JUNE 30, 2017
FINANCIAL STATEMENTS

BALANCE SHEETS

STATEMENTS OF OPERATIONS

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THE FOLLOWING REPORT WAS PREPARED BY MANAGEMENT
AND IN THE OPINION OF MANAGEMENT THIS REPORT REFLECTS
A FAIR AND ACCURATE REFLECTION OF THE COMPANY'S FINANCIAL OPERATIONS
AS OF JUNE 30, 2017

CMN HOLDINGS, INC.
BALANCE SHEET

	June 30,2017
Assets	
Current assets	
Cash	$ 42,448
Prepaid expenses and advances	112,178
Total current assets	154,626
Inventory of content	
Inventory of content	60,188
Less: accumulated amortization	(417)
Total inventory of content	59,771
Fixed assets	
Equipment and related software	170,389
Less: accumulated depreciation	(14,116)
Total fixed assets	156,273
Total assets	**$ 370,669**
Liabilities and shareholders' deficit	
Current liabilities	
Accounts payable and accrued expenses	$ 11,818
Due to related party	5,791
Short term note payable, net of discount	891,525
Total current liabilities	909,134
Long term liabilities	
Long term note payable, net of discount	0
Total long term liabilities	0
Total liabilities	909,134
Shareholders' deficit	
Share capital	
Authorized:	
1,000,000 preferred shares of $ 0.0001 par value	
74,000,000 common shares of $ 0.0001 par value	
Issued and outstanding:	
30 Preferred shares	0
12,000,000 common shares	31,200
Additional paid in capital warrants	901,150
Additional paid in capital	800
Accumulated deficit	(1,471,615)
Shareholders' deficit	(538,465)
Liabilities and shareholders' deficit	**$ 370,669**

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

CMN HOLDINGS, INC.
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM INCEPTION (MARCH 7, 2017) TO JUNE 30, 2017

Revenues	**$ -**
Expenses	
Staff and consultants	111,462
Trade shows	84,292
Travel and meals	63,079
Office equipment	13,114
Office operations	19,398
Marketing and publicity	48,179
Professional fees	24,883
Total **expenses**	364,407
Net loss from operations	(364,407)
Other income (expense)	
Interest	(191,525)
Amortization and depreciation	(14,533)
Change in valuations warrants	(901,150)
Total other (expense)	(1,107,208)
Net loss for period	**$ (1,471,615)**

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

CMN HOLDINGS, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCEPTION (MARCH 7,2017) TO JUNE 30, 2017

Cash flow used in operating activities:	
Net loss for period:	$ (1,471,615)
Adjustment to reconcile net loss to net cash used in operating activities	
Increase in prepaid expenses	(112,177)
Increase in accounts payable and accrued expenses	11,818
Increase in amount due to related party	5,791
Net cash flow used in operating activities	**(94,568)**
Cash flow from (used in) investing activities:	
Purchase of equipment and related software	(156,273)
Increase in inventory of digital content	(59,771)
Net cash used in investing activities	**(216,044)**
Cash flow from financing activities	
Proceeds from issuance of common shares	2,000
Proceeds from issuance of preferred shares	30,000
Proceeds from short term note payable	700,000
- Discount on short term note payable	191,525
Increase in valuation of warrants	901,150
Net cash from financing activities	**1,824,675**
Net increase in cash	**42,448**
Cash, beginning of period	**-**
Cash, end of period	**$ 42,448**

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

CMN HOLDINGS, INC.
STATEMENT OF STOCKHOLDERS EQUITY (DEFICIT)
FOR THE PERIOD FROM INCEPTION (MARCH 7, 2017) TO JUNE 30, 2017

	Preferred Stock		Common Stock				Total Shareholders'
	Number of Shares	Par Value	Number of Shares	Par Value	Additional Paid In Capital	Accumulated Deficit	Equity (Deficit)
Issuance of stock	30	$ 30,000	12,000,000	$ 1,200	$800	$ -	$ 32,000
Issuance of warrants					$901,150	$ -	$ 901,150
Loss for the period from inception to June 30,2017	-	-	-	-	-	$ (1,359,594)	$(1,359,594)
June 30,2017	30	$30,000	12,000,000	$ 1,200	**$901,950**	**$ (1,359,594)**	**$ (426,444)**

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

CMN HOLDINGS, INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM INCEPTION (MARCH 7,2017) TO JUNE 30,2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CMN Holdings, Inc. (the "Company" or "CMN") has created a brand called the "Cannabis Medical Network". This will be an advertising supported place-based, private distributed network, which aims to provide cannabis-focused educational programming in medical marijuana doctors' offices, and at the dispensary point of purchase. The Company was incorporated in the State of Nevada on March 7, 2017.

Basis of Presentation
The financial statements include the accounts of CMN Holdings, Inc. under the accrual basis of accounting.

Management's Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates include revenue recognition, fair value of the Company's stock, stock-based compensation, fair values relating to warrant and other derivative liabilities and the valuation allowance related to deferred tax assets. Actual results may differ from these estimates.

Deferred Taxes
The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification. Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date.

Cash and Cash Equivalents
For purposes of the Statement of Cash Flows, the Company considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts
The Company monitors outstanding receivables based on factors surrounding the credit risk of specific customers, historical trends, and other information. The allowance for doubtful accounts is estimated based on an assessment of the Company's ability to collect on customer accounts receivable. There is judgment involved with estimating the allowance for doubtful accounts and if the financial condition of the Company's customers were to deteriorate, resulting in their inability to make the required payments, the Company may be required to record additional allowances or charges against revenues. The Company writes-off accounts receivable against the allowance when it determines a balance is uncollectible and no longer actively pursues its collection. As of June 30, 2017, the Company had no accounts receivable.

Property and Equipment
At June 30, 2017, the Company had acquired 100 "kits", each comprising a 32" LED monitor, media player and wall mount at a cost of $ 167,500, together with related cables and connectors at a cost of $ 2,889. When installed at contracting locations, the Company intends to depreciate these assets on a straight-line basis over an estimated life of three years. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings.

Revenue Recognition
The Company recognizes revenue when customer advertising is displayed within the Company's programming aired at installed location and billed to customers so that is realized or realizable and earned, less estimated future doubtful accounts. The Company

considers revenue realized or realizable and earned when all of the following criteria are met:

(i) persuasive evidence of an arrangement exists,
(ii) the advertising services have been rendered and all required milestones achieved,
(iii) the sales price is fixed or determinable, and
(iv) collectability is reasonably assured.

CMN intends to primarily generate revenue by charging businesses to advertise on the network. CMN will have the ability to target advertisements directly to a clients' target audience, based on their location, on their mobile devices. All advertising services take between a few hours to up to one month to complete, unless otherwise noted. From inception through June 30,2017 the company has generated no revenues.

Cost of Revenue

Comprehensive Income (Loss)
The Company reports comprehensive income and its components following guidance set forth by section 220-10 of the FASB Accounting Standards Codification which establishes standards for the reporting and display of comprehensive income and its components in the financial statements. There were no items of comprehensive income (loss) applicable to the Company during the periods covered in the financial statements.

Convertible Debentures
If the conversion features of conventional convertible debt provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount pursuant to ASC Topic 470-20 "Debt with Conversion and Other Options." In those circumstances, the convertible debt is recorded net of the discount related to the BCF, and the Company amortizes the discount to interest expense, over the life of the debt. At June 30,2017 the Company had no convertible debentures.

Stock-Based Compensation
The Company measures the cost of services received in exchange for an award of equity instruments based on the fair value of the award. For employees and directors, the fair value of the award is measured on the grant date and for non-employees, the fair value of the award is generally re-measured on vesting dates and interim financial reporting dates until the service period is complete. The fair value amount is then recognized over the period during which services are required to be provided in exchange for the award, usually the vesting period. June 30 2017, the Company had no stock-based compensation agreements.

Fair Value of Financial Instruments
Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10") requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined, and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value.

Derivative Financial Instruments
The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of it financial instruments, including stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. 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 as charges or credits to income.

For warrants and option-based simple derivative financial instruments, the Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. At June 30, 2017, the Company had derivative financial instruments valued at $901,150.

Advertising, Marketing and Public Relations
The Company follows the policy of charging the costs of advertising, marketing, social media/website and public relations to expense as incurred. Such costs amounted to $ 48,179 for the period from inception to June 30,2017.

Research and development costs
The Company accounts for research and development costs in accordance with the Accounting Standards Codification subtopic 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and developments costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred. The Company incurred no research and development expenses from inception to June 30,2017

Income Taxes
The Company follows Accounting Standards Codification subtopic 740-10, Income Taxes ("ASC 740-10") for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse and are considered immaterial.

Net Income (loss) Per Common Share
The Company computes earnings (loss) per share under Accounting Standards Codification subtopic 260-10, Earnings Per Share ("ASC 260-10"). Net loss per common share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share, if presented, would include the dilution that would occur upon the exercise or conversion of all potentially dilutive securities into common stock using the "treasury stock" and/or "if converted" methods as applicable.

The computation of basic and diluted loss per share as of June 30,2017 excludes potentially dilutive securities when their inclusion would be anti-dilutive, or if their exercise prices were greater than the average market price of the common stock during the period.

The dilutive securities at June 30,2017 were valued at $901,150.

Recently Issued Accounting Pronouncements
In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers" (Topic 606). This ASU provides guidance for revenue recognition and affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets and supersedes the revenue recognition requirements in Topic 605, "Revenue Recognition," and most industry specific guidance. The standard's core principle is the recognition of revenue when a company transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under the current guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. In August 2015, the FASB issued ASU 2015-14, "Revenue from Contracts with Customers" (Topic 606): Deferral of the Effective Date, which deferred the effective date of ASU 2014-09 to fiscal years beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted for fiscal years beginning after December 15, 2016. The Company is currently evaluating the method and impact the adoption of ASU 2014-09 will have on the Company's consolidated financial statements and disclosures.

In August 2014, FASB issued ASU 2014-15, "Presentation of Financial Statements Going Concern (Subtopic 205-40) – Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern". Currently, there is no guidance in U.S. GAAP about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern or to provide related footnote disclosures. The amendments in this ASU provide that guidance. In doing so, the amendments are intended to reduce diversity in the timing and content of footnote disclosures. The amendments require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). The amendments in this ASU are effective for public and nonpublic entities for annual periods ending after December 15, 2016. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of ASU 2014-15 on the Company's financial statements.

There were various other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 2 GOING CONCERN AND UNCERTAINTY

0/. The accompanying financial statements do not include any adjustments that might result should the Company be unable to continue as a going concern.

NOTE 3 PROPERTY AND EQUIPMENT

Property and Equipment at June 30, 2017 of $ 167,500 represents the cost to acquire 100 32" LED monitors, media players and wall mounts, together with related cables and connectors at a cost of $ 2,889. When installed at contracting locations, the Company intends to depreciate these assets on a straight-line basis over an estimated life of three years.

Fixed assets are assets of a defined value (see below) whose future economic benefit of greater than 12 months is probable and whose cost can be measured reliably.

Our Capitalization and Depreciation Policy generally followed by the Company is that any item acquired at a cost greater than $ 1,000 either purchased as a single item or an item less than $1,000 purchased as a necessary component to an overall assets or system shall be considered for capitalization as a fixed asset. Such capitalization examples such include the initial main components to a content broadcast system such as the digital screen, the media player and the wall mount which individually cost less than $ 1,000 but which collectively when installed comprise the main broadcast "kit". However, the cost of incidental replacements to such individual components if found to be defective or lost shall be expensed as incurred.

Individual personal computers, laptops and mobile devices, with their related computer software, shall be expensed as incurred unless such items are a component to an overall broadcast or computer control system or platform (e.g a content management or central broadcast monitoring system).

Fixed assets are depreciated on a straight-line basis over 3 years. Where practical, a bar code or chip tracking system is to be affixed to fixed assets to identify their location and to facilitate their physical tracking. A fixed asset log is to be maintained to further identify, by product serial number(s) of each fixed asset component, where each fixed asset is physically located and the continued existence monitored and tracked.

Assets may be disposed of when they are no longer in use, not repairable or obsolete. Otherwise, if the asset is still operational, said asset should be sold at the fair market value and the gain/loss on sale between original cost, depreciation to date and the sale proceeds recorded to the Company's income statement (with the cost of the assets and accumulated depreciation removed from the "fixed assets" balance sheet category).

NOTE 4 SHORT TERM NOTE PAYABLE

As bridge financing to fund its initial start-up operations, on March 10,2017 CMN issued a Senior Promissory Note in the principal amount of $ $1,100,000 due October 31,2017 (the "maturity date"). The actual proceeds under this Note total $700,000, of which $ 550,000 was received by CMN on March 9,2017 and $ 150,000 received on April 21,2017. The original issue discount ("OID") of $ 400,000 is being expensed on a straight-line basis as interest from March 10, 2017 through October 31,2017. Such interest expense totaled $191,525 for the period from March 10 through June 30, 2017,

Subsequent to June 30,2017 the Company has issued additional Senior Promissory Note bridge financing such that the maturity date was extended and repayments are now due $ 250,000 by October 31,2018. The actual proceeds under this Note total $218,000, of which $ 42,000 was received by CMN on July 13,2017, $ 42,000 received on July 21,2017, $ 42,000 received on August 7,2017 and $ 42,000 received on August 10,2017. The original issue discount ("OID") of $ 32,000 is being expensed on a straight-line basis as interest from July 15, 2017 through October 31,2018. . In addition, no interest is payable on the loan if all repayments are made on their scheduled due dates, otherwise penalty interest on late payment of 10% per annum will apply.

The Company is required to mandatorily prepay the Note in whole or in part upon the completion of any equity financing by applying the lesser of (i) 20% of the gross proceeds received upon such completion and (ii) the full remaining amount due. The Company may in its discretion prepay

NOTE 5 CAPITAL STOCK

The following is a summary of the capital stock transactions incurred during the period from inception on March 7, 2017 and ended on June 30, 2017:

The Company established an authorized share capital of 75,000,000 shares of $ 0.0001 par value each, consisting of 74,000,000 common shares and 1,000,000 "blank check" preferred shares. On March 31,2017, the Company authorized the issuance of 12,000,000 common shares for $2,000 or $ 0.00016 per share. As of June 30, 2017, the Company had not issued any Series A convertible preferred shares. The Series A preferred shares have the right to convert at a fixed price of no lower than $1.00 per share and no higher than $1.50 per share.

The securities described above were issued to investors in reliance upon the exemption from registration requirements of the Securities Act, as set forth in Section 4(2) under the Securities Act and Regulation D promulgated thereunder relating to transactions by an issuer not involving any public offering. No commissions were paid and no agreements to register shares were offered in the private placements. All Purchasers of shares described above represented to us in connection with their purchase that they were accredited investors and were acquiring the shares for their own account for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof. The purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration statement or an available exemption from such registration

NOTE 6 COMMITMENTS AND CONTINGENCIES

Facility lease

There are no lease commitments as of June 30,2017.

Equipment purchase agreement

Immediately following the inception of the Company, the Company entered into a significant written commitment with Seatac Digital Resources, Inc. ("Seatac"), a third-party supplier of digital equipment, to provide the Company with up to 2,000 digital signage kits which the Company plans to within its first two years' of operations in medical marijuana doctor's offices and/or dispensary points of purchase contracting with the Company for its digital programming delivery services. The custom designed digital signage kits include a LCD display screen, a wall mount and a 4GB addressable media player for the combined installed cost of $ 2,000 for the doctor's office kit and up to $2800 for dispensary location kits. At this time only the doctor's office kits have been purchased. Each kit will have Wi-Fi connectivity and the addressable media player will be capable of receiving and storing content, while also allowing the Company's central office to monitor the

installed equipment for usage and to confirm operating hours. The system is a closed system and is not usable as TV at the location where it is installed. To obtain beneficial pricing from this supplier, the Company's President and CEO, Philip M. Cohen provided a personal guarantee to the vendor Seatac in an amount of up to US$ 2 million, representing payment in full for 1,000 sets of hardware and site installations.

Employment agreement with Philip M. Cohen CEO. The Company entered into an Employment Agreement with Mr. Philip Cohen as of April 1,2017 for his services as Chairman, President and Chief Executive Officer at the compensation rate of $20,000 per month. Mr. Cohen has waived any and all compensation from the Company through July 31, 2017.

SJS CMN Holdings LLC entered into a consulting contract with the company at the compensation rate of $20,000 per month for a period of five years with a five-year extension. SJS CMN Holdings LLC has waived any and all compensation through July 31, 2017.

NOTE 6 – RELATED PARTY TRANSACTIONS

Philip M. Cohen is presently the Company's sole director, Chairman of the Board, CEO/President, Secretary and Treasurer. As described in Note 5, Mr. Cohen has provided a personal guarantee to the Company's sole provider of digital signage hardware and related installation of up to $2 million to guarantee the payment on up to 1,000 digital signage kits.

In recognition of Mr. Cohen's personal guarantee, on April 2, 2017, the Company issued 750,000 warrants (designated as Series F-1 Warrants) to Philip M. Cohen. Each warrant entitles the holder to purchase one (1) share of CMN Holdings, Inc. common stock at a price of $2.00 from January 1, 2018 to April 1, 2022. Upon presenting the Notice of Exercise, the holder has the option to pay for the common shares in full or chose the cashless exercise option. The "cashless exercise option" allows the holder to elect to receive the "warrant shares" equal to the then value of the warrants.

In recognition of Mr. Cohen's personal guarantee, on April 2, 2017, the Company issued 350,000 warrants (designated as Series F-2 Warrants) to Philip M. Cohen. Each warrant entitles the holder to purchase one (1) share of CMN Holdings, Inc. common stock at a price of $3.00 from the time all of the Series F-1 Warrants have been exercised up and through April 1, 2024. Upon presenting the Notice of Exercise, the holder has the option to pay for the common shares in full or chose the "cashless exercise option". The "cashless exercise option" allows the holder to elect to receive the "warrant shares" equal to the then value of the warrants.

On April 2,2017, the Company acquired from SJS CMN Holdings, Inc., a library of completed digital programming content, including 229 short-form general medical educational video segments. In connection with the acquisition of the digital content from SJS CMN Holdings LLC the Company issued 600,000 warrants designated as Series F-1 Warrants. Each warrant entitles the holder to purchase one (1) share of CMN Holdings, Inc. common stock at a price of $2.00 from January 1, 2018 to April 1, 2022. Upon presenting the Notice of Exercise, the holder has the option to pay for the common shares in full or chose the "cashless exercise option". The "cashless exercise option" allows the holder to elect to receive the "warrant shares" equal to the then value of the warrants.

Because the Warrant carries no determinable realizable value at the date of issuance, no cost to the Company has been recorded for the acquisition of these digital assets. However, from an estimate provided by a third-party content the Company's management believes that a cost of approximately $3,500,000 would be incurred by the Company if the 229 digital segments were to be produced from scratch at today's market rates.

Employment agreement with Philip M. Cohen CEO. The Company entered into an Employment Agreement with Mr. Philip Cohen as of April 1,2017 for his services as Chairman, President and Chief Executive Officer at the compensation rate of $20,000 per month. Mr. Cohen has waived any and all compensation from the Company through July 31, 2017.

As bridge financing to fund its initial start-up operations, on March 10,2017 CMN issued a Senior Promissory Note in the principal amount of $ $1,100,000 due October 31,2017 (the "maturity date") to SJS CMN Holdings LLC a holder of

6,000,000 shares of CMN Holdings, Inc. Common stock. The actual proceeds under this Note total $700,000, of which $550,000 was received by CMN on March 9,2017 and $ 150,000 received on April 21,2017. The original issue discount

("OID") of $ 400,000 is being expensed on a straight-line basis as interest from March 10, 2017 through October 31,2017. Such interest expense totaled $191,525 for the period from March 10 through June 30, 2017,

While no interest is payable on the Note through its maturity date, commencing from that maturity date until all principal and interest is paid in full, CMN is subject to pay interest at the rate of 0.10% per day (36.5% per annum) payable in arrears as of the first day of each month on any outstanding principal balance. The Company is required to mandatorily prepay the Note in whole or in part upon the completion of any equity financing by applying the lesser of (i) 20% of the gross proceeds received upon such completion and (ii) the full remaining amount due. The Company may in its discretion prepay the Note in whole or in part at any other time prior to the maturity date.

SJS CMN Holdings LLC entered into a consulting contract with the company at the compensation rate of $20,000 per month for a period of five years with a five-year extension. SJS CMN Holdings LLC has waived any and all compensation through July 31, 2017.

As of June 30, 2017, Mr. Cohen had unreimbursed business expenses of $ 5,791 which are reflected in current liabilities as an amount due related party.

Shareholder's Equity

The company has an authorized capital of 75,000,000 shares of $ 0.0001 par value each.
74,000,000 shares are common shares and 1,000,000 shares are "blank check" preferred stock.

As of June 30, 2017, the Company had issued 12,000,000 common shares and 30 Series A convertible preferred shares. The 30 Series A preferred shares have the right to convert at a fixed price of no lower than $1.00 per share and no higher than $1.50 per share into 30,000 common shares.

The securities described above were issued to investors in reliance upon the exemption from registration requirements of the Securities Act, as set forth in Section 4(2) under the Securities Act and Regulation D promulgated thereunder relating to transactions by an issuer not involving any public offering. No commissions were paid and no agreements to register shares were offered in the private placements. All Purchasers of shares described above represented to us in connection with their purchase that they were accredited investors and were acquiring the shares for their own account for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof. The purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration statement or an available exemption from such registration

	Shares Beneficially Owned	
Name of Beneficial Owner		
Directors and Named Executive Officers:		
Philip M. Cohen (1)	2,740,000	22.83%
All named executive officers and directors as a group (1 person)	2,740,000	22.83%
Other Stockholders holding more than 5%:		
Adam G. T. Cohen (3)	740,000	6.16%
Stefany Mills (3)	740,000	6.16%
Kate R. Cohen (3)	740,000	6.16%
Samuel A. Cohen (3)	740,000	6.16%
SJS CMN Holdings, LLC (4)	6,000,000	50.00%

(1) Assumes (i) the grant of ______ shares of our common stock to our employees and consultants prior to the Offering ("Anticipated Share Grants"). More specifically, we assume that of the Anticipated Share Grants that _______ shares of common stock will be issued to Philip M. Cohen prior to the Offering.

(2) Assumes the sale of all 3,333,334 shares of our common stock in this offering.

(3) Adam G. T. Cohen, Stefany Mills, Kate R. Cohen and Samuel A. Cohen are each family members of Philip M. Cohen. Each of them is of majority age and lives separately from Mr. Cohen. Mr. Cohen states that he has no control over the ownership or voting power of the shares owned by these individuals and, therefore, disclaims beneficial ownership of the shares of common stock of CMN Holdings that they hold.

(4) SJS CMN Holdings, LLC's members are John D. Succo (87.5%) and John D Succo, Jr. (12.5%), and SJS CMN Holdings' manager member is John D. Succo. Therefore, these individuals are deemed beneficial owners of these securities.

NOTE 7 SUBSEQUENT EVENTS

Private Placements of Common Stock and Notes during the period of July 1, 2016 through November 30, 2017

From July 1, 2017 to November 20, 2017, CMN Holdings, Inc. issued to investors 860,000 shares of its common stock at the offering price of $0.50 per share for an aggregate amount of $430,000. No commissions were paid. There was no agreement to register shares offered in this private placement.

From July 1, 2017 through November 30, 2017, the Company obtained cash proceeds from the issue of Notes to certain affiliates in the amount of $412,000