

**COMMON STOCK
ALTERNATIVE REPORTING
OTC Pink Disclosure Document**

1) **Name of the issuer and its predecessor(s):**

HEMP, INC., AUGUST 2012
MARIJUANA, INC., JULY 2010
PREACHERS COFFEE INC., JANUARY 2008

2) **Address of the issuer's principal executive offices:**

Company Headquarters

Address 1: 8174 S. LAS VEGAS BLVD., #109-367
Address 2: LAS VEGAS, NV 89123
Phone: 855-436-7688
Email: INFO@HEMPINC.COM
Website(s): WWW.HEMPINC.COM

IR Contact

Name: EVEREST CORPORATE ADVISORS, INC.
Phone: 855-436-7688
Email: IR@HEMPINC.COM

3) **Security Information:**

Trading Symbol: HEMP

Exact title and class of securities outstanding: COMMON
CUSIP: 423 703 206
Par or Stated Value: \$0.00001
Total shares authorized: 10,500,000,000 as of: 03.30.18
Total shares outstanding: 2,481,722,897* as of: 12.31.17
PLUS 90,000 SHARES NOT ISSUED DUE TO CLERICAL ERROR

Preferred share information:

Exact title and class of securities outstanding: PREFERRED COLLECTIBLE
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 500,000,000 as of: 03.30.18
Total shares outstanding: 8,400,000 as of: 12.31.17

Exact title and class of securities outstanding: PREFERRED
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 31,835,578 as of: 12.31.17
Total shares outstanding: 31,835,578 as of: 12.31.17

Exact title and class of securities outstanding: NEW PREFERRED
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 468,164,422 as of: 12.31.17
Total shares outstanding: 27,288,468 as of: 12.31.17

Exact title and class of securities outstanding: PREFERRED K
CUSIP: N/A
Par or Stated Value: \$0.00001

Total shares authorized: 58,262,154 as of: 12.31.17
Total shares outstanding: 58,262,154 as of: 12.31.17

Exact title and class of securities outstanding: PREFERRED K(P)
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 191,737,846 as of: 12.31.17
Total shares outstanding: 104,959,291 as of: 12.31.17

Exact title and class of securities outstanding: PREFERRED Q
CUSIP: N/A
Par or Stated Value: \$0.00001
Total shares authorized: 100,000,000 as of: 03.30.18
Total shares outstanding: -0- as of: 12.31.17

Transfer Agent

Name: MADISON STOCK TRANSFER INC.
Address 1: 2715 CONEY ISLAND AVE., 2ND FLOOR
Address 2: BROOKLYN, NY 11235
Phone: 718-627-4453

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

List any restrictions on the transfer of security:

RULE 144

Describe any trading suspension orders issued by the SEC in the past 12 months.

NONE

Within the past year please list any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

NONE

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

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

ISSUANCES FOR SERVICES, DEBT, AND CASH

11,120,636 PREFERRED K CONVERTED TO 11,120,636 COMMON IN QE
3.31.16
6,800,000 PREFERRED CONVERTED TO 1,700,000 COMMON IN QE
3.31.16
85,717,264 COMMON ISSUED FOR SERVICES IN QE 3.31.16
4,118,476 PREFERRED K CONVERTED TO 4,118,476 COMMON IN QE
6.30.16

5,000,000 PREFERRED K(P) CONVERTED TO 50,000,000 COMMON IN
QE 6.30.16
143,724,995 COMMON ISSUED FOR SERVICES IN QE 6.30.16
2,463,200 PREFERRED K(P) ISSUED FOR SERVICES IN QE 6.30.16
1,200,000 PREFERRED K(P) CONVERTED TO 12,000,000 COMMON IN
QE 9.30.16
113,181,159 COMMON ISSUED FOR SERVICES IN QE 9.30.16
5,200,000 COMMON CANCELLED IN QE 9.30.16
10,272,643 PREFERRED K(P) CONVERTED TO 102,726,430 COMMON IN
QE 12.31.16
3,941,668 PREFERRED K CONVERTED TO 3,941,668 COMMON IN QE
12.31.16
166,667 PREFERRED CONVERTED TO 41,666 COMMON IN QE 12.31.16
85,583,538 PREFERRED K CONVERTED 8,400,000 PREFERRED A AND
30,873,416 NEW PREFERRED IN QE 12.31.16
251,338,938 COMMON ISSUED FOR SERVICES IN QE 12.31.16
500,000 PREFERRED K(P) ISSUED FOR SERVICES IN QE 12.31.16
88,682,307 PREFERRED K(P) ISSUED FOR SUBSCRIPTIONS PAYABLE
IN QE 12.31.16
17,900,000 PREFERRED K(P) CONVERTED TO 179,000,000 COMMON
DURING QE 3.31.17
5,479,592 PREFERRED K CONVERTED TO 5,479,592 COMMON DURING
QE 3.31.17
12,753,333 PREFERRED CONVERTED TO 3,188,333 COMMON DURING
QE 3.31.17
3,584,948 NEW PREFEFFED CONVERTED TO 8,962,370 COMMON
DURING QE 3.31.17
20,611,040 COMMON ISSUED FOR SERVICES DURING QE 3.31.17
299,442,751 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 3.31.17
7,200,000 PREFERRED K(P) ISSUED FOR SERVICES DURING QE 3.31.17
4,840,000 PREFERRED K(P) CONVERTED TO 48,400,000 COMMON
DURING QE 6.30.17
50,000 PREFERRED K CONVERTED TO 50,000 COMMON DURING QE
6.30.17
29,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.17
210,205,561 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 6.30.17
200,000 PREFERRED K(P) CONVERTED TO 2,000,000 COMMON DURING
QE 9.30.17
40,750,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.17
400,666,209 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 9.30.17
39,200,000 COMMON ISSUED FOR SERVICES DURING QE 12.31.17
130,626,041 COMMON ISSUED FOR INTEREST AND DEBT SERVICE
DURING QE 12.31.17

B. Any jurisdictions where the offering was registered or qualified;

N/A

C. The number of shares offered;

N/A

D. The number of shares sold;

N/A

- E. The price at which the shares were offered, and the amount actually paid to the issuer;

N/A

- F. The trading status of the shares; and

RESTRICTED

- G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

YES

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however*, that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than ten percent (10%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

5) **Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier

- A. Balance sheet;
- B. Statement of income;
- C. Statement of Stockholders' Equity (Deficit)
- D. Statement of cash flows;
- E. Financial statement notes;

FINANCIAL STATEMENTS AND FOOTNOTES ARE APPENDED TO THIS DOCUMENT

6) **Describe the Issuer's Business, Products and Services**

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. A description of the issuer's business operations

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD

With a deep-rooted social and environmental mission at its core, Hemp, Inc. seeks to build a business constituency for the American small farmer, the American veteran, and other groups experiencing the ever-increasing disparity between tapering income and soaring expenses. As a leader in the industrial hemp industry with ownership of the largest commercial multi-purpose industrial hemp processing facility in North America, Hemp, Inc. believes there can be tangible benefits reaped from adhering to a corporate social responsibility plan.

Now LEGALIZED, North Carolina is home to the largest commercial industrial hemp decortication facility in the United States, owned and operated by Hemp, Inc. On October 31, 2015, North Carolina's governor, Pat McCrory, passed Senate Bill 313 (by not vetoing it) as "an act to recognize the importance and legitimacy of Industrial Hemp research, to provide for compliance with portions of the Federal Agricultural Act of 2014, and to promote increased agricultural employment."

More states are recognizing the benefits of industrial hemp which is why we are seeing more and more states pass an industrial hemp bill in favor of industrial hemp. With the largest, commercial, multi-purpose, industrial hemp decortication facility in the United States, every advancement in the industrial hemp industry reinforces Hemp, Inc.'s advantage in the marketplace because the company is years ahead of the curve. Hemp, Inc.'s subsidiary, Industrial Hemp Manufacturing, LLC (IHM), is also becoming known throughout the industry as a leader in this sector.

Farmers in North Carolina now have the option to cultivate hemp crops with easy access to Hemp, Inc.'s (OTC PINK: HEMP) industrial hemp processing facility in Spring Hope, North Carolina. With that being said, the company has implemented five key infrastructure divisions as it continues to expand in the industrial hemp sector. According to Perlowin, the five key infrastructure divisions, through which steps have been taken, thus far, are:

- (1) Industrial Hemp Manufacturing and Processing Infrastructure – Division One
- (2) Hemp Oil Extraction Infrastructure – Division Two
- (3) Hemp Farming Infrastructure – Division Three
- (4) Hemp Education Infrastructure – Division Four
- (5) Marketing Infrastructure – Division Five

"We want to drive home to our shareholders that we have very lucid infrastructure divisions in action that have created a strong platform for growth, now and into the future. While always adhering to our discipline on transparency with our shareholders and the public, we are resolutely committed to these infrastructure divisions," said Perlowin. "We believe our first core infrastructure divisions outline Hemp, Inc.'s operations, and allow us to allocate time and capital, strategically, to drive long-term shareholder value."

(1) Industrial Hemp Manufacturing and Processing Infrastructure - Division One

Spearheaded by David Schmitt, COO of Hemp, Inc.'s, wholly owned subsidiary, Industrial Hemp Manufacturing, LLC, the Industrial Hemp Manufacturing and Processing Infrastructure division consists of the largest multi-purpose industrial hemp processing facility and milling operation in the western hemisphere that has grown to become the pre-eminent center of the industrial hemp industry. The 85,000-square foot facility sits on a 9-acre campus in Spring Hope, North Carolina. With the patent pending manufacturing process, it is operating full time to process kenaf into all green, natural Lost Circulation Material (LCM) that will be sold to the oil and gas drilling industry. Hemp, Inc. is currently stockpiling tons of LCMs to be prepared for the projected demand. (See Bruce Perlowin's Facebook post December 10, 2017.) Hemp, Inc. has been negotiating sales with oil companies on 5 continents with one company in America stating they are interested in purchasing our entire productive

capacity of the plant. On December 22nd, Industrial Hemp Manufacturing, LLC received its first purchase order for a truck load of Drillwall LCM. This material will ship in January of 2018. Hemp, Inc. will release press releases as additional sales are closed (To see a one-minute video of the millions of pounds of kenaf on hand, go to Bruce Perlowin's personal Facebook page, September 7th, 11th, 13th, 20th and 22nd.)

(2) Hemp Oil Extraction Infrastructure - Division Two

Spearheaded by an array of talented professionals such as extractors, chemical engineers and formulators, the Hemp Oil Extraction Infrastructure currently consists of its NuAxon Tech Industrial CO2 Supercritical Extractor from NuAxon BioScience, manufacturer and the producer of the world class, large capacity CO2 Supercritical Extraction equipment. Hemp, Inc. currently has a growing inventory of raw CBD oil. The company has been processing CBD since the extractor became fully operational on August 15, 2017. The company's post processing equipment is scheduled to be installed on January 8, 2018, giving Hemp, Inc. the ability to further purify the product. Hemp, Inc. is currently in negotiations with several other extraction companies to house other extractors at its campus. According to Perlowin, Hemp, Inc. is currently in more negotiations that are expected to dramatically increase the company's extraction capability in order to keep up with the thousands of acres of hemp that the company will grow in the upcoming new year. (To see Hemp, Inc.'s NuAxon Tech CO2 Supercritical Extractor in operation, visit Perlowin's Facebook page, Sept. 27th and Aug. 16th.)

(3) Hemp Farming Infrastructure - Division Three

Spearheaded by 3rd, 4th and 5th generational farmers and "master growers", the Hemp Farming Infrastructure division consists of hundreds of acres of hemp and kenaf growing in multiple locations, farm equipment, cloning rooms, clones and seeds, grow rooms, greenhouses, hemp drying facilities and a huge amount of peripheral farming tools and equipment. Thus far, the state of North Carolina has planted 2,134 acres of hemp and issued 133 licenses. The company's greenhouse is currently being erected and is scheduled to be operational by the end of the month. According to executives, cloning is also in process and will expand from the cloning barn into the greenhouse once the greenhouse is operational. (Some of this farming infrastructure can be seen on Bruce Perlowin's Facebook page, Sept. 8th, Aug. 30th, 19th, 15th - 11th, 9th and 4th, July 31st, 29th, 21st - 16th.) Hemp, Inc. also has a model family farm situated on 5 acres that consists of a cloning room, a greenhouse, and 5,000 hemp plants. (This model farm can be seen on Bruce Perlowin's Facebook page, Aug. 22nd - 26th.) Hemp is showing farmers how to grow high CBD hemp plants, operate a greenhouse and turn a barn into a cloning room to earn up to \$500,000 or more per year. By demonstrating this model, the small family farm can now reappear on the American landscape. After all, the original small family farms in America were able to survive economically by growing hemp as their main cash crop and the first 5 presidents of the United States were all hemp farmers.

(4) Hemp Education Infrastructure - Division Four

Spearheaded by Rick Rainbolt, Dr. Brock (double Ph.D.) and many other talented educators and trainers of various disciplines, the Hemp Education Infrastructure

division includes Hemp, Inc.'s Hemp University; attending various events (see Bruce Perlowin's personal Facebook page, Oct. 7th and 8th); and, attending, speaking and displaying at industry expos (see Bruce Perlowin's personal Facebook page, Sept. 14th through 16th) to, in turn, educate the public on hemp in the industry. The educational seminars, through The Hemp University, are held approximately every 6 – 7 weeks and teach farmers and landowners how to create a profitable income stream by maximizing their per-acre crop revenue. The Hemp University is also one way the company is contributing to making America great again by making America hemp again. (To see the Hemp University, visit Bruce Perlowin's personal Facebook page, Oct. 30th, 24th - 29th and Jul. 1st - 10th.)

"Since our launch with the first educational symposium, the number of attendees has grown consistently and it has been a great success, each time. Our interactive, hands-on learning approach is invaluable. By learning in an interactive cohort format, students gain the necessary skills they need to immediately implement them on their farm or in their organization. We've achieved the powerful mix of quality instruction, relevant educational content and a high level of commitment, to ensure the educational success of each attendee," said Rick Rainbolt, President of Hemp, Inc.'s wholly owned subsidiary, Hemp University, LLC.

(5) Marketing Infrastructure - Division Five

Spearheaded by Bruce Perlowin and a talented team of master marketers and distributors, the company is reaching the point soon where it will implement its fifth infrastructure division: Marketing Infrastructure - Division Five. "Once we have enough inventory (a condition rapidly approaching) we will begin to market aggressively," said Perlowin. "Our focus on operational expansion and education-focused outreach allow us to grow sustainably while helping shape America's newest industry as it continues to evolve."

In terms of generating revenue, the industrial hemp processing facility is expected to substantially outweigh revenues from the company's product line, which is why the primary focus has been on the plant. Hemp, Inc.'s commercial decortication and hemp milling facility will be able to process raw hemp or kenaf on a large scale. The company is also producing LCM for the oil and drilling industries. That's very lucrative partly because LCMs are currently hard to source.

Hemp, Inc.'s long-term strategy is to build the world's largest hemp oil extraction infrastructure by creating joint ventures with multiple companies to house and operate their CBD extraction equipment in its 85,000-square foot facility in Spring Hope, North Carolina. The hemp industry is projected to grow 700% and hit \$1.8 billion by 2020, according to Hemp Business Journal.

Hemp, Inc. is also very excited that it has planted the 55 acres next to its multi-purpose decortication facility in Spring Hope, NC during the 2017 growing season. That particular crop is producing mostly seeds and buds to extract CBD. Hemp, Inc. is also partnering with land owners and farmers across North Carolina to grow additional hemp and kenaf on hundreds of acres. The total acreage this year is approximately 550 acres which is significantly less than anticipated (due to the DEA's 6-month delay in issuing the state of North Carolina its license to grow industrial hemp, making it too late in the year to plant). This was still one of the largest, if not

the largest industrial hemp growing operating in the U.S. Hemp, Inc. plans to continue that status in the 2018 growing year with up to 25,000 acres.

Hemp, Inc.'s wholly owned subsidiary, Industrial Hemp Manufacturing, LLC (IHM) had a signed agreement to purchase 1,500 acres of hemp from BioRegen Innovation Cooperative (a cooperative enterprise of farmers, industry experts and seed breeders) however, because of the delay of the DEA issuing the state of North Carolina its hemp growing license, the BioRegen group could not wait. Most of them planted traditional crops. Very few acres were actually planted compared to the 1,500 acres that Hemp, Inc. anticipated purchasing from BioRegen. This had absolutely no effect on Hemp, Inc.'s core business since there is still approximately 18,000,000 pounds of kenaf in inventory and approximately 2,000,000 pounds of kenaf being grown this year.

"Now that the infrastructure of our industrial hemp processing facility is in place and the mill portion of it is online, we are continuing our focus on our farming infrastructure for industrial hemp and building greenhouses in both North Carolina and Arizona," said Bruce Perlowin, CEO of Hemp, Inc.

Perlowin is also exploring the possibilities of developing "Hemp Growing Veteran Village Kins Communities" in North Carolina and looking for more land in other states such as Florida and Kentucky to duplicate the 500-acre demonstration community now being built in Arizona. He currently has 2,500 acres (and counting) of land in Kingman, Arizona where he's building a veteran village on 500 of those acres that would consist of 160 lots of 2 1/2 acre parcels for Kins Domains (eco-villages). Each parcel would grow 1 acre of hemp as well as having organic gardens, natural beehives, a pond, a living fence and other elements that make up a Kins Domain.

An additional 100 acres of hemp will be grown in each one of these 500-acre communities. The revenue from fifty of those acres is used to support that community. The revenue from the other fifty acres of hemp will be used to purchase 2 additional 500-acre parcels of land, thus keeping up with the needs of a large number of veterans that exist now and in the future.

Hemp, Inc. has also been providing monthly, one-day educational seminars. Hemp, Inc.'s "Hemp, Inc. University" (HIU) began on January 10th 2017 with a mission to help landowners and farmers add a new viable and profitable income stream by maximizing their per-acre crop revenue and to create American jobs. This is accomplished by providing students and clients with the most current and best practice information the industry has to offer. The four main divisions of HIU are: Educational Symposiums; Grow Facility Consulting; Vendor Product Partnerships; and, Clones/Plant & CBD Product Sales.

HIU held a total of five major educational symposiums in 2017, as shown below, with a combined total attendance of 801 students, covering (A-Z) topics on growing for fiber, seed and CBD Industrial Hemp. The symposiums featured industry leaders from around the nation teaching how to successfully grow industrial hemp for profit.

The 2017 educational symposium held were:

1st. March 18th, 2017 – Farming Hemp for Profit

- 100 in Attendance

2nd. April 29th, 2017 – Farming Hemp for Profit

- 165 in Attendance

3rd. June 24th, 2017 – The Art and Science of Greenhouse Growing

- 170 in Attendance

4th. September 29th, 2017 – The OIL Event – The Art and Science of CBD Oil

- 160 in Attendance

5th. December 2nd, 2017 – Hemp MONEY Event – Economics, Lessons & Planning for 2018

- 206 in Attendance

Symposiums helped farmers, growers and entrepreneurs from start-up costs and return on investment to different growing methodologies, materials and how to handle pests and diseases providing certified hours toward getting their Master Grower Certification. These symposiums allow organic business relationships to flourish proving a breeding ground for new growth within the industry. These events also give industry vendors the opportunity to plug into this powerful network to sell and market their products.

For more info or to buy tickets for a Hemp University symposium, click [here](#). The Hemp University is also on [Facebook](#). Click [here](#) to visit [The Hemp University on Facebook](#).

B. Date and State (or Jurisdiction) of Incorporation:

JANUARY 16, 2008; COLORADO

C. The issuer's primary and secondary SIC Codes;

7380

D. The issuer's fiscal year end date;

DECEMBER 31

E. Principal products or services, and their markets;

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND THE MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD.

7) Describe the Issuer's Facilities

THE ISSUER LEASES AN EXECUTIVE OFFICE SPACE ON A MONTH TO MONTH BASIS WHICH IS ADEQUATE FOR ITS CURRENT NEEDS

8) Officers, Directors, and Control Persons

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

NONE

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

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

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN (31%)

9) **Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Name: N/A

Accountant or Auditor

Name: N/A

Investor Relations Consultant

Name: N/A

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

Name: N/A

11) Subsequent Events

In early January 2018, the hemp oil post processing equipment came on-line giving Hemp, Inc. the ability further refine the raw hemp oil.

The first semi-truckload of Drillwall LCM was shipped in early first quarter 2018.

The greenhouse at the demonstration farm was brought on-line near the end of the first quarter of 2018 expanding Hemp, Inc.'s ability to grow high-margin CDC hemp.

The cloning room on the farm is complete and plants have been moved into the greenhouse expanding Hemp, Inc.'s ability grow high-margin CBD hemp.

On March 30, 2018, a special meeting of the Hemp, Inc. shareholders was held. Present were individuals representing 50.2% of the total shareholder's votes. It was unanimously approved to accept the Fourth Amended Articles of Incorporation and the new By-laws. The effect was to increase the authorized shares of Common Stock to 10,500,000,000, separate the issuance of Preferred Collectible shares from the Common authorized shares, and allow for the issuance of up to 100,000,000 shares of Preferred Q.

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer.

I, BRUCE PERLOWIN, CEO/CFO/CHAIRMAN certify that:

1. I have reviewed this ANNUAL REPORT of HEMP, INC.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

3.30.18 [Date]

/S/ BRUCE PERLOWIN [CEO/CFO's Signature]

CEO/CFO [Title]

Hemp, Inc. and Subsidiaries

Balance Sheets

(Unaudited)

	December 31, 2017	December 31, 2016
		RESTATED
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 386,421	\$ 306,446
Securities held for sale	86,105	469,566
Receivables	58,255	65,781
Inventory	578,412	430,686
Notes receivable	37,500	37,500
Prepaid interest	2,797,418	3,931,474
Prepaid rent	20,000	20,000
Total Current Assets	3,964,111	5,261,453
OTHER ASSETS		
LPO software	1,810,775	1,810,775
Tax tracking software	156,250	156,250
Property, Plant, and Equipment-net	7,221,337	5,735,964
Total Other Assets	9,188,362	7,702,989
TOTAL ASSETS	\$ 13,152,473	\$ 12,964,442
<u>LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 177,502	\$ 137,395
Due to B. Perlowin	35,803	69,603
Due to D. Tobias	16,310	16,310
Payroll taxes payable	57	57
TOTAL CURRENT LIABILITIES	229,672	223,365
NON-CURRENT LIABILITIES		
Contingent disputed liability - JS	12,105	12,105
Note payable and accrued interest	11,262,202	8,835,936
TOTAL NON-CURRENT LIABILITIES	11,274,307	8,848,041
TOTAL LIABILITIES	11,503,979	9,071,406
STOCKHOLDERS' DEFICIT		
Preferred Collectible stock:		
500,000,000 shares authorized, \$0.00001 par value		
8,400,000 and 8,400,000 shares issued	84	84
Preferred stock:		
31,835,578 shares authorized, \$0.00001 par value		
31,835,578 and 44,588,911 shares issued	319	446
New Preferred stock:		
468,164,422 shares authorized, \$0.00001 par value		
27,288,468 and 30,873,416 shares issued	273	309
Preferred K stock:		
58,262,154 shares authorized, \$0.00001 par value		
58,262,154 and 63,791,746 shares issued	583	638
Preferred K(P) stock:		
191,737,846 shares authorized, \$0.00001 par value		
104,959,291 and 120,699,291 shares issued	1,050	1,207
Preferred Q stock:		
100,000,000 shares authorized, \$0.00001 par value		
-0- and -0- shares issued	-	-
Common stock:		
10,500,000,000 common shares, \$0.00001 par value		
2,481,812,897 and 1,232,057,041 shares issued	24,818	12,323
Additional paid-in capital	85,642,594	48,172,169
Subscriptions payable	2,651,601	2,651,601
Other comprehensive income/(expense)	(6,327,539)	(5,944,078)
Retained earnings/(deficit)	(80,345,289)	(41,001,579)
Total Stockholders' Equity/(Deficit)	1,648,494	3,893,036
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 13,152,473	\$ 12,964,442

Hemp, Inc. and Subsidiaries
Statements of Operations
(Unaudited)

	For the Year Ended December 31,	
	2017	2016
		RESTATED
SALES	\$ 107,002	\$ 754,841
Cost of sales	36,039	21,207
GROSS MARGIN	70,963	733,634
OPERATING EXPENSES		
Compensation - stock based	6,842,797	1,350,562
Professional and consulting fees	1,089,329	453,581
Occupancy expenses	509,419	432,322
Travel	190,753	168,825
Advertising and promotion	207,165	248,479
General and administrative	2,684,162	1,074,339
Total Operating Expenses	11,523,625	3,728,108
NET INCOME (LOSS) FROM OPERATIONS	(11,452,662)	(2,994,474)
OTHER INCOME (EXPENSE)		
Gains/(losses)	-	12,588
Interest income	145	-
Other income	23,250	17
Interest expense - stock based	(25,900,523)	(18,496,423)
Interest expense	(2,013,920)	(905,501)
Total other income (expense)	(27,891,048)	(19,389,319)
NET INCOME (LOSS) BEFORE TAXES	(39,343,710)	(22,383,793)
Provision for income taxes	-	-
NET INCOME (LOSS)	\$ (39,343,710)	\$ (22,383,793)
PER SHARE DATA:		
Basic and diluted income (loss) per common share	\$ (0.00)	\$ (0.03)
Weighted average number of common shares outstanding	20,978,936,444	753,492,740

The accompanying notes are an integral part of these statements

Hemp, Inc. and Subsidiaries
Statement of Stockholders' Equity (Deficit)
(Unaudited)

	Preferred A Artistic Shares		Preferred Stock		New Preferred Stock		Preferred K Stock		Preferred K(P) Stock		Common Stock		Additional Paid-in Capital	Subscriptions Payable	Other Comprehensive Income/ (Expense)	Retained Earnings/ (Deficit)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balance - December 31, 2015			51,555,578	516			168,556,064	1,686	45,526,427	455	457,645,809	4,577	26,254,548	2,498,710	(5,338,213)	(18,617,783)	4,804,497
January 8, 2016 - Common stock issued for services											8,695,652	87	356,435				356,522
January 19, 2016 - Common stock issued for services											1,000,000	10	31,490				31,500
January 20, 2016 - Common stock issued for services											14,159,292	142	444,460				444,602
January 26, 2016 - Common stock issued for services											11,611,032	116	359,826				359,942
February 11, 2016 - Common stock issued for services											1,700,000	17	64,413				64,430
February 11, 2016 - Common stock issued for services											1,000,000	10	37,890				37,900
February 11, 2016 - Common stock issued for services											1,700,000	17	64,413				64,430
February 11, 2016 - Common stock issued for services											1,000,000	10	37,890				37,900
February 17, 2016 - Common stock issued for services											1,000,000	10	37,990				38,000
March 7, 2016 - Common stock issued for services											7,079,646	71	261,876				261,947
March 8 - Preferred K converted to Common							(10,000)	0			10,000	0					
March 8, 2016 - Common stock issued for services											7,922,654	79	297,020				297,099
March 16 - Preferred stock converted to common			(6,800,000)	(68)							1,700,000	17	51				-
March 8 - Preferred K converted to Common							(8,704,222)	(87)			8,704,222	87					
March 18, 2016 - Common stock issued for services											50,000	1	2,145				2,145
March 18 - Preferred K converted to Common							(2,406,414)	(24)			2,406,414	24					
March 22, 2016 - Common stock issued for services											14,285,714	143	714,143				714,286
March 28, 2016 - Common stock issued for services											14,513,274	145	915,642				915,787
Debt converted to subscriptions payable														161,759			161,759
April 1, 2016 - Common stock issued for services											5,200,000	52	267,748				267,800
April 8, 2016 - Preferred K																	

The accompanying notes are an integral part of these statements

converted to Common	(4,000,000)	(40)	4,000,000	40		
April 20, 2016 - Common stock issued for services			17,832,079	178	793,350	793,528
April 20, 2016 - Preferred K(P) stock issued for services		2,400,000	24		1,067,976	1,068,000
April 20, 2016 - Preferred K(P) stock issued for services		63,200	1		28,123	28,124
April 22, 2016 - Preferred K(P) converted to Common		(5,000,000)	(50)	50,000,000	500	(450)
May 2, 2016 - Common stock issued for services			12,531,328	125	497,369	497,494
May 12, 2016 - Common stock issued for services			250,000	3	11,723	11,725
May 25, 2016 - Common stock issued for services			10,619,469	106	469,275	469,381
May 31, 2016 - Common stock issued for services			20,000,000	200	863,800	864,000
June 9, 2016 - Preferred K converted to Common	(118,476)	(1)	118,476	1		
June 27, 2016 - Common stock issued for services			27,752,989	278	962,751	963,029
June 27, 2016 - Common stock issued for services			27,800,000	278	964,382	964,660
June 27, 2016 - Common stock issued for services			21,739,130	217	754,131	754,348
July 13, 2016 - Common stock issued for services			9,000,020	90	260,911	261,001
August 1, 2016 - Common stock issued for services			9,400,000	94	281,906	282,000
August 9, 2016 - Preferred K(P) converted to Common		(1,200,000)	(12)	12,000,000	120	(108)
August 10, 2016 - Common stock issued for services			12,050,000	121	408,375	408,495
August 16, 2016 - Common stock issued for services			573,909	6	19,794	19,800
August 16, 2016 - Common stock issued for services			17,711,504	177	610,870	611,047
August 23, 2016 - Common stock issued for services			8,622,519	86	249,967	250,053
August 25, 2016 - Common stock issued for services			19,115,044	191	544,588	544,779
August 30, 2016 - Common stock cancelled			(5,200,000)	(52)	52	0
September 9, 2016 - Common stock issued for services			20,408,163	204	593,674	593,878
September 21, 2016 - Common stock issued for services			16,300,000	163	438,307	438,470

The accompanying notes are an integral part of these statements

October 5, 2016 - Preferred K converted to Common			(3,000,000)	(30)		3,000,000	30		
October 5, 2016 - Preferred K converted to Common			(400,000)	(4)		400,000	4		
October 7, 2016 - Common stock issued for services						17,500,000	175	489,825	490,000
October 14, 2016 - Preferred K(P) converted to Common				(100,000)	(1)	1,000,000	10	9	
October 14, 2016 - Common stock issued for services						21,238,938	212	619,965	620,177
October 19, 2016 - Preferred K converted to Common			(100,000)	(1)		100,000	1		
October 20, 2016 - Common stock issued for services						15,000,000	150	449,850	450,000
October 20, 2016 - Preferred K(P) stock issued for services				500,000	5			149,995	150,000
October 26, 2016 - Common stock issued for services						28,250,000	283	1,183,393	1,183,675
October 27, 2016 - Common stock issued for services						14,159,292	142	512,425	512,566
October 31, 2016 - Preferred K converted to Preferred and Preferred A	8,400,000	84	30,873,416	309	(85,583,538)			(463)	
October 31, 2016 - Preferred K(P) converted to Common					(300,000)	3,000,000	30	27	
October 31, 2016 - Preferred K(P) converted to Common					(4,522,643)	45,226,430	452	407	
November 2, 2016 - Common stock issued for services						14,513,274	145	623,926	624,071
November 7, 2016 - Common stock issued for services						21,190,000	212	866,459	866,671
November 10, 2016 - Common stock issued for services						14,867,257	149	402,754	402,903
November 10, 2016 - Preferred K(P) converted to Common					(100,000)	1,000,000	10	9	
November 10, 2016 - Preferred K(P) converted to Common					(200,000)	2,000,000	20	18	
November 16, 2016 - Preferred converted to Common				(166,667)	(2)	41,666	0	(2)	-
November 16, 2016 - Preferred K converted to Common			(41,668)	(0)		41,668	0		
November 16, 2016 - Preferred K(P) converted to Common					(200,000)	2,000,000	20	18	
November 17, 2016 - Common stock issued for services						15,221,239	152	477,795	477,947
November 18, 2016 - Preferred K(P)									

The accompanying notes are an integral part of these statements

converted to Common						(200,000)	(2)	2,000,000	20	18							
November 18, 2016 - Preferred K converted to Common	(400,000)	(4)				400,000			4								
November 21, 2016 - Common stock issued for services								27,330,000	273	786,831				787,104			
November 25, 2016 - Preferred K(P) converted to Common						(1,200,000)	(12)	12,000,000	120	108							
December 2, 2016 - Common stock issued for services								21,238,938	212	636,956				637,168			
December 5, 2016 - Preferred K(P) converted to Common						(300,000)	(3)	3,000,000	30	27							
December 8, 2016 - Preferred K(P) converted to Common						(100,000)	(1)	1,000,000	10	9							
December 9, 2016 - Common stock issued for services								3,000,000	30	85,470				85,500			
December 9, 2016 - Common stock issued for services								3,000,000	30	85,470				85,500			
December 9, 2016 - Common stock issued for services								3,000,000	30	85,470				85,500			
December 16, 2016 - Common stock issued for services								29,330,000	293	806,282				806,575			
December 16, 2016 - Preferred K(P) converted to Common						(250,000)	(3)	2,500,000	25	23							
December 16, 2016 - Preferred K(P) converted to Common						(300,000)	(3)	3,000,000	30	27							
December 20, 2016 - Common stock issued for services								2,500,000	25	68,725				68,750			
December 23, 2015 - Preferred K(P) stock issued for subscriptions payable						88,682,307	887			7,981	(8,868)						
December 29, 2016 - Preferred K(P) converted to Common						(2,500,000)	(25)	25,000,000	250	225							
Other comprehensive income/(expense)	-	-				-	-	-	-	-	-	(605,865)	-	(605,865)			
Income (Loss) for the year ended	-	-				-	-	-	-	-	-	-	(22,383,793)	(22,383,793)			
Balance - December 31, 2016																	
RESTATE	8,400,000	84	44,588,911	446	30,873,416	309	63,791,746	638	120,699,291	1,207	1,232,057,041	12,321	48,172,169	2,651,601	(5,944,078)	(41,001,576)	3,893,121
January 5, 2017 - New Preferred converted to Common				(3,584,948)	(36)					8,962,370	90	(54)					
January 5, 2017 - Preferred K(P) converted to Common								(5,000,000)	(50)	50,000,000	500	(450)					
January 5, 2017 - Preferred K(P) converted to Common								(5,000,000)	(50)	50,000,000	500	(450)					
January 5, 2017 - Common stock issued for interest										21,592,920	216	723,147		723,363			
January 10, 2017 - Preferred K(P) converted to Common								(250,000)	(3)	2,500,000	25	(23)					

The accompanying notes are an integral part of these statements

January 10, 2017 - Preferred K(P) converted to Common			(300,000)	(3)	3,000,000	30	(27)	
January 10, 2017 - Preferred K(P) converted to Common			(50,000)	(1)	500,000	5	(5)	
January 10, 2017 - Preferred converted to Common	(12,753,333)	(128)			3,188,333	32	96	-
January 10, 2017 - Common stock issued for interest					35,500,000	355	1,277,645	1,278,000
January 12, 2017 - Preferred K(P) converted to Common			(100,000)	(1)	1,000,000	10	(9)	
January 12, 2017 - Preferred K(P) converted to Common			(100,000)	(1)	1,000,000	10	(9)	
January 12, 2017 - Preferred K(P) converted to Common			(50,000)	(1)	500,000	5	(5)	
January 17, 2017 - Common stock issued for interest					22,700,000	227	1,000,843	1,001,070
January 20, 2017 - Common stock issued for services					4,000,000	40	183,160	183,200
January 20, 2017 - Common stock issued for services					4,000,000	40	183,160	183,200
January 24, 2017 - Common stock issued for interest					34,900,000	349	1,587,601	1,587,950
January 25, 2017 - Common stock issued for interest					14,159,292	142	693,664	693,805
January 27, 2017 - Preferred K(P) converted to Common			(2,400,000)	(24)	24,000,000	240	(216)	
January 27, 2017 - Preferred K(P) converted to Common			(100,000)	(1)	1,000,000	10	(9)	
January 27, 2017 - Preferred K(P) stock issued for services			7,200,000	72			3,549,528	3,549,600
January 30, 2017 - Preferred K converted to Common	(4,979,592)	(50)			4,979,592	50		
January 30, 2017 - Common stock issued for interest					36,600,000	366	1,719,834	1,720,200
February 8, 2017 - Common stock issued for interest					19,469,027	195	788,301	788,496
February 8, 2017 - Common stock issued for interest					18,750,000	188	759,188	759,375
February 14, 2017 - Preferred K(P) converted to Common			(2,500,000)	(25)	25,000,000	250	(225)	
February 21, 2017 - Common stock issued for interest					16,991,150	170	701,565	701,735
February 27, 2017 - Preferred K(P) converted to Common			(1,000,000)	(10)	10,000,000	100	(90)	
February 27, 2017 - Common stock issued for interest					20,000,000	200	779,800	780,000
March 1, 2017 - Common stock issued for services					4,000,000	40	153,960	154,000

The accompanying notes are an integral part of these statements

March 3, 2017 - Common stock issued for interest			22,000,000	220	846,780	847,000
March 6, 2017 - Common stock issued for services			4,000,000	40	156,360	156,400
March 8, 2017 - Common stock issued for interest			21,238,938	212	785,628	785,841
March 13, 2017 - Preferred K(P) converted to Common	(150,000)	(2)	1,500,000	15	(14)	
March 21, 2017 - Common stock issued for interest			15,541,424	155	506,495	506,650
March 22, 2017 - Common stock issued for services			1,300,000	13	42,237	42,250
March 22, 2017 - Common stock issued for services			1,300,000	13	42,237	42,250
March 28, 2017 - Common stock issued for services			702,576	7	21,773	21,780
March 28, 2017 - Common stock issued for services			429,111	4	13,298	13,302
March 28, 2017 - Common stock issued for services			879,353	9	27,206	27,215
March 28, 2017 - Preferred K(P) converted to Common	(500,000)	(5)	5,000,000	50	(45)	
March 28, 2017 - Preferred K converted to Common	(500,000)	(5)	500,000	5		
March 29, 2017 - Preferred K(P) converted to Common	(400,000)	(4)	4,000,000	40	(36)	
April 4, 2017 - Preferred K(P) converted to Common	(440,000)	(4)	4,400,000	44	(40)	
April 4, 2017 - Preferred K converted to Common	(50,000)	(1)	50,000	1		
April 5, 2017 - Common stock issued for interest			19,115,044	191	655,455	655,646
April 19, 2017 - Common stock issued for interest			25,000,000	250	762,250	762,500
April 26, 2017 - Common stock issued for interest			17,699,115	177	493,628	493,805
May 8, 2017 - Common stock issued for interest			30,000,000	300	707,700	708,000
May 19, 2017 - Common stock issued for interest			22,391,402	224	510,300	510,524
May 19, 2017 - Common stock issued for services			9,000,000	90	205,110	205,200
May 19, 2017 - Common stock issued for services			2,000,000	20	45,580	45,600
May 19, 2017 - Preferred K(P) converted to Common	(300,000)	(3)	3,000,000	30	(27)	
May 19, 2017 - Preferred K(P)						

The accompanying notes are an integral part of these statements

converted to Common	(4,100,000)	(41)	41,000,000	410	(369)	
May 23, 2017 - Common stock issued for interest			35,000,000	350	892,150	892,500
June 7, 2017 - Common stock issued for interest			36,000,000	360	791,640	792,000
June 21, 2017 - Common stock issued for interest			25,000,000	250	519,750	520,000
June 29, 2017 - Common stock issued for services			5,000,000	50	102,450	102,500
June 29, 2017 - Common stock issued for services			15,000,000	150	307,350	307,500
July 10, 2017 - Common stock issued for interest			30,000,000	300	590,700	591,000
July 17, 2017 - Common stock issued for interest			23,369,946	234	383,033	383,267
August 3, 2017 - Common stock issued for interest			38,921,323	389	1,007,673	1,008,062
August 3, 2017 - Common stock issued for interest			60,000,000	600	1,553,400	1,554,000
August 7, 2017 - Common stock issued for services			2,500,000	25	79,475	79,500
August 7, 2017 - Common stock issued for interest			61,158,679	612	1,944,234	1,944,846
August 7, 2017 - Common stock issued for interest			41,699,099	417	1,325,614	1,326,031
August 14, 2017 - Common stock issued for services			3,000,000	30	79,470	79,500
August 21, 2017 - Preferred K(P) converted to Common	(200,000)	(2)	2,000,000	20	(18)	
August 24, 2017 - Common stock issued for services			11,000,000	110	333,190	333,300
August 24, 2017 - Common stock issued for interest			42,218,721	422	1,278,805	1,279,227
August 28, 2017 - Common stock issued for services			6,000,000	60	164,340	164,400
August 30, 2017 - Common stock issued for interest			30,000,000	300	767,700	768,000
August 31, 2017 - Common stock issued for services			3,000,000	30	80,070	80,100
August 31, 2017 - Common stock issued for services			5,750,000	58	153,468	153,525
September 11, 2017 - Common stock issued for services			7,500,000	75	183,675	183,750
September 19, 2017 - Common stock issued for interest			42,719,102	427	922,305	922,733
September 20, 2017 - Common stock issued for services			2,000,000	20	42,780	42,800

The accompanying notes are an integral part of these statements

Hemp, Inc. and Subsidiaries
Statements of Cash Flows
(Unaudited)

	For the Year Ended December 31,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		RESTATED
Net income (loss)	\$ (39,343,710)	\$ (22,383,795)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Issuance of stock for services	6,842,797	1,350,562
Issuance of stock for interest	25,900,523	18,496,423
Changes in Operating Assets and Liabilities:		
Inventory	(147,726)	(317,666)
Prepaid interest	1,134,056	3,878,826
Receivables	7,526	
Accounts payable and accrued liabilities	40,107	(21,519)
Net cash from operating activities	(5,566,427)	1,002,831
CASH FLOWS FROM INVESTING ACTIVITIES		
Securities held for sale	383,461	(64,178)
Property, plant, and equipment	(1,485,373)	(3,456,806)
Net cash from investing activities	(1,101,912)	(3,520,984)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from related parties	(33,800)	30,303
Notes payable	6,748,314	
Subscriptions payable		2,734,314
Net cash from financing activities	6,714,514	2,764,617
NET CHANGE IN CASH	79,975	246,464
CASH AT BEGINNING OF PERIOD	306,446	59,982
CASH AT END OF PERIOD	\$ 386,421	\$ 306,446
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Cash paid for interest	\$ 2,013,920	\$ 905,501
Cash paid for income taxes	\$ -	\$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Common stock issued for interest	\$ 25,900,523	\$ 18,496,423
Warrants issued for prepaid interest	\$ -	\$ -

The accompanying notes are an integral part of these statements

HEMP, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note 1 - Organization and Basis of Presentation

Organization and Line of Business

The "Company" was incorporated on January 16, 2008 in Colorado as Preachers Coffee, Inc. and was given the trading symbol PCIO. On November 11, 2009 the Company changed its name to Marijuana, Inc. On October 10, 2011 the trading symbol was changed to HEMP. Subsequently the name was changed to Hemp, Inc.

Initially, the Company launched a comprehensive network of information, services and products focused on the rapidly emerging medical and recreational marijuana industries and movements. The Company has assembled the components of all-encompassing educational, social networking, affinity programs, and distribution networks through internal development, mergers and acquisitions, and joint ventures. These components are being seamlessly integrated into a process designed to take the consumer from curious, to knowledgeable, to a satisfied and loyal community member with a lasting relationship with the Company through education, information, social networking, and product purchases.

After the name change, from Marijuana, Inc. to Hemp, Inc., the company's primary focus shifted to industrial hemp and the myriad of clean, green sustainable products that industrial hemp offers to the world.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

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.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company's wholly owned subsidiaries. All significant intercompany transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Securities Held for Sale

The Company owns a portfolio of marketable securities held for sale acquired directly from the issuer in payment for providing consulting services and or direct purchase from the issuer. The portfolio is evaluated from time to time and the carrying value is adjusted in accordance with the "Mark to Market" procedure.

Deposits

Deposits are the balances outstanding that have not been redeemed as of the date of the Financial Statements.

Accounts Receivable/Other Receivable

Accounts Receivable are amounts due to the company from sales or services rendered.

Notes Receivable

Notes Receivable are executed contractual obligations to the Company reflecting amounts due for sales or services rendered by the Company.

Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight-line method over their useful lives.

Inventory

Inventory has been recorded at the lower of cost or fair market value.

Revenue Recognition

The Company's revenue recognition policies are in compliance with SEC Staff Accounting Bulletin ("SAB") 104.

Stock-Based Compensation

The Company accounts for its stock-based compensation in accordance with SFAS No. 123R, "Share Based Payment, an Amendment of FASB Statement no. 123." The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees.

Income Taxes

The Company utilizes the SFAS No. 109, "Accounting for Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of

events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in the future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period and based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Basic and Diluted Earnings per Share

Earnings per share are calculated in accordance with the SFAS No. 128 ("SFAS No. 128"), "Earnings per Share." Net earnings per share for all periods presented have been restated to reflect the adoption of SFAS No. 128. Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. There are convertible shares as discussed in Note 8. There are no options or warrants. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be 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 common stock at the average market price during the period. At this time there are no stock options granted.

Note 3 - Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern.

Note 4 - Accounts Payable

Accounts payable represent amounts owed to vendors for products and/or services rendered but not yet paid for in full.

Note 5 - Notes Payable

Notes payable was incurred for plant, property, equipment and inventory financing. The president of the Company pledged 23,500,000 shares of the Company's Preferred K stock to further secure this financing. The Company recorded \$951,150 in additional interest expense related to this collateral pledge.

On May 25, 2015, the lender exercised its right to foreclose on a 4,000,000 share Preferred K certificate pledged by the president which triggered debt assumption by the president.

Subsequently issued working capital notes payable were issued pursuant to a continuing financing agreement and are classified as non-current due to repayment characteristics.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the

President's pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

The Company has continued to use borrowings to fund its business activities through a series of loans with differing terms. The funds advanced against the notes are discounted and the notes bear interest at a stated rate of 12%.

Note 6 - Loans To/From Officers

Loans are stated at par and are represented in aggregate. Such sum represents the loan of funds and/or withdrawal of funds by officers and is not considered revenue to the company, not income to individual officers.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable, as directed by the President.

Note 7 - Stock Options and Warrants

Pursuant to the financing agreement(s) for the purchase of the decortication plant, land, and equipment the Company issued 10,000,000 Warrants.

Note 8 - Preferred Shares

The company has several types of preferred shares; Preferred A, Preferred, New Preferred, Preferred K, Preferred K(P), and Preferred Q.

Note 9 – Potential Conflicts of Interest

From time to time members of management and/or stakeholders may enter into financial arrangements that must be examined to determine if such arrangements pose a conflict of interest that would precipitate the Company intervention.

Note 10 – Dividends

The Company has not declared or distributed any cash dividends.

Note 11 – Decortication Plant

On May 12, 2014, the Company purchased decortication equipment for processing kenaf, a fibrous plant used in industrial, commercial, and consumer applications, and for the anticipated future processing of hemp. On August 7, 2014 the Company acquired a 70,000 square-foot North Carolina factory building on 8 acres to house the decortication equipment along rolling stock and forklifts. The Company's CEO advanced the \$17,000 to open escrow on the purchase. The Company borrowed \$1,600,000 to finance the purchase of the land, building, equipment and to provide working capital on a long-term convertible note payable. The land,

building, equipment, and 8,000,000 Preferred K shares are pledged as collateral against the Note. The CEO supplied the 8,000,000 Preferred K shares from his own personal portfolio. The Note further required the Company to issue 5,000,000 Common shares, 10,000,000 five-year \$0.10 Common stock warrants, and six amortizing payments of \$296,667 for a total of \$1,760,000 beginning on May 12, 2015. The Note is convertible to Common stock at the election of the Company. The 5,000,000 Common shares issued pursuant to the terms of the Note were recorded as prepaid interest at \$286,000, the closing price of the shares. The Company used the Black Scholes method to calculate the derivative cost of the 10,000,000 Common stock warrants at \$565,771 and was also recorded as prepaid interest.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable, as directed by the President.

NOTE 12 - SUBSEQUENT EVENTS

In early January 2018, the hemp oil post processing equipment came on-line giving Hemp, Inc. the ability to further refine the raw hemp oil.

The first semi-truckload of Drillwall LCM was shipped in early first quarter 2018.

The greenhouse, at the demonstration farm, was brought on-line near the end of the first quarter of 2018 expanding Hemp, Inc.'s ability to grow high-margin CDC hemp.

The cloning room on the farm is complete and plants have been moved into the greenhouse expanding Hemp, Inc.'s ability to grow high-margin CBD hemp.

On March 30, 2018 a special meeting of the Hemp, Inc. shareholders was held. Present were individuals representing 50.2% of the total shareholder's votes. It was unanimously approved to accept the Fourth Amended Articles of Incorporation and the new By-laws. The effect was to increase the authorized shares of Common Stock to 10,500,000,000, separate the issuance of Preferred Collectible shares from the Common authorized shares, and allow for the issuance of up to 100,000,000 shares of Preferred Q.

In accordance with ASC 855-10, Company management reviewed all material events through the date of this report and there are no additional subsequent events to report.