Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Spirits Capital Corporation

100 Bayview Circle, Suite 4100, Newport Beach, CA 92660

(949) 674-0355
www.spiritscap.com
investors@spiritscap.com
7389

Quarterly Report
For the Period Ending: 3/31/22
(the "Reporting Period")

As of May 12, 2022, the number of shares outstanding of our Common Stock was:

92,866,820

As of March 31, 2022, the number of shares outstanding of our Common Stock was:

92,866,820

As of December 31, 2021, the number of shares outstanding of our Common Stock was:

61,676,320

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[1] of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

[1] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

Spirits Capital Corporation - Effective April 29, 2021

Capital Beverage Corporation

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

December 5, 1995 – Delaware (active)

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

None

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

On April 27, 2021, the Board of Directors of the Company unanimously adopted an amendment to the Company's Articles of Incorporation to effect a reverse stock split at a ratio of 1-for-1,000 shares of Common Stock.

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

100 Bayview Circle, Suite 4100, Newport Beach, CA 92660

The address(es) of the issuer's principal place of business:
Check box if principal executive office and principal place of business are the same address: ☒

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

Yes: ☐ No: ☒

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

N/A

2) Security Information

Trading symbol:	SSCC	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	84861E101	
Par or stated value:	$0.0001	
Total shares authorized:	500,000,000	as of date: March 31, 2022
Total shares outstanding:	92,866,820	as of date: March 31, 2022
Number of shares in the Public Float[2]:	1,644	as of date: March 31, 2022
Total number of shareholders of record:	177	as of date: March 31, 2022

[2] "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

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

Transfer Agent

Name: Continental Stock Transfer & Trust Company
Phone: 212-509-4000
Email: cstmail@continentalstock.com
Address: 1 State Street Plaza, 30th Floor, New York, NY 10004
Is the Transfer Agent registered under the Exchange Act?[3] Yes: ☒ No: ☐

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: ☐

[3] To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 12/31/2020 Common: 91,320 Preferred: 0	*Right-click the rows below and select "Insert" to add rows as needed.								
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**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
07/15/2021	New Issuance	250,000	Common	$0.0001	Yes	Nancy Lopez	Share Subscription	Restricted	
07/16/2021	New Issuance	41,250,000	Common	$0.0001	Yes	New American Oak Trust (Todd Sanders)	Share Subscription	Restricted	
07/21/2021	New Issuance	6,500,000	Common	$0.0001	Yes	Tellson Ventures, LLC (Andrew Boyd-Jones)	Share Subscription	Restricted	
07/30/2021	New Issuance	500,000	Common	$0.0001	Yes	Frank J. Longo	Share Subscription	Restricted	
11/17/2021	New Issuance	5,000	Common	$1.00	Yes	Amy Saylor	Share Subscription	Restricted	
11/23/2021	New Issuance	5,000	Common	$1.00	Yes	Nadia Milner	Share Subscription	Restricted	
11/30/2021	New Issuance	50,000	Common	$1.00	Yes	Patrick Flynn	Consulting Services	Restricted	
12/14/2021	New Issuance	2,000,000	Common	$0.0001	Yes	Grandview Capital Partners LLC (Peter Goldstein)	Share Subscription	Restricted	
12/14/2021	New Issuance	2,000,000	Common	$0.0001	Yes	Exchange Listing LLC (Peter Goldstein)	Share Subscription	Restricted	
12/28/2021	New Issuance	1,500,000	Common	$0.0001	Yes	PGS Ventures B.V.(Peter Goldstein)	Share Subscription	Restricted	
12/28/2021	New Issuance	3,000,000	Common	$0.0001	Yes	Two Eighty Seven, LLC (Todd Sanders)	Share Subscription	Restricted	
12/28/2021	New Issuance	4,500,000	Common	$0.0001	Yes	Rocky Mtn Advisors Corp (Thomas Seifert)	Share Subscription	Restricted	
12/30/2021	New Issuance	25,000	Common	$1.00	Yes	Michael & Jacqueline Emmers	Share Subscription	Restricted	

1/14/2022	New Issuance	50,000	Common	$1.00	Yes	Patrick Flynn	Share Subscription	Restricted	
1/31/2022	New Issuance	275,000	Common	$1.00	Yes	Michael & Jacqueline Emmers	Share Subscription	Restricted	
2/16/2022	New Issuance	1,500,000	Common	$1.00	Yes	Mike Weydemuller	Share Subscription	Restricted	
2/17/2022	New Issuance	250,000	Common	$1.00	Yes	Vista Azul Asset Mgmt (Wayne Ake)	Share Subscription	Restricted	
2/28/2022	New Issuance	3,000	Common	$1.00	Yes	Linda Boyd Jones	Consulting Services	Restricted	
3/7/2022	New Issuance	1,000,000	Common	$1.00	Yes	Cort St. George	Share Subscription	Restricted	
3/22/2022	New Issuance	22,500,000	Common	$0.0001	Yes	Green Capital Management Limited (Frank Dominick)	Share Subscription	Restricted	
3/22/2022	New Issuance	10,000	Common	$1.00	Yes	Green Capital Management Limited (Frank Dominick)	Share Subscription	Restricted	
3/28/2022	New Issuance	4,500,000	Common	$0.0001	Yes	Seyemohammadreza Hashemifesharaki	Share Subscription	Restricted	
3/28/2022	New Issuance	1,000,000	Common	$1.00	Yes	Frank J. Longo	Share Subscription	Restricted	
3/28/2022	New Issuance	2,500	Common	$1.00	Yes	Linda Boyd Jones	Consulting Services	Restricted	
3/31/2022	New Issuance	100,000	Common	$1.00	Yes	Carmel, Milazzo & Feil LLP (Timothy Feil)	Consulting Services	Restricted	
Shares Outstanding on Date of This Report: Ending Balance Ending Balance: Date 3/31/2022 Common: 92,866,320 Preferred: 0									

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 (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
12/16/20	110,000	110,000	0	12/16/2021	400	Tellson Equities,LLC (Andrew Boyd-Jones)	Loan

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)[4]:

Name: **Thomas Seifert**
Title: **CFO**
Relationship to Issuer: **CFO**

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

C. Balance Sheet;
D. Statement of Income;
E. Statement of Cash Flows;
F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
G. Financial notes; and
H. Audit letter, if audited

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

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

Through its wholly-owned subsidiary, Spirits Global Inc. f/k/a Monogram Global, Inc. ("Spirits Global"), Spirits Global is a financial technology platform providing secured purchase of premium American Whiskey while maturing. The objectives of the Company during its development were driven by a vision to create an open, safe, and secure marketplace to capitalize on the strong and promising future of this spirit.

B. Please list any subsidiaries, parents, or affiliated companies.

Spirits Global, Inc. f/k/a Monogram Global, Inc.

C. Describe the issuers' principal products or services.

Spirits Global is a financial technology platform providing secured purchase of premium American Whiskey while maturing. The objectives of the Company during its development were driven by a vision to create an open, safe, and secure marketplace to capitalize on the strong and promising future of this spirit.

6) Issuer's Facilities

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

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

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

The Company currently leases 3,000 square feet of office space at 100 Bayview Circle, Suite 4100, Newport Beach, CA 92660. The lease expires on February 28, 2027.

7) Company Insiders (Officers, Directors, and Control Persons)

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

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% of more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

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 Sanders	Officer, Director, 5% Owner	Newport Beach, CA	43,281,000	Common	46.8%	
Thomas Seifert	Officer	Parker, CO	4,502,500	Common	4.8%	
Green Capital Management Limited (Frank Dominick)	5% Owner	Hong Kong	22,522,000	Common	24.3%	
Peter Goldstein	5% Owner	Plantation, FL	5,504,000	Common	5.9%	
Tellson Ventures, LLC (Andrew Boyd-Jones)	5% Owner	Newport Beach, CA	6,503,900	Common	7.0%	

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities 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:	Ross Carmel
Firm:	Carmel, Milazzo & Feil LLP
Address 1:	55 West 39th Street, 18th Floor
Address 2:	New York, NY 10018
Phone:	212-658-0458
Email:	RCarmel@cmfllp.com

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Todd Sanders certify that:

1. I have reviewed this annual disclosure statement of Spirits Capital Corporation f/k/a Capital Beverage 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.

05/13/2022

/s/ Todd Sanders

Chief Executive Officer

Principal Financial Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Thomas Seifert certify that:

1. I have reviewed this annual disclosure statement of Spirits Capital Corporation f/k/a Capital Beverage 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.

05/13/2022

/s/ Thomas Seifert

Chief Financial Officer

SPIRITS CAPITAL CORPORATION

Index to the Consolidated Financial Statements

As of March 31, 2022 and December 31, 2021
and for the Three Months Ended March 31, 2022 and 2021

SPIRITS CAPITAL CORPORATION
Consolidated Balance Sheets

	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash	$ 204,621	$ 22,279
Deposits	23,997	23,997
Prepaid expense	200,000	50,000
TOTAL CURRENT ASSETS	428,618	96,276
Operating lease right-of-use	575,124	599,820
Furniture and Equipment	48,737	42,223
TOTAL ASSETS	$ 1,052,479	$ 738,319
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	$ 393,018	$ 478,537
Accrued liabilities	478,955	433,689
Operating lease liability, current portion	69,891	70,228
TOTAL CURRENT LIABILITIES	941,864	982,454
Note payable	230,000	230,000
Operating lease liability, long term portion	514,716	529,587
TOTAL LIABILITIES	1,686,580	1,742,041
Commitments and contingencies		
STOCKHOLDERS' DEFICIT:		
Preferred stock (par value $0.01; 1,000,000 shares authorized; 0 issued and outstanding at March 31, 2022 and December 31, 2021, respectively)	-	-
Common stock (par value $0.0001), 500,000,000 and 250,000,000 shares authorized, 92,866,820 and 61,676,320 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	10,268	6,249
Paid-in capital in excess of par value	84,093,093	53,905,612
Accumulated deficit	(84,737,462)	(54,915,583)
TOTAL STOCKHOLDERS' DEFICIT	(634,101)	(1,003,722)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 1,052,479	$ 738,319

See accompanying notes to consolidated financial statements.

SPIRITS CAPITAL CORPORATION
Consolidated Statements of Operations

	For the Three Months Ended March 31,	
	2022	2021
REVENUES	$ –	$ –
OPERATING EXPENSES:		
General and administrative	139,510	13,953
Salaries	67,750	105,250
Stock based compensation	29,510,300	–
Professional fees	96,001	61,500
TOTAL OPERATING EXPENSES	29,813,561	180,703
OPERATING LOSS	(29,813,561)	(180,703)
OTHER EXPENSE		
Interest expense	(8,318)	–
TOTAL OTHER EXPENSE	(8,318)	–
LOSS BEFORE PROVISION FOR INCOME TAXES	(29,821,879)	(180,703)
PROVISION FOR INCOME TAXES	–	–
NET LOSS	(29,821,879)	(180,703)
LOSS PER SHARE:		
Basic and Diluted	$ (0.46)	$ (1.98)
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic and Diluted	65,434,270	91,320

See accompanying notes to consolidated financial statements.

SPIRITS CAPITAL CORPORATION
Consolidated Statement of Changes in Stockholders' Deficit
For the Three Months Ended March 31, 2022 and 2021

	Preferred Stock		Common Stock		Paid in Capital in Excess of	Accumulated	Total Stockholders’
	Shares	Amount	Shares	Amount	Par Value	Deficit	Deficit
Balance, December 31, 2021	–	$ –	61,676,320	$ 6,249	$ 53,905,612	$ (54,915,583)	$ (1,003,722)
Issuance of common stock for cash and stock based compensation	–	–	31,190,500	4,019	30,187,481	–	30,191,500
Net loss	–	–	–	–	–	(29,821,879)	(29,821,879)
Balance, March 31, 2022	–	$ –	92,866,820	$ 10,268	$ 84,093,093	$ (84,737,462)	$ (634,101)

	Preferred Stock		Common Stock		Paid in Capital in Excess of	Accumulated	Total Stockholders’
	Shares	Amount	Shares	Amount	Par Value	Deficit	Deficit
Balance, December 31, 2020	–	$ –	91,320	$ 91	$ 5,064,020	$ (6,220,475)	$ (1,156,364)
Net loss	–	–	–	–	–	(180,703)	(180,703)
Balance, March 31, 2021	–	$ –	91,320	$ 91	$ 5,064,020	$ (6,401,178)	$ (1,337,067)

See accompanying notes to consolidated financial statements.

SPIRITS CAPITAL CORPORATION
Consolidated Statements of Cash Flows

	For the Three Months Ended March 31, 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (29,821,879)	$ (180,703)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	2,075	–
Stock based compensation	29,596,150	–
Operating lease expense	24,696	–
Changes in operating assets and liabilities:		
Accounts payable	(85,519)	60,891
Prepaid expenses	(150,000)	–
Accrued liabilities	45,266	76,250
Operating lease liability	(15,208)	–
Net cash used by operating activities	(404,419)	(43,562)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture and equipment	(8,589)	–
Net cash used by investing activities	(8,589)	–
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	595,350	–
Net cash provided by financing activities	595,350	–
NET INCREASE (DECREASE) IN CASH	182,342	(43,562)
CASH, beginning of period	22,279	63,800
CASH, end of period	$ 204,621	$ 20,328
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year ended December 31:		
Interest	$ –	$ –
Income taxes	$ –	$ –

See accompanying notes to consolidated financial statements.

SPIRITS CAPITAL CORPORATION
Notes to the Consolidated Financial Statements
As of March 31, 2022

NOTE 1 – BASIS OF FINANCIAL STATEMENT PRESENTATION

Organization and Description of Business

Capital Beverage Corporation ("Capital Beverage") was incorporated under the laws of the State of Delaware on December 5, 1995. On December 30, 2019, Monogram Global Inc. a Delaware corporation ("Monogram") and (the "Company") merged with and into Capital Beverage Corporation. On April 29, 2021, the Company approved an amendment to change the name of the corporation to Spirits Capital Corporation.

Spirits Capital Corporation is a platform providing secured purchase of premium American Whiskey while maturing. The objectives of the company development was a vision to create an open, safe and secure marketplace for value hunters who want to capitalize on the strong and promising future of this spirit.

On December 30, 2019, Capital Beverage entered into a Share Exchange Agreement (the "Agreement" or the ("Merger") involving Capital Beverage as the surviving parent corporation and acquiring a privately held Delaware corporation known as Monogram Global Inc. With the change of control of the Company, the Merger is being be accounted for as a recapitalization in a manner similar to a reverse acquisition.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

Basis of Presentation and Principles of Consolidation

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The consolidated financial statements of the Company include the Company and its wholly-owned subsidiaries. All material intercompany balances and transactions have been eliminated in consolidation. Our financial statements as of March 31, 2022 and December 31, 2021 include the accounts of Spirits Global, Inc.

Reclassifications

Certain amounts in the March 31, 2021 financial statements have been reclassified to conform to the current year presentation.

Use of Estimates

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statements of financial condition, and revenues and expenses for the years then ended. Actual results may differ significantly from those estimates. Significant estimates made by management include, but are not limited to, the assumptions used to calculate stock-based compensation, derivative liabilities, preferred deemed dividend and common stock issued for services.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with high credit quality financial institutions. The Company's account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. To reduce its risk associated with the failure of such financial institution, the Company evaluates at least annually the rating of the financial institution in which it holds deposits.

Accounts receivable and allowance for doubtful accounts

The Company has a policy of reserving for questionable accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company periodically reviews its accounts receivable to determine whether an allowance is necessary based on an analysis of past due accounts and other factors that may indicate that the realization of an account may be in doubt. Account balances deemed to be uncollectible are offset against sales and relieved from accounts receivable, after all means of collection have been exhausted and the potential for recovery is considered remote. As of March 31, 2022 and December 31, 2021, there were no allowance for doubtful accounts.

Property and Equipment

Property and equipment are capitalized and depreciated over their estimated economic useful lives. Upon sale or other disposition of property and equipment, the cost and related accumulated depreciation or amortization are removed from the accounts and any gain or loss is included in the determination of income or loss. The Company had $48,737 and $42,223 of property and equipment as of March 31, 2022 and December 31, 2021, respectively.

Revenue Recognition

The Company currently has no revenues from its operations. We anticipate that revenues from product sales, net of estimated returns and allowances, will be recognized when evidence of an arrangement is in place, related prices are fixed and determinable, contractual obligations have been satisfied, title and risk of loss have been transferred to the customer and collection of the resulting receivable is reasonably assured.

Concentration of Credit Risk

The Company has no significant concentrations of credit risk.

Related Parties

The Company accounts for related party transactions in accordance with ASC 850 ("Related Party Disclosures"). A party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. A party which can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests is also a related party.

Derivative Financial Instruments

For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, the Company uses a lattice model, in accordance with ASC 815-15 "Derivative and Hedging" to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether net-cash settlement of the derivative instrument could be required within 12 months after the balance sheet date.

Stock Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

Beneficial Conversion Features

The intrinsic value of a beneficial conversion feature inherent to a convertible note payable, which is not bifurcated and accounted for separately from the convertible note payable and may not be settled in cash upon conversion, is treated as a discount to the convertible note payable. This discount is amortized over the period from the date of issuance to the date the note is due using the effective interest method. If the note payable is retired prior to the end of its contractual term, the unamortized discount is expensed in the period of retirement to interest expense. In general, the beneficial conversion feature is measured by comparing the effective conversion price, after considering the relative fair value of detachable instruments included in the financing transaction, if any, to the fair value of the shares of common stock at the commitment date to be received upon conversion.

Fair Value of Financial Instruments

The Company measures its financial assets and liabilities in accordance with the requirements of FASB ASC 820, “Fair Value Measurements and Disclosures”. As defined in FASB ASC 820, the fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilized the market data of similar entities in its industry or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observability of those inputs. FASB ASC 820 established a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement) as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities and listed equities.

Level 2 – Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date and includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options and collars.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

Income Taxes

The Company accounts for income taxes pursuant to the provision of ASC 740-10, "Accounting for Income Taxes" ("ASC 740-10") which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions.

Tax positions that meet the more likely than not recognition threshold are measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, "Definition of Settlement", which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

The Company was incorporated in 2018, and the Company does not anticipate a tax liability for the year ended December 31, 2021.

Recently Issued Accounting Pronouncements

Although there are several other new accounting pronouncements issued or proposed by the FASB, which the Company has adopted or will adopt, as applicable, the Company does not believe any of these accounting pronouncements has had or will have a material impact on its financial position or results of operations.

NOTE 3 – GOING CONCERN

As shown in the accompanying financial statements, the Company generated net losses of $29,821,879 and $48,695,108 during the three months ended March 31, 2022 and the year ended December 31, 2021, respectively. The Company did not generate any revenue from product sales during the three months ended March 31, 2022 and the years ended December 31, 2021. As of March 31, 2022, the Company's current liabilities exceeded its current assets by $513,246. As of March 31, 2022, the Company had $204,621 of cash.

The Company will require additional funding during the next twelve months to finance the growth of its current operations and achieve its strategic objectives. These factors, as well as the uncertain conditions that the Company faces relative to capital raising activities, create substantial doubt as to the Company's ability to continue as a going concern. The Company is seeking to raise additional capital principally through private placement offerings and is targeting strategic partners in an effort to finalize the development of its products and begin generating revenues. The ability of the Company to continue as a going concern is dependent upon the success of future capital offerings or alternative financing arrangements and expansion of its operations. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management is actively pursuing additional sources of financing sufficient to generate enough cash flow to fund its operations through calendar year 2022. However, management cannot make any assurances that such financing will be secured.

NOTE 4 – NOTES PAYABLE

As of March 31, 2022 and December 31, 2021, respectively, there were $230,000 and $230,000 of promissory notes outstanding and accrued interest of $29,090 and $20,772.

Future minimum required payments over the next 5 years and thereafter are as follows:

Period ending December 31,		
2022	$	230,000
2023		0
2024		0
2025		0
2026 and after	$	0
Total	$	230,000

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED OTHER LIABILITIES

Accounts payable and accrued other liabilities consisted of the following:

		March 31, 2022		December 31, 2021
Accounts payable	$	393,018	$	478,537
Accrued liabilities		478,955		433,689
Total	$	871,973	$	912,226

NOTE 6 – PREFERRED STOCK

In accordance with the Company's bylaws, the Company has authorized a total of 1,000,000 shares of preferred stock, par value $0.01 per share, for all classes. As of March 31, 2022 and December 31, 2021, there were no preferred shares issued and outstanding for all classes.

NOTE 7 – COMMON STOCK

In accordance with the Company's bylaws, the Company has authorized a total of 500,000,000 shares of common stock, par value $0.0001 per share. As of March 31, 2022 and December 31, 2021, there were 92,866,820 and 61,676,320 common shares issued and outstanding.

On April 27, 2021, the Board of Directors of the Company unanimously adopted an amendment to the Company's Articles of Incorporation to effect a reverse stock split at a ratio of 1-for-1,000 shares of Common Stock.

On July 8, 2021 the Company amended and restated its Certificate of Incorporation changing the authorized capital of the Corporation such that it is authorized to Issued 500,000,000 shares of common stock, par value $0.0001.

On July 15, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 250,000 shares of common stock for $250.

On July 16, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 41,250,000 shares of common stock for $4,125, valued at $41,250,000.

On July 21, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 6,500,000 shares of common stock for $6,500.

On September 30, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 500,000 shares of common stock for $500.

On November 17, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 5,000 shares of common stock for $5,000.

On November 23, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 5,000 shares of common stock for $5,000.

On November 30, 2021, the Company's Board of Directors approved and the Company entered into an Advisory Agreement where the Company issued 50,000 shares of common stock, valued at $50,000.

On December 14, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreements where the Company issued 4,000,000 shares of common stock for $4,000.

On December 28, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreements where the Company issued 7,500,000 shares of common stock for $750, valued at $7,500,000.

On December 28, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 1,500,000 shares of common stock for $1,500.

On December 30, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 25,000 shares of common stock for $25,000.

On January 10, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 75,000 shares of common stock for $75,000.

On January 13, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 7,000,000 shares of common stock for $2,950, valued at $6,001,000.

On January 14, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 50,000 shares of common stock for $50,000.

On January 31, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 200,000 shares of common stock for $200,000.

On February 17, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 250,000 shares of common stock for $250,000.

On February 28, 2021, the Company's Board of Directors approved and the Company entered into an Advisory Agreement where the Company issued 3,000 shares of common stock, valued at $3,000.

On March 22, 2022, the Company's Board of Directors approved and the Company entered into an Advisory Agreement where the Company issued 10,000 shares of common stock, valued at $10,000.

On March 22, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreements where the Company issued 22,500,000 shares of common stock for $2,250, valued at $22,500,000.

On March 28, 2022, the Company's Board of Directors approved and the Company entered into an Advisory Agreement where the Company issued 2,500 shares of common stock, valued at $2,500.

On March 28, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreements where the Company issued 1,000,000 shares of common stock for $1,000, valued at $1,000,000.

On March 31, 2022, the Company's Board of Directors approved and the Company entered into a Legal Retainer where the Company issued 100,000 shares of common stock, valued at $100,000.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

COVID-19

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spread globally beyond the point of origin. On March 20, 2020 the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of these condensed consolidated financial statements. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's combined financial condition, liquidity and future results of operations. Management is actively monitoring the impact of the global situation on its consolidated financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021 beyond the results presented in these condensed consolidated financial statements and this annual report.

Due to the impacts of COVID-19, we have seen an increase in recruiting and labor costs as well as delays in supply chain.

Lease Agreement

Effective October 1, 2021, a six-year lease was signed for 3,000 square feet for $124,200 annually, for our facilities in Newport Beach, California for $10,350 per month.

We monitor for events or changes in circumstances that require a reassessment of one of our leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the amount of the adjustment that would result in a negative ROU asset balance is recorded in profit or loss.

At March 31, 2022 and December 31, 2021, respectively, the Company had current operating lease liabilities of $69,891 and $70,228, respectively and long-term operating lease liabilities of $514,716 and $529,587, respectively, and right of use assets of $575,124 and $599,820, respectively.

Future minimum lease payments under these leases are as follows:

Years Ending December 31,		**Minimum Lease Payment**
2022	$	73,070
2023		107,240
2024		133,080
2025		137,080
2026 and later		237,170
Total undiscounted future non-cancelable minimum lease payments		687,640
Less: Imputed interest		(112,516)
Present value of lease liabilities	$	575,124
Weighted average remaining term		5.5

Net rent expense for the three months ended March 31, 2022 and 2021 were $56,380 and $0, respectively.

NOTE 9 – RELATED PARTY TRANSACTIONS

On July 16, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 41,250,000 shares of common stock for $4,125 to related parties, valued at $41,250,000. This transaction resulted in $41,245,875 in stock based compensation which is reflected in the consolidated statement of operations.

On December 28, 2021, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreements where the Company issued 7,500,000 shares of common stock for $750 to related parties, valued at $7,500,000. This transaction resulted in $7,499,250 in stock based compensation which is reflected in the consolidated statement of operations.

As of March 31, 2022 and December 31, 2021, the Company had accounts payable due to a related party of $848 and $49,510, respectively, and accrued salaries of $446,736 and $412,917, respectively. Total related party payments due as of December 31, 2021 and December 31, 2020 are $462,427 and $407,518, respectively. Those related party payable are non-interest bearing and due on demand.

NOTE 10 – SUBSEQUENT EVENTS

The Company evaluated events occurring after the date of the accompanying unaudited condensed consolidated balance sheets through the date the financial statements were issued and identified that the following subsequent events that it believes require disclosure:

On April 4, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 50,000 shares of common stock for $50,000.

On April 18, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 50,000 shares of common stock for $50,000.

On April 21, 2022, the Company's Board of Directors approved and the Company entered into Securities Purchase Agreement where the Company issued 50,000 shares of common stock for $50,000.