EXXE GROUP, INC.
(AXXA)

ANNUAL REPORT
FOR THE YEAR ENDING MARCH 31, 2019

May 31, 2019

14 Penn Plaza, 9th Floor
New York
NY 10122

EXXE GROUP, INC.
ANNUAL REPORT
FOR THE YEAR ENDING MARCH 31, 2019
(Unaudited)

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EXXE GROUP, INC.
Condensed Consolidated Unaudited Financial Statements
Balance Sheet

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Current assets			
Cash and cash equivalents	2	$ 304,158	$ 3,433
Accounts receivable	2	122,267	-
Other current assets		168,488	26,500
Total current assets		594,912	29,933
Fixed assets			
Land and buildings	6	36,155,470	-
Long-term receivables	5	8,093,343	-
Accumulated depreciation and amortization		(3,288)	-
Goodwill	7	16,392,083	-
Other long-term assets		1,209,688	-
TOTAL ASSETS		$ 62,442,208	$ 29,933
LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)			
Current liabilities			
Accounts payable, trade		$ 82,070	$ 40,000
Accrued expenses and other current liabilities		100,379	28,594
Loans payable - related parties	8	3,066,873	13,693
Convertible debt - in default	8	260,271	440,840
Short-term or current loans and notes payable	8	20,000	35,000
Total current liabilities		3,529,593	558,127
Long-term debt	8	20,409,273	-
TOTAL LIABILITIES		$ 23,938,866	$ 558,127
STOCKHOLDERS' EQUITY (DEFICIT)			
Preferred stock:			
Preferred stock series A: par value $0.0001, 4 authorized and 1 issued and outstanding as at March 31, 2019 and March 31, 2018	9	0	0
Preferred stock series B: par value $2.50, 10,000,000 authorized and 557,754 issued and outstanding as at March 31, 2019 and March 31, 2018	9	1,394,385	1,394,385
Preferred stock series C: par value $2.00, 5,000,000 authorized and 1,719,083 and 94,083 issued and outstanding as at March 31, 2019 and March 31, 2018 respectively	9	3,438,166	188,166
Common stock: par value $0.00001, 500,000,000 authorized and 399,124,556 and 279,900,556 issued and outstanding as at March 31, 2019 and March 31, 2018 respectively	9	3,991	2,799
Additional paid-in capital		47,034,841	13,230,288
Minority interest		53,106	-
Accumulated comprehensive income (loss)		236,578	-
Accumulated surplus (deficit)		(13,657,726)	(15,343,832)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)		38,503,342	(528,194)

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 62,442,208	$ 29,933

See accompanying notes to these condensed consolidated unaudited financial statements.

EXXE GROUP, INC.
Condensed Consolidated Unaudited Financial Statements
Statement of Operations

	Year Ending March 31, 2019	2018
Revenues	2,102,415	78,827
Cost of goods sold	319,444	14,651
Gross profit	1,782,971	64,175
Operating expenses		
Selling, general & admininstration costs	867,816	209,840
Depreciation and amortization	1,614	-
Total operating expenses	869,430	209,840
Income (loss) from operations	913,541	(145,665)
Other income (expenses)		
Financing costs	(209,050)	(28,595)
Other income (expenses)	981,615	-
Income (loss) before income taxes	1,686,106	(174,260)
Provision for income taxes	-	-
Net income (loss)	$ 1,686,106	$ (174,260)
Net income (loss) per share	$ 0.01	$ (0.00)
Weighted average shares outstanding	313,202,446	172,736,119
Comprehensive income		
Net income (loss)	$ 1,686,106	$ (174,260)
Exchange rate movements	236,578	-
Comprehensive income (loss)	$ 1,922,684	$ (174,260)

See accompanying notes to these condensed consolidated unaudited financial statements.

EXXE GROUP, INC.
Condensed Consolidated Unaudited Financial Statements
Statement of Changes in Stockholders' Equity

	Preferred Stock	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance b/f as at April 1, 2017	$ 793,495	$ 1,487	$ 13,304,839	$ (15,169,572)	$ (1,069,751)
Shares issued for acquisitions/investment	789,056	-	-	-	789,056
Shares issued for acquisitions/investment	-	1,312	(74,551)	-	(73,239)
Net loss for year ended March 31, 2018	-	-	-	(174,260)	(174,260)
Balance b/f as at April 1, 2018	$ 1,582,551	$ 2,799	$ 13,230,288	$ (15,343,832)	$ (528,194)
Shares issued for acquisitions/investment	3,250,000	1,192	33,804,553	-	37,055,745
Minority interest for period period ending Mar 31, 2019	-	-	-	53,106	53,106
Comprehensive income period ending Mar 31, 2019	-	-	-	236,578	236,578
Net income for period ending Mar 31, 2019	-	-	-	1,686,106	1,686,106
Balance c/f as at Mar 31, 2019	$ 4,832,551	$ 3,991	$ 47,034,841	$ (13,368,042)	$ 38,503,342

See accompanying notes to these condensed consolidated unaudited financial statements.

EXXE GROUP, INC.
Condensed Consolidated Unaudited Financial Statements
Statement of Cash Flow

	Year Ending March 31, 2019	Year Ending March 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 1,686,106	$ (174,260)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,614	-
Stock-based compensation	-	140,000
Financing costs	209,050	28,595
Changes in operating assets and liabilities:		
Accounts receivable (long-term and short-term)	(7,743,247)	28,595
Accounts payable and other current liabilities	493,407	-
Other current assets	493,219	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(4,859,851)	22,930
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	(5,500,000)	-
Purchase of tangible assets	(19,217,314)	-
Costs and advances in acquisition of subsidiary	-	(26,500)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(24,717,314)	(26,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity	14,716,997	1,000
Proceeds from (repayment of) debt instruments	12,366,876	35,000
Related party loans	3,119,577	5,540
Payment of related-party debt	-	(8,566)
Financing costs	(209,050)	(28,595)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	29,994,400	4,379
EXCHANGE RATE MOVEMENTS	(116,510)	-
NET INCREASE (DECREASE) IN CASH	300,725	809
Cash, beginning of year	3,433	2,624
Cash, end of year	$ 304,158	$ 3,433
SUPPLEMENTAL DISCLOSURES		
Conversion of debt to common stock	$ -	$ 2,000
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

See accompanying notes to these condensed consolidated unaudited financial statements.

NOTE 1. NATURE AND BACKGROUND OF BUSINESS

The accompanying consolidated financial statements include Exxe Group, Inc., formally known as Telecorp, Inc. ('Exxe' or the 'Company'), its wholly-owned subsidiaries and its majority controlling interests in multiple entities. The Company was reorganized under the laws of the State of Delaware on August 14, 2017. Exxe is a diversified company with its core focus on real estate, financing and software related technology companies. Exxe Group looks to acquire controlling equity interests in undervalued assets, taking an active role by providing both capital and traditional financing, as well as operational management expertise.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying pro forma financial statements have been prepared for Exxe Group, Inc. in accordance with accounting principles generally accepted in the United States of America (US GAAP).

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation of the financial statements have been included. The financial statements include acquired subsidiaries, as discussed below, and include all consolidation entries required to include those subsidiaries.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the Balance Sheet and Statement of Cash Flows, all highly liquid investments with maturity of three months or less are considered to be cash equivalents. The Company had no cash equivalents as of March 31, 2018 or March 31, 2019.

Income Taxes

Income taxes are provided in accordance with the FASB Accounting Standards (ASC 740), Accounting for Income Tax. A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Any deferred tax expense (benefit) resulting from the net change during the year is shown as deferred tax assets and liabilities. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it was more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Basic and Diluted Net Income (Loss) Per Share

Net income (loss) per unit is calculated in accordance with Codification topic 260, "Earnings per Share" for the periods presented. Basic net loss per share is computed using the weighted average number of common membership units outstanding. Diluted loss per share has not been presented because the shares of common stock equivalents have not been included in the per share calculations as such inclusion would be anti-dilutive. Diluted earnings per share is based on the assumption that all dilutive stock options, warrants and convertible debt are converted or exercised applying the treasury stock method. Under this method, options, warrants and convertible debt are assumed exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase shares of common stock at the average market price during the period. Options, warrants and/or convertible debt will have a dilutive effect during periods of net profit only when the average market price of the units during the period exceeds the exercise or conversion price of the items.

Stock Based Compensation

Codification topic 718 “Stock Compensation” requires that the cost resulting from all share-based transactions be recorded in the financial statements and establishes fair value as the measurement objective for share-based payment transactions with employees and acquired goods or services from non-employees. The codification also provides guidance on valuing and expensing these awards, as well as disclosure requirements of these equity arrangements. The Company adopted the codification upon creation of the Company and will expense share-based costs in the period incurred. The Company has not yet adopted a stock option plan and all share-based transactions and share based compensation has been expensed in accordance with the codification guidance.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for “Accounting for Derivative Instruments and Hedging Activities”. Professional standards generally provide three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instruments 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 otherwise applicable generally accepted accounting principles 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. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as “The Meaning of Conventional Convertible Debt Instrument”.

The Company accounts for convertible instruments when it has determined that the embedded conversion options should not be bifurcated from their host instruments in accordance with professional standards when “Accounting for Convertible Securities with Beneficial Conversion Features,” as those professional standards pertain to “Certain Convertible Instruments.” Accordingly, 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 shares of 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 earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares of common stock based upon the differences between the fair value of the underlying shares at the commitment date of the note transaction and the effective conversion price embedded in the note.

ASC 815-40 provides that, among other things, generally, if an event not within the entity’s control could require net cash settlement, then the contract shall be classified as an asset or a liability.

Fair Value of Financial Instruments

We adopted the guidance of ASC-820 for fair value instruments, which clarifies the definition of fair value, prescribes methods for determining fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value, as follows:

Level 1	Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
Level 2	Inputs are quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
Level 3	Inputs are unobservable inputs which reflect the reporting entity’s own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The carrying amounts for cash, accounts receivable, accounts payable and accrued expenses, and loans payable approximate their fair value based on the short-term maturity of these instruments. We did not identify any assets or liabilities that are required to be presented on the balance sheet at fair value in accordance with the accounting guidance.

ASC 825-10 “Financial Instruments” allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value (fair value option). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable, unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. We did not elect to apply the fair value option to any outstanding instruments.

Derivative Liabilities

Derivative financial instruments consist of convertible instruments and rights to shares of the Company's common membership units. The Company assessed that it had no derivative financial instruments as of March 31, 2019 and March 31, 2018.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three 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 otherwise applicable generally accepted accounting principles 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 subject to the requirement of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as described.

Impact of New Accounting Standards

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company’s results of operations, financial position, or cash flow.

NOTE 3. GOING CONCERN

The Company’s financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Currently, the Company does not have significant cash or other material assets, nor does it have operations or a source of revenue sufficient to cover its operation costs and allow it to continue as a going concern.

The Company has a limited operating history and had a cumulative net loss from inception to March 31, 2019 of $13,657,726. The Company has a working capital deficit of $2,934,680 as at March 31, 2019.

These financial statements for the year ending have been prepared assuming the Company will continue as a going concern, which is dependent upon the Company’s ability to generate future profits and/or obtain necessary financing to meet its obligations as they come due.

The management has committed to an aggressive growth plan for the Company. The Company’s future operations are dependent upon external funding and its ability to execute its business plan, realize sales and control expenses. Management believes that sufficient funding will be available from additional borrowings and private placements to meet its business objectives including anticipated cash needs for working capital, for a reasonable period of time. However, there can be no assurance that the Company will be able to obtain sufficient funds to continue the development of its business operation, or if obtained, upon terms favorable to the Company.

Finally, the Company has an outstanding loan notes in the amount of $260,271 which are in default. The Company is negotiating repayment and conversion of defaulted loans with the aim of eradicating such defaulted loans as soon as possible.

NOTE 4. ACQUISITIONS AND INVESTMENTS

The Company grows its business by making significant investments in assets and operating businesses. The Company currently owns the following entities and assets:

Subsidiary	Basis	Purpose

Softsmart 2.0, Inc.	Wholly owned Delaware subsidiary	Software developer
Myle-One Beteiligungen, AG	Majority owned Swiss subsidiary	Real estate ownership
CleverGuides, Inc.	Wholly owned Delaware subsidiary	Technology/media
Regent Investors, LLC	Wholly owned Delaware subsidiary	Real estate ownership

Each subsidiary has made investments in assets including software, real estate, mortgages (long-term receivables), technology and media. These investments are detailed further in subsequent notes to these financial statements.

NOTE 5. LONG-TERM RECEIVABLES

Exxe purchases outstanding mortgages from which interest income is generated. At March 31, 2019 and March 31, 2018 the Company had invested in mortgages totaling $8,093,343 and nil respectively, with terms of 15-30 years

NOTE 6. FIXED ASSETS

Fixed assets as at March 31, 2019 and March 31, 2018 are as follows:

Asset	Description	Base Currency	March 31, 2019	March 31, 2018
Residential real estate	Multi-unit facility, Germany	Swiss Fancs	$ 8,911,731	$ -
Mixed real estate	Mixed-use storage facility, Switzerland	Swiss Fancs	7,343,739	-
Residential estate	Four rental apartments in New York	US Dollars	19,000,000	-
Residential real estate	Rental apartment in Miami Beach	US Dollars	900,000	-
Total			**$ 36,155,470**	**$ -**

All real estate investments are held as income producing assets, with rental income booked to the statement of operations as earned on a monthly basis.

NOTE 7. INTANGIBLE ASSETS

Intangible assets as at March 31, 2019 and March 31, 2018 are as follows:

Asset	Description	Base Currency	March 31, 2019	March 31, 2018
Goodwill	Technology and media capabilities	Euros	$ 2,892,083	-
Goodwill	Software development	US Dollars	500,000	-
Goodwill	Digital media platform and community	US Dollars	8,000,000	-
Goodwill	European film festival rights	US Dollars	5,000,000	
Totals			**16,392,083**	**-**

All investments made in intangible assets take the form of goodwill in the assets acquired. Goodwill is not amrotized, but will be tested on an annual basis for impairment and the value of the goodwill written down accordingly if the value is below the carrying value in the financial statements.

NOTE 8. LOANS AND NOTES PAYABLE

The Company had multiple notes and loans payable as at March 31, 2019 and March 31, 2018, totaling $23,756,417 and $489,533 respectively, as follows:

Description	Date of Advance	As at March 31, 2019	Annual Interest Rate	Term
Loan payable for multi-unit residential rental property, with monthly payments of $100,000	6/20/2018	$ 2,690,180	6.0%	36 months
Assumption of debt from a related party; in default and unsecured	6/20/2018	1,018,385	0.0%	Default

Assumption of foreign bank debt in default - multi-unit residential rental property	6/20/2018	506,042	0.0%	Default
Related party loan for acquiring investment in non-marketable security	10/15/2018	500,000	0.0%	12 months
Assumption of debt from related party secured by mixed use storage facility	6/20/2018	1,295,676	5.0%	12 months
Loan note issued to acquire 51% of technology/media company	10/10/2018	1,279,452	5.0%	12 months
Loan note issued to acquire 51% of residential properties in New York	12/10/2018	9,515,747	0.5%	12 months
Loan note issued to acquire 51% of digital media platform and community	3/6/2019	2,006,849	5.0%	12 months
Loan note issued to acquire 51% of a project for European film festivals in China	3/12/2019	1,253,253	5.0%	12 months
Loan note issued to acquire 51% of apartment in Florida	11/28/2019	458,199	5.0%	12 months
Loan note issued to acquire 51% interest in multiple mortgages (long-term receivables)	1/15/2019	2,525,685	5.0%	12 months
Convertible loan note with conversion rights described below (note 1)	12/21/2013	-	8.0%	12 months
Convertible loan note with conversion rights described below (note 2)	3/5/2014	135,751	8.0%	12 months
Convertible loan note issued in connection with assignment and assumption (note 3)	5/8/2014	92,800	8.0%	12 months
Convertible loan note with conversion rights described below (note 4)	5/8/2014	-	8.0%	12 months
Original issue discount convertible note with conversion rights described below (note 5)	12/8/2016	14,325	10.0%	12 months
Original issue discount convertible note with conversion rights described below (note 6)	12/8/2016	7,197	10.0%	12 months
Original issue discount convertible note with conversion rights described below (note 7)	2/15/2018	32,693	8.0%	12 months
Convertible loan note with conversion rights described below (note 8)	2/27/2018	10,000	8.0%	12 months
Convertible loan note with conversion rights described below (note 9)	6/20/2018	63,733	10.0%	12 months
Convertible loan note for up to $250,000 with conversion rights described below (note 10)	6/21/2018	256,302	5.0%	36 months
Convertible loan note with conversion rights described below (note 11)	6/21/2018	26,359	10.0%	12 months

Convertible loan note with conversion rights described below (note 12)	6/30/2018	15,900	8.0%	12 months
Convertible loan note with conversion rights described below (note 13)	7/13/2018	10,572	8.0%	12 months
Convertible loan note with conversion rights described below (note 14)	8/28/2018	5,253	8.0%	12 months
Convertible loan note with conversion rights described below (note 15)	9/18/2018	10,429	8.0%	12 months
Convertible loan note with conversion rights described below (note 16)	2/28/2019	5,537	8.0%	12 months
Convertible loan note with conversion rights described below (note 17)	3/8/2019	20,099	8.0%	12 months
Total		$ 23,756,417		
Lomg-term total		$ 20,409,273		
Short-term total		$ 3,347,144		

Notes

1. On December 21, 2013, the Company entered into a 12-Month, 8% Convertible Note in the principal amount of $60,525 (the "Easton Note"). The principal and any accrued unpaid interest can be converted into shares of the Company's common stock at a conversion rate of $0.0001 after the maturity date. In the event of any default, the principal plus any accrued unpaid interest can be converted into shares of the Company's common stock at a par value of $0.00001. On March 28, 2017 the balance of the note was $40,525 and four private investors purchased a $5,000 portion of this note each for $5,000 and the company issued 10,000,000 shares of the common stock of the Company to each investor upon conversion of the principal amount of $5,000 in each case. This left an outstanding amount of $25,767 including all accrued and unpaid interest, as at September 30, 2018. On October 14, 2018, GPL Ventures, LLC ("GPL"), a private investor, purchased $20,398 directly from the holder of the Note. The Company issued 30,274,255, 19,829,745 and 12,000,000 shares of free trading common stock to GPL upon conversion of the principal sums of $9,894, $6,544 and $3,960, respectively. On October 30, 2018, GPL purchased an additional $4,935 of the Note directly from the holder. The Company issued 15,000,000 shares of free-trading common stock to GPL upon conversion of the principal sum of $4,935, which left a balance of $424 related to this note as at October 31, 2018. This amount was paid on February 11, 2019 through the issuance of a final amount of 3,120,000 shares of free-trading stock, which finally repaid this Note in full.

2. On March 5, 2014, the Company entered into a 12-Month, 8% Convertible Note in the principal amount of $96,579. The debt holder has the option to convert the principal and any accrued, unpaid interest into shares of the Company's common stock at a conversion rate of $0.0001 after the maturity date. In the event of any default, the principal plus any accrued but unpaid interest can be converted into shares of the Company's common stock at $0.00001. As of March 31, 2019, the principal amount of $96,579 of this Note plus all accrued interest remains unpaid, an overall total of $135,751.

3. On May 8, 2014, the Company entered into an Assignment and Assumption Agreement in the principal amount of $135,000 pursuant to a July 4, 2010 Convertible Note. On March 28, 2017 the balance on the note was $85,000 and a $5,000 portion of this note was purchased for $8,000 by a private investor and the company issued 10,000,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $5,000. As of December 31, 2018, a principal balance of $80,000 remains outstanding plus all accrued interest remains unpaid on the May 8, 2014 Assignment.

4. On May 8, 2014, the Company entered into a 12-Month, 8% Convertible Note in the principal amount of $50,000. The Company may prepay the Note for a net payment of $75,000 at any time prior to August 8, 2014. If the $75,000 is not prepaid by this date, the noteholder has the right to refuse any further payments and choose to convert the Note upon Maturity Date or any time thereafter. On March 20, 2017, the Company issued 5,000,000 free-trading shares of common stock to the debt holder upon the conversion of the principal amount of $5,000. On November 28, 2016 a $7,500 portion of this note was purchased for $7500 by a private investor and the company issued 7,500,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $7,500. On November 29, 2016 a $7,500 po1tion of this note was purchased for $7,500 by a private investor and the Company issued 7,500,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $7,500. On December 1, 2016 a $7,500 portion of this note was purchased for $7500 by a private investor and the Company issued 7,500,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $7,500. On December 5, 2016 a $7,500 portion of this note was purchased for $7500 by a private investor and the company issued 7,500,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $7,500. On December 23, 2016 a $7,500 po1tion of this note was purchased for $7500 by a private investor and the company issued 7,500,000 shares of the common stock of the Company to said investor upon conversion of the principal amount of $7,500. On December 21, 2016, the debt holder converted $5,333 of their note into 5,333,000 free trading shares. On March 21, 2017, the debt holder converted $5,000 of their note into 5,000,000 free trading shares. As of December 31, 2018, a principal balance of $2,167 remains outstanding plus all accrued interest remains unpaid.

5. On December 8, 2016, the Company received net proceeds of $10,450 from an investor for the issuance of an Original Issue Discount Convertible Promissory Note (the "Note"). The Note, which is due on December 8, 2017, bears interest at the rate of 10% per annum. Any amount of principal or interest on this Note which is not paid when due shall bear interest at the rate of eighteen percent (18%) per annum from the due date thereof until the same is paid ("Default Interest"). The Holder shall have the right from time to time, and at any time during the period beginning on the date which is three hundred sixty six (366) days following the date of this Note to convert all or any part of the outstanding and unpaid principal amount of this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified at the conversion price (the "Conversion Price") determined as provided herein (a "Conversion"); provided, however, that in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 9.99% of the outstanding shares of Common Stock. As of December 31, 2018, the Company has not repaid this Note.

6. On December 16, 2016, the Company received net proceeds of $5,150 from an investor for the issuance of an Original Issue Discount Convertible Promissory Note (the "Note"). The Note, which is due on December 16, 2017, bears interest at the rate of 10% per annum. Any amount of principal or interest on this Note which is not paid when due shall bear interest at the rate of twelve percent (18%) per annum from the due date thereof until the same is paid ("Default Interest"). The Holder shall have the right from time to time, and at any time during the period beginning on the date which is three hundred sixty six (366) days following the date of this Note to convert all or any part of the outstanding and unpaid principal amount of this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified at the conversion price (the "Conversion Price") determined as provided herein (a "Conversion"); provided, however, that in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 9.99% of the outstanding shares of Common Stock. As of December 31, 2018, the Company has not repaid this Note.

7. On February 15, 2018, the Company entered into a 12-month Convertible Note in the amount of $30,000 with Rinaldo Pierno, a private investor. The Note carries 8% interest per annum.

8. On February 27, 2018 an investor paid $5,000 for a convertible note with a 1-year maturity term and 8% interest per annum. The default amount on the note is $10,000 or shares of common stock issued at par value.

9. On June 20, 2018, the Company entered into a 12-Month Convertible Note in the amount $60,000 with Lucy Pierno Trust, a private investor. The Note carries 10% interest per annum.

10. On June 21, 2018, the Company entered into a 36-Month Convertible Note Agreement with GPL Ventures, LLC in the amount to be funded up to $250,000, with full funding completed by March 31, 2019. This note matures on June 28, 2021, can be repaid in full at any time before maturity, and carries 5% interest per annum.

11. On June 21, 2018, the Company entered into a 12-Month Convertible Note in the amount $26,359 with GPL Ventures LLC. The Note carries 10% interest per annum.

12. On June 30, 2018, the Company entered into a 12-Month Convertible Note in the amount $15,000 with Niu Jiamin. The Note carries 8% interest per annum.

13. On July 13, 2018, the Company entered into a 12-Month Convertible Note in the amount $10,000 with 1343492 Ontario Ltd. The Note carries 8% interest per annum.

14. On August 28, 2018, the Company entered into a 12-month Convertible Note in the amount of $5,000 with JMV, a private investor. The Note carries 8% interest per annum.

15. On September 18, 2018, the Company entered into a 12-Month Convertible Note in the amount $10,000 with R. B. Piemo. The Note carries 8% interest per annum.

16. On February 28, 2018, the Company entered into a 12-month Convertible Note in the amount of $5,500 with JMV, a private investor. The Note carries 8% interest per annum.

17. On March 8, 2018, the Company entered into a 12-month Convertible Note in the amount of $20,000 with J Badzin, a private investor. The Note carries 8% interest per annum.

NOTE 9. CAPITAL STOCK

The Company is a C Corp with shares of preferred stock and common stock authorized and issued respectively. As at March 31, 2019 and March 31, 2018 respectively, the Company was authorized to issue Preferred Stock in three different classes, A, B and C, and common stock, all as detailed below.

Preferred Stock

At March 31, 2019 the Company had three designations of preferred stock:

Preferred Stock Series A	The Company is authorized to issue 4 shares of Series A, with a par value of $0.0001 per share. As at April 1, 2017, the Company had one share of Series A preferred stock issued and outstanding. No issuances or redemptions have taken place since.
Preferred Stock Series B	The Company is authorized to issue 10,000,000 shares of Series B, with a par value of $2.50 per share. As at April 1, 2017, the Company had 279,682 shares of Series B preferred stock issued and outstanding, with 557,754 shares issued and outstanding as at March 31, 2019 and 2018.
Preferred Stock Series C	The Company is authorized to issue 5,000,000 shares of Series C, with a par value of $2.00 per share. As at April 1, 2017, the Company had 47,145 shares of Series B preferred stock issued and outstanding, with 94,083 shares issued and outstanding as at March 31, 2018. On March 6, 2019, the Company issued 1,000,000 shares of preferred stock series C, at par value of $2.00 per share, in connection with the acquisition of 51% of an international digital media platform and community.

On March 12, 2019, the Company issued 625,000 shares of preferred stock series C, at par value of $2.00 per share, in connection with the acquisition of 51% of a project for European film festivals in China.

As at March 31, 2019, the Company had a total of 2,276,838 shares of preferred stock issued and outstanding.

Common Stock

At March 31, 2019, the Company is authorized to issue 500,000,000 shares of common stock with a par value of $0.0001 per share.

As at April 1, 2017, the Company had 148,692,667 shares of common stock issued and outstanding, and has since made the following issuances:

On May 15, 2017, the Company issued 26,050,802 shares of common stock to an investor for $130,250 as part of a private placement.

On July 31, 2017, the Company issued 8,594,924 shares of common stock to GPL Ventures as part of a debt exchange where $21,487 of debt was converted to equity.

On September 1, 2017, the Company issued 10,000,000 shares of common stock to GPL Ventures as part of a debt exchange where $28,000 of debt was converted to equity.

On October 27, 2017, the Company issued 16,666,667 shares of common stock to an investor as part of a debt exchange where $25,000 of debt was converted to equity.

On January 20, 2018, the Company sold 20,000,000 shares of restricted common stock to a private investor for $28,000 as part of a private placement.

On February 1, 2018, the Company issued 10,000,000 shares of common stock to an investor as part of a debt exchange where $14,000 of debt was converted to equity.

On March 28, 2018, the Company sold 20,000,000 shares of restricted common stock to a private investor for $24,000 as part of a private placement.

On April 3, 2018, the Company issued 20,000,000 shares of common stock to an investor as part of a debt exchange where $24,000 of debt was converted to equity.

On April 18, 2018, the Company issued 20,000,000 shares of common stock for professional services provided totaling $20,000.

On May 3, 2018, the Company issued 7,000,000 of shares of common stock to a private investor as part of a private placement.

On June 25, 2018, the Company issued 2,000,000 shares of common stock to a private investor as part of a private placement.

Between July 11 and August 21, 2018, the Company issued 62,000,000 shares of free-trading common stock as a result of multiple conversions of convertible debt.

On November 9, 2019, the Company issued 15,000 shares of free-trading common stock as a result of a conversion of convertible debt.

On February 11, 2019, the Company issued 3,120 shares of free-trading common stock as a result of a conversion of convertible debt.

On March 7, 2019, the Company issued 10,000,000 shares of free-trading common stock as a result of a conversion of convertible debt.

NOTE 10. STOCK OPTIONS AND WARRANTS

The Company does not have any stock options or warrants outstanding.

NOTE 11. INCOME TAXES

The Company has made significant losses since inception and has a carry forward tax loss balance of several million dollars across different jurisdictions. The Company believes that no income tax is due to be paid by either Exxe Group, Inc. or any of its subsidiaries, and a full reconciliation of its tax position will be conducted in due course.

NOTE 11. COMMITMENTS AND CONTINGENCIES

In the Company's opinion, there are no commitments or contingencies of any significance to be reported as part of these financial statements.

NOTE 12. SUBSEQUENT EVENTS

In the Company's opinion, there were no events subsequent to the year end that were of a material significance.