common stock during the ten (10) trading day period preceding the conversion date.

During December 2020, the Company issued 800,000 shares of common stock for consulting services received valued at $50,000.

On January 19, 2021, the Company entered into a promissory note for $64,500. The note matures February 19, 2021 and bears interest at 24%. This note was repaid on January 22, 2021 from the proceeds of the following debt agreement.

On January 22, 2021, the Company entered into a 12% senior secured convertible promissory note with a lender for $1,250,000. Proceeds from this note were allocated to repay the above $64,500 note (plus $1,250 interest), $15,040 legal fees, $992,226 to Noteholder C (Note 5), with the net remaining $176,984 to the Company. The note matures January 21, 2022, but may be extended an additional 12 months. The note becomes convertible six months after issuance, or July 22, 2021, at $0.054 per share.

5) Issuer's Business, Products and Services

A. Summary of the issuer's business operations:

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other parts of this annual report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms.

Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition below.

The following discussion should be read in conjunction with our financial statements and notes thereto included in this annual report. Our fiscal year end is September 30.

COMPANY PROFILE

Overview

We develop cannabidiol ("CBD") based products, each formulated to address key segments of the health and wellness market. Through our subsidiaries and strategic partnerships, we sell high-end, full-spectrum CBD oils, capsules, topicals, and pet products, all with the shared purpose of supporting the therapeutic relief of pain and inflammation for humans and pets through our e-commerce site www.cbdunlimited.com, as well as other online and in-store retailers. Our products are built upon three key fundamentals: targeted-delivery, controlled-dosing, and dual-therapy applications. Our products have been physician formulated, use American-sourced CBD extract, and use the highest quality, natural ingredients. Each product undergoes rigorous quality control checks to ensure that the final product is of the highest possible quality, and is tested and verified by independent labs. We continue to invest in research and development in order to develop new products and delivery methods. We plan to scale our production to meet growing consumer demand by entering into new joint ventures and securing commitments from large retailers with national presence.

In addition to our consumer products, our Gorilla-Tek division offers a state-of the art automated dispensing system providing a secure method of distributing hemp-based products. The proprietary system enables retailers to increase sales channels without opening a physical storefront location. Complementing our retail products and Gorilla-Tek divisions, we also own and operate a number of wholly-owned subsidiaries that offer technology and consulting solutions to the hemp and CBD industry, including an easy to use "Seed-to-Shelf" compliance and inventory tracking and process management system for regulated products in a front of counter pharmacy support platform.

We are led by a management team and advisory group, which have decades of experience in the pharmacy, medical, CBD, nutraceutical and health supplement industries. Our strategic partnerships include leading regulated hemp farms, manufacturers, marketers, and retailers with national presence, all supporting the development and sale of our hemp derived CBD products. We are based in Cave Creek, Arizona.

Historical Overview

We were originally incorporated in the state of Nevada on September 5, 1997 as Micron Solutions, Inc ("Micron Solutions") in order to complete a merger with Shillelagh Ventures Chartered, a Utah corporation ("Shilleleagh"). In December 1997, Shilleleagh merged with and into Micron Solutions, with Micron Solutions as the surviving entity.

In May 2018, we acquired Go Green Global Enterprise, Inc, a Nevada corporation ("Go Green") in an all- stock transaction. Since then, we have made several other strategic acquisitions for expanding into the CBD market.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

Together One Step Closer, LLC (DBA: Holistic Earth Remedies)

Together One Step Closer, LLC, am Arizona limited liability company, doing business as Holistic Earth Remedies ("Holistic Earth Remedies"), is a specializes in the formulation, production, and sales of a full line of topical lotions, gels, salves, balms, and spray applications for the relief of pain, inflammation, stress, and mild skin irritation. We entered into a partnership with Holistic Earth Remedies to provide jointly formulate and launch a new line-up of CBD-infused topicals and provide strategic guidance for future product releases. With nearly a dozen products currently under development, we will continue to help Holistic Earth Remedies grow its high quality, high value suite of products. (www.holisticearthremedies.com)

Go Green Global Enterprise, Inc, a Nevada Corporation

Go Green, our wholly owned subsidiary, acquired 49.00% of Go Green Global Enterprise Corp, a Jamaican corporation (the "Go Green Joint Venture"). The Go Green Joint Venture enables us to secure an international distribution hub in Jamaica for our array of CBD- based products to key markets, among which are Canada, Europe, Central America, and the Caribbean.

Other subsidiaries with no significant activity to date

- Global Solaris Group, LLC
- Greenleaf Consulting LLC
- Cann Can LLC
- PhytoLabs LLC
- CBD Health Solutions
- Kush, Inc.
- CBD Life Brands, Inc.

C. Describe the issuers' principal products or services, and their markets

Overview of the CBD Industry

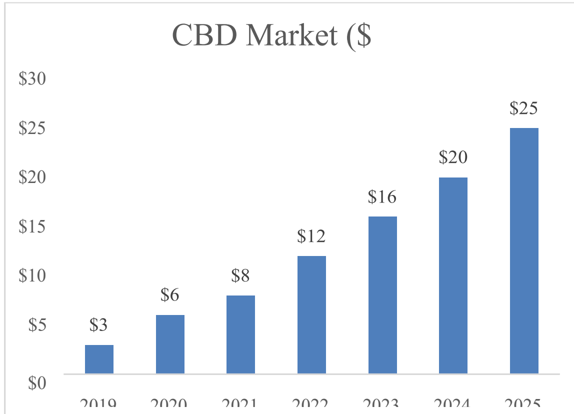
The nascent CBD industry has now transitioned from a federally approved pilot program granted in 2014 to a fully legalized hemp and CBD industry formalized by the Agriculture Improvement Act of 2018, otherwise known as the Farm Bill (the "Farm Bill"). Under the regulatory oversite of the US Department of Agriculture, the industry guidelines are being established at both the federal and state regulatory levels.

CBD is one of approximately 66 of cannabinoids found in the Cannabis Sativa plant and shares many properties with Cannabis (i.e., marijuana). Unlike CBD derived from marijuana, CBD derived from the seeds and stalks of industrial hemp contains low tetrahydrocannabinol ("THC"), the component that causes the psychoactive side-effects commonly associated with marijuana. In general, hemp CBD-based products that have a THC concentration of less than 0.3% is generally considered "legal" in the United States, and yields a product containing the observed medicinal benefits of traditional cannabis, without inducing a "high." CBD is non-psychoactive and is thought to have numerous medicinal benefits for addressing conditions, including, without limitation, anxiety, epilepsy, cancer and chemo-related pain, nausea, post- traumatic stress disorder, and restless sleep. CBD comes in several forms, such as pure crystal isolates, distillates and oil extracts, including (i) hemp seed oil, which is considered the lowest quality of CBD, (ii) full-spectrum CBD, which contains phyto-cannabinoids, such as THC, CBN, THCA, CBC and CBG, and is considered the highest quality of CBD, and (iii) broad-spectrum CBD, which contains less THC than full- spectrum CBD.

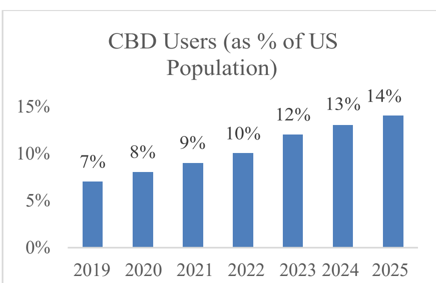
	Cannabis	CBD
Species	Cannabis Sativa and Cannabis Indica	Cannabis Sativa
Psychoactive (THC) Content	+10%	Less than 0.3%
Uses	Recreational, Medicinal	Medicinal
Domestic Value (2018)	$9.7 Billion	$2.8 Billion
Estimated Domestic Value in 2025	+$39.7 Billion	+$22 Billion

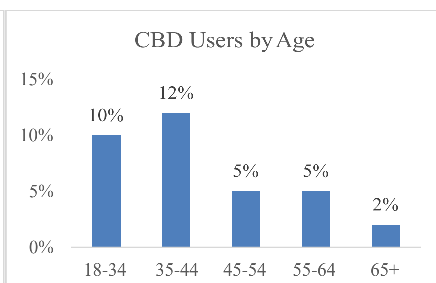
Currently, the CBD industry is approximately $3 billion, encompassing several segments, including growers, extractors, manufacturers, and retailers. However, with recent regulatory changes, the industry is poised for incredible growth in the coming years. Recent projections from BDS Analytics and Arcview Market Research projects that the collective market for CBD sales is poised to exceed $20 billion in the

United States by 2024, representing a compound annual growth rate of 49%. This new forecast takes into account products sold through licensed dispensaries, pharmaceuticals, and in general market retail. This is a significant increase from a recent projection made by Cowen & Co, a New York-based investment bank, which estimated CBD sales of $15 billion in the United States by 2025.



This growth is driven by shifting attitudes towards CBD. A June 2019 Harris Poll found that nearly 7% of the over 2,000 Americans surveyed stated that they use CBD in some form on a regular basis. Additionally, 86% of the survey takers have some awareness of CBD, and nearly half of that number have indicated a willingness to explore its medicinal benefits. However, this view is not universal across all segments of the American population, with younger age groups and women being more open to trying CBD. Interestingly, the poll also found little difference in favorability numbers across racial and political lines, but still leaves much work to be done by the industry to improve awareness of CBD.





Our Products

The CBD industry is still largely underserved against the immense demand for natural and nutritional supplements and topicals. With the industry poised for immense growth in the coming years, our fully industry compliant and established portfolio of products and industry solutions can serve multiple market segments. Our products and service offerings consist of two groups: (i) consumer products and (ii) technology and consulting solutions.

Existing Consumer Products

Our focus is on the development, manufacturing, and distribution of nutritional supplements and delivery systems for healthy living for the nutraceutical consumer market in the form of hemp-based, non- psychoactive cannabinoids and terpenoids extracts that are infused into products. Our current products encompass CBD-based oils, topicals, capsules, drinks, and a newly launched Premium Blue Line of CBD health and beauty care products. Our Phyto-Bites are CBD soft chews for animal use that are formulated to promote health and support an improved quality of life. The science behind these products involves over a half a decade of research, clinical observation and scientific experiments in order to protect the accuracy in dosage and delivery of absorption per serving.

Through our long-term partnerships and affiliation with the Hemp Industry Association (“HIA”), we have built a network of reliable suppliers of the highest quality hemp extracts and are now able to provide pharmacy grade delivery systems with consistent and precise dosage to be calibrated for a range of conditions. The extracts and finished products are tested at the point of origin and retested in the certified labs for contaminants, trace elements, potency, and purity. All products are developed and produced using state-of -the-art, ISO 9000 and cGMP certified facilities, in collaboration with our distribution partners throughout the United States and established licensed medical hemp manufacturing and processing facilities.

Our product line is establishing a new standard in quality, transparency, consistency, and accuracy. Using state of the art extraction technologies and sustainable cultivation practices, our ultimate goal is to improve the safety, quality, and bioavailability of CBD products to our customers. All of our products are sold on our e-commerce site, www.cbdunlimited.com, which seamlessly brings together our products, marketing content, and education into a single platform. The Premium Blue Line is marketed to the mass pharmacy, mass retail, and mass food markets.

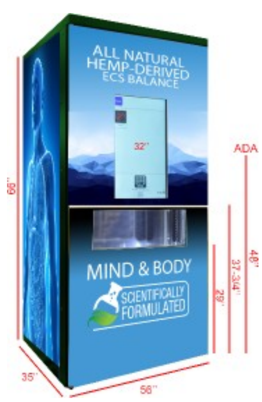
Our existing consumer products include:

PRODUCT	TYPE	Number of SKUs (Number of unique products, CBD content, count, flavors, etc.)
Amrita CBD Nectar	Energy Shot	6
CBD Unlimited Capsules	Delayed Release Capsules	6
CBD Unlimited Isolate	Pure Crystal CBD Additive	5
CBD Unlimited Night Caps	Sleep Aid	1
CBD Unlimited Tincture	Oil Drops Formulation	14
Mad Hatter Third Eye Chai Blind	CBD Infused Tea & Coffee	1
Maggie's Mist	Pain Relieving Spray	2
Maggie's Balm	Pain Relieving Cream	1
Phyto-Bites	CBD Infused Cat and Dog Soft Chews	8
Total Product Line		**44**

Products Under Development

Gorilla-Tek

We are in the process of developing and implementing Gorilla-Tek, a secure automated inventory control and dispensing system developed for managing high value items. The technology has been re-engineered to address the CBD and pharmacy industries and offers retailers a new venue for selling CBD products, in a safe and secure manner. The dispensing system comes in multiple forms as a Kiosk that is no larger than traditional vending machines. We also recently launched a propriety application as an "end cap" machine designed to service, educate, and advertise CBD products as a self-contained full-service store within in a store.



Gorilla-Tek uses proprietary software that is specifically designed to properly control transactions and manage inventory. This will significantly improve profitability, accountability, security, and customer satisfaction. Gorilla-Tek is specifically designed and configured to dispense CBD products, regulated products, and prescription refills, while also managing the supply chain, providing up-to-the-minute accounting details and protecting the security of the product, as well as the consumer and/or patient accessing the system. We expect to release Gorilla-Tek in mid-to- late-2020 or early 2021.

Dudad

An Acoustic Fingerprint Audio Ad Capture and advertising application platform. The base operating system is developed. Additional investment is required to commercialize the technology. The Application was appraised in September 2016 by BROWN, GRIGLACK, ZAMBRANO. The appraisal stated, "In summary, we expect Dudad to increase efficiency by 8% to 15% by conservative measures. This does not account for additional microstructure analysis capabilities. Based on these preliminary figures, we value Dudad with the range of $64,352,200 and $262,023,930." See attached appraisal for reference. Completion date is estimated sometime in 2020 or 2021.

EcoHealth Neuropathy Clinic:

The clinic specializes in at-home and at-clinic neuropathy treatment for individuals. The clinic has potential to support and facilitate clinical testing with Cannabidiol as a potential new medical application and treatment. Scientific collaboration is required for advancement of new molecules and delivery systems. The clinic is based in Surprise, AZ. and supported by MD24 Management, Inc. dba MD24 House Call.

Distribution Methods

Our products are currently sold online through our e-commerce platform www.cbdunlimited.com, select distributors and brick and mortar retailers.

We distribute our products within the entirety of the United States, and on a limited basis internationally. A significant portion of our sales comes through our e-commerce platform, and orders are fulfilled through our fulfillment center, located at our headquarters in Cave Creek, AZ. In addition to our e-commerce site, we currently have partnerships and agreements with several retailers to carry our products in convenience stores, gas station stores and vape shops. As part of our expansion strategy, we also have entered into an agreement with a confidential party to sell our CBD creams and mists in more than three thousand locations across the United States. This distribution and retail strategy has the aim of increasing our brand exposure and driving follow-on purchases in our retail locations and our e-commerce platform. Our retail expansion strategy is currently targeting accounts and regions in the US where our products are most likely to succeed with retail shoppers.

Marketing

We believe that broad exposure of our brands and their demonstrated potential effectiveness are key goals of our sales and marketing campaigns. We have adopted a multi-pronged approach to market our products and build brand awareness, encompassing digital, social, educational and affiliate marketing:

- *Social Media Marketing*: We intend to capitalize the reach of social media platforms, including Facebook, Instagram and Twitter, to work with social media influencers to increase CBD Unlimited's brand awareness.
- *Digital Ads and Search Engine Optimization*: We intend to develop personalized digital ads targeting different consumer segments, explaining the potential benefits of our products. Additionally, we will work with our partners and public relations team to optimize search engine results for our brand in the CBD category.
- *Affiliate Marketing*: We are in the process of adopting an affiliate marketing campaign, where our sales teams and social media influencers market and sell our products through their network of contacts and followers. The affiliate marketing campaign will offer commissions on sales and referrals, enabling the continued growth of our sales and brand awareness.
- *News and Radio Content*: We intend to make regular appearances on radio stations and news medium to discuss our company, brands and the CBD industry.

CONCLUSION

The Medical Hemp and Recreational Hemp industry growth rate is on a dramatic upside curve. Sustainability for the Industry requires standardization and reliable compliance methodology. No one company can do everything, rather, an alliance network within the industry collaborating together will assure the longevity and success of this industry in its infancy. Endexx is positioned to become a leader in services and technology solutions for the Hemp industry.

Endexx Corporation (the "Company") was incorporated under the laws of the state of Nevada in September 1997 as Micron Solutions, Inc. In March 2002 the Company changed its name to Panamed Corporation. In 2005 the Company changed its name to Endexx Corporation. The Company's fiscal year ends on September 30th. The Company's primary SIC code is: 424210.

6) Issuer's Facilities

Our principal office is located at 38246 N. Hazelwood Circle, Cave Creek, AZ 85331, which we financed the purchase of in January 2019. We additionally contract for warehouse storage at facilities located in Phoenix, Arizona. Our products are manufactured at facilities in Arizona, California, Colorado, and Florida and are compliant with Current Good Manufacturing Practice (CGMP) regulations. We do not believe we will have difficulty in obtaining additional executive office, industrial manufacturing or commercial logistics space, at competitive prices, if necessary. Storage facilities are paid by the square foot or pallet per month which varies.

7) Officers, Directors, and Control Persons

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Todd Davis	President, CEO, CFO, Chairman, and 5%+ Owner	Cave Creek, AZ	66,682,578	Common stock	16.5%	President, Chief Executive Officer, Chief Financial Officer & Chairman
Todd Davis, through Rayne Forecast, Inc.	President, CEO, CFO, Chairman, and 5%+ Owner	Cave Creek, AZ	1,824,000	Preferred stock	25%	President, Chief Executive Officer, Chief Financial Officer & Chairman
Daniel Brandwein	Director	Pompano Beach, FL	-	n/a	0%	Director
Peter Governale	Director	Manhasset, NY	-	n/a	0%	Director
Dustin Sullivan	Director	Island Lake, IL	3,306,086	Common stock	0.8%	Director

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 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

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 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

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name:	Gary L. Blum
Firm:	Law Offices of Gary L. Blum
Address 1:	3278 Wilshire Blvd., Suite 603
Address 2:	Los Angeles, CA 90010
Phone:	213.381.7450
Email:	gblum@gblumlaw.com

Name:	Randy Katz
Firm:	Clark Hill LLP
Address 1:	1055 W. Seventh Street, 24th Floor
Address 2:	Los Angeles, CA. 90017
Phone:	213-417-5310
Email:	rkatz@clarkhill.com

Accountant or Auditor

Name:	Cheryl L. Gore
Firm:	Turner, Stone, & Co., LLP
Address 1:	12700 Park Central Dr., Ste 1400
Address 2:	Dallas, Texas 75251
Phone:	972.239.1660
Email:	cherylg@turnerstone.com
Service provided:	Auditor

Name:	Doug Williams
Firm:	Alexander & Williams, LLC
Address 1:	5050 Quorum Dr., Ste 700
Address 2:	Dallas, Texas 75254
Phone:	469-987-5000
Email:	doug@aw-cpa.com

Service provided: Accountant

Investor Relations Consultant

None

Other Service Providers

None

10) **Issuer Certification**

Principal Executive Officer:

I, Todd Davis, certify that:

1. I have reviewed this annual disclosure statement of Endexx Corporation;
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.

February 2, 2021
/s/ Todd Davis [CEO's Signature]

Principal Financial Officer:

I, Todd Davis, certify that:

1. I have reviewed this annual disclosure statement of Endexx Corporation;
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.

February 2, 2021
/s/ Todd Davis [CFO's Signature]