

OTC : MCOA

Vol /01

Improving the Quality of Lives



MARIJUANA
Company of America

ANNUAL REPORT

2020

Marijuana Company of America, Inc.
OTC: MCOA

Our mission is to revolutionize the cannabis industry. MCOA offers investors the opportunity to be at the forefront of scientific & technological innovations.

Annual Report Prepared By :
MCOA Corporate Communications
Investor Awareness, Inc.

ANNUAL REPORT

2020

— ■
Annual Report Prepared for :
Marijuana Company of America, Inc.

Improving the Quality of Lives

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Marijuana Company of America, Inc.

OTC: MCOA

www.marijuanacompanyofamerica.com

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MCOA is a diversified holding company with wholly owned subsidiaries and financial investments in various private and publicly traded companies across the cannabidiol (“CBD”) industry.

— — ABOUT US

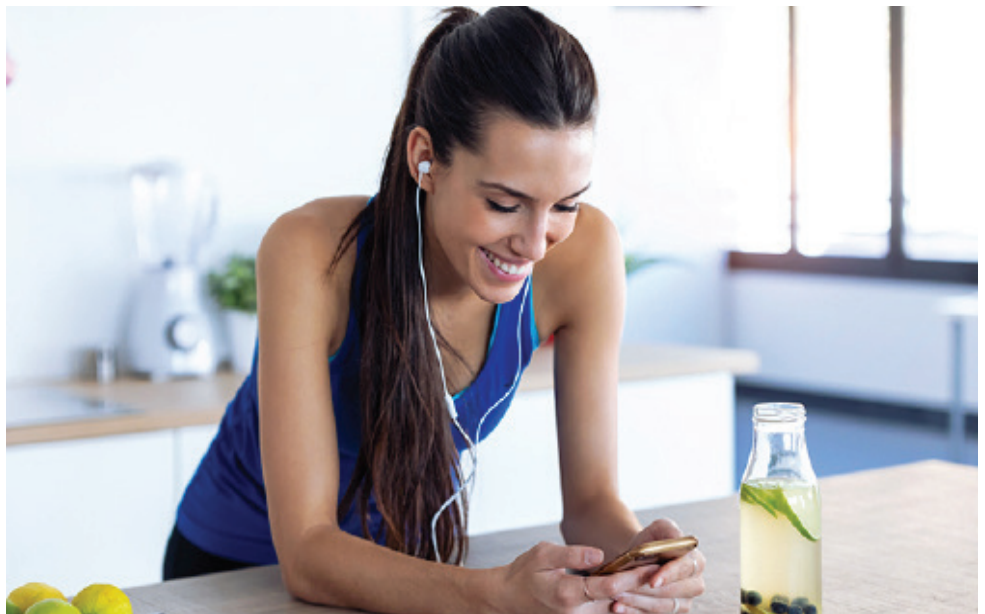
Marijuana Company of America, Inc. is a robust emerging company offering unique exposure to the Global Cannabidiol (CBD) Sector.

Marijuana Company of America Inc. is a diversified holding company with wholly owned subsidiaries and financial investments in various private and publicly traded companies across the Cannabidiol industry, offering unique exposure to the global cannabidiol (“CBD”) sector.

Marijuana Company of America Inc. changed its strategy in 2020 to focus on acquisitions, as well as its sales & marketing efforts of MCOA’s premiere entity, hempsmart™ premium brand, hemp-based CBD (legal cannabidiol) products both domestically and internationally.

MCOA’s hempsmart™ brand offers an extensive line of premium CBD organic products which, are scientifically driven and double lab-tested to ensure purity and potency. The Company sells its products to wholesalers, distributors, the medical community, and online e-commerce consumer platforms. The Company recently launched an expansion of its sales, production and marketing to international markets.

MCOA continues to progress its business, while remaining fiscally conscious as it further establishes itself in the legal hemp industry by offering unique exposure to the global cannabidiol sector. The company intends to continue to leverage its premium brand hemp-based products with investments in and collaboration with existing and new Strategic Partners.



— VISION



Our objective is to become a global leader in the Cannabidiol (CBD) industry.

MCOA will continue expanding the business, while remaining fiscally conscious. We will continue to grow organically, while identifying potential synergistic acquisition opportunities that will position the Company for exponential growth.

We believe now more than ever that we are poised and prepared to meet or exceed our business goals and objectives while ALWAYS promoting the positive mental health and well-being for our customers and shareholders.

— MESSAGE FROM CEO

Jesus Quintero

Dear Shareholders,

First and foremost, I want to thank everyone for having the faith and confidence in allowing me to be your CEO. This is an exciting time for your Company and I am proud of what our team was able to accomplish in 2020 despite the challenges due to COVID-19. We, along with many other companies, were confronted with unforeseeable events associated with the COVID-19 pandemic and subsequent lockdown. While many businesses were closed, we remained poised with the challenges of staying open for business and shipping product in order to meet the needs of our customers.

Despite those challenges, we continued towards our transformation into a diversified holding company offering unique exposure to the global cannabis sector by leveraging our premium brand hemp-based products, combined with investments & collaboration with strategic partners. We announced our pivotal change in our sales strategy by announcing international expansion, the development of our e-commerce website; which will for the first time allow customers to buy our premium based hemp products directly from our wholly-owned **hempSMART™** subsidiary online, and began to execute on our long-term business plan of cleaning-up our balance sheet.

Now that political changes are in place, we expect this to be highly favorable to our business prospects and for the entire Cannabis industry from a policy priority and regulatory view. We also expect extraordinary potential in very large and highly attractive markets as a result of some of our recently formed strategic partnerships including with cannabis and hemp technological innovator Cannabis Global Inc. (OTC: CBGL). Through this relationship we have now developed our first **hempsmart™** beverage line.

Another important aspect of our business plan that was launched in 2020 was our entry into global expansion. This included the naming of our Board Member, Marco Guerrero as Vice President of the Company's newly launched **hempsmart™** Brazil and **hempsmart™** Uruguay subsidiaries. We look ahead with great excitement for Mr. Guerrero and our team to propel us to a higher level of international production and distribution opportunities.

During 2020, we put in place an aggressive strategy to clean up the Company's balance sheet which included significant cost-cutting measures. Looking forward to 2021 and beyond, we will continue advancing our business, while remaining fiscally conscious as we establish ourselves even greater in the legal hemp/cannabis industry by offering unique exposure to the global cannabis sector. We will continue to leverage our premium brand hemp-based products, combined with investments and collaboration with new and existing strategic partners. We will remain focused on and ensure that we grow our business while further promoting positive mental health and well-being for our customers and shareholders.

On behalf of all of us at MCOA, we expect 2021 to be an exciting breakout year for the company and stakeholders, and I hope that you share in our enthusiasm.

Thank you for your support in 2020 and the years ahead.

Jesus Quintero
Chairman of the Board, CEO, CFO

— - MILESTONES



When we entered 2020 with all the hope that a new year brings, no one could have predicted the reality that was to come. Within months, we saw empty grocery store shelves and shortages on hand sanitizer. We learned to meet with colleagues and friends and to share milestones through computer screens.

Q1

MCOA partnered with MCTC Holdings, Inc. who developed groundbreaking cocktail mixers that allow the body to absorb the ingredients quickly and provide a sense of well-being without the ugly “hang-over” effect. **hempSMART™** launched these SMART drinks, as an expansion to the hempSMART line and contains no artificial ingredients or chemicals.

Q2

MCOA undertook the task of rebuilding and reorganizing the company. We made critical decisions to eliminate non-essential positions and reduce expenses in order to steer our company to success and profitability. COVID-19 slowed down our sales activity, but our staff continued to work effortlessly despite the limitations of lockdowns.

Q3

Appointment of Marco Guerrero to Company’s Board of Directors and liaison for Brazil. Mr. Guerrero offers expansive knowledge and expertise in the Latin American markets.

Marijuana Company of America, Inc invited individual and institutional investors, as well as advisors and analysts, to attend real-time interactive presentations.

Expanded sales program and developed our own e-commerce platform with an expanded portfolio of new products to support healthy living.

Q4

MCOA announced plans to sell products internationally starting with Brazil and Uruguay. The Company launched two new subsidiaries, MR Hemp Brazil and MR Hemp Uruguay.

MCOA Founder, Robert Hymers and Jesus Quintero, CEO of Marijuana Company of America, Inc. were featured in a audio Interview on SmallCapVoice.com in an effort to maintain ongoing communications with investors.

Marijuana Company of America, Inc. (OTC: MCOA) and Cannabis Global, Inc. (OTC: CBGL) entered into an agreement where each became the largest shareholder of the other. The Companies have partnered to promote growing common interests and collaborate in shared cannabis technologies.

Introducing the MCOA Team

With the changes in legislation and the world becoming increasingly connected, we're embracing the tremendous opportunity before us as we have become an emerging company and leader offering unique exposure to the Global Cannabis Sector. We continue to push the boundaries of what's possible to ensure we reach our goals while maintaining our commitment to promoting positive mental health and well-being.



Joel Tolchin, Distribution, Operations Manager, Customer Service, Emilio Lopez, Online Marketing & Web Design Strategist, Glen Bonilla, Sales and Brand Manager, Jesus Quitero, CEO, Jessica Haley, Marketing Consultant, Makely Solis, Accounting Manager/Admin, Brenda Andrews, Director of Corporate Communications

Diversity with Dedication

Our Company owes its success to the hard work, dedication, and diversity of our people. Our varied backgrounds, experiences, perspectives, and ideas help us increase our global awareness and are crucial to our ability to innovate.

We encourage and empower our team to influence the climate and culture inside our Company. Our team welcomes change, revels in taking on challenges and embraces opportunities to learn that arise daily. We believe in the power of knowledge to enrich lives through purposeful innovation, technologies and opportunities.

hempsmart™

hempsmart™ is committed to producing only the highest quality all-natural ingredients, cutting edge science-based formulations, and premium broad-spectrum hemp extracts in therapeutic amounts to formulate our product-lines with a sophistication and effectiveness beyond compare. It is our goal to help transform personal health.

hempsmart™ is a wholly owned subsidiary of MCOA

Our team

Meet our MCOA Leadership Team and Board of Directors

Marijuana Company of America, Inc. sets high standards for the Company's employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board of Directors to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business.



Jesus Quintero

Chairman of the Board
Chief Executive Officer
Chief Financial Officer



Tad Mailander

Board Member
Legal Council



Edward Manolos

Board Member
Leading Cannabis Expert



Marco Guerrero

Board Member
VP Latin America

Meet our Senior Management and Strategic Partners

As we expand into new regions globally, we utilize the resources of our Senior Management & Strategic Partners to drive continued success. Our MCOA Strategic Partners consists of highly regarded proven industry professionals that lend their years of expertise and knowledge to ensure the growth and successes for Marijuana Company of America, Inc.



Paula Vetter

Medical Advisor



Brenda Andrews

Director Communications



Robert Hymers

Strategic Consultant



Tony Schor

Investor Awareness Inc.

Stronger Together!



hempsmart™ *Latin America*

OUR PORTFOLIO

At Marijuana Company of America, Inc. (MCOA), we are building a portfolio of investments and joint ventures that represent the highest integrity and professionalism in the legal cannabis and industrial hemp markets.

MCOA is a sustainable model for entrepreneurs and businesses that share our common goals and philosophies of not only creating value for investors but also creating an environment for businesses to improve the quality of life for our customers through healthy, scientifically sound alternatives to the many products currently on the market.

MCOA continues progressing our business while remaining fiscally conscious as we establish ourselves even greater in the legal hemp/cannabis industry by offering unique exposure to the global cannabis sector. We will continue to leverage our premium brand hemp-based products, combined with investments and collaboration with existing and new strategic partners. We will remain focus on and ensure that we grow our business while further promoting positive mental health and well-being for our customers and shareholders.



OUR PORTFOLIO



hempsmart™

United States

United Kingdom

European Union

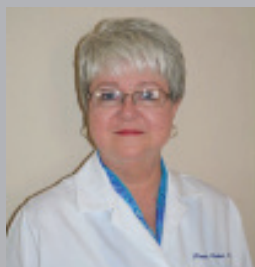
Brazil - Latin America

MCOA's wholly-owned subsidiary **hempsmart™** is a CBD company focused on creating and promoting the most effective, best tasting, and highest quality products on the market. We are industry leaders in premium CBD with proprietary botanical ingredients and DOUBLE LAB TESTED products that support the wisdom of every cell in the body.

MCOA has expanded into the global cannabis marketplace with **hempsmart™** products promoting, a healthy lifestyle including positive mental and physical wellness. Our brand promise affirms our commitment to serving customers with proven products that promote a more positive lifestyle including mental and physical wellness.



hempsmart™ sets the new gold standard in the CBD industry. Our commitment to unparalleled quality, efficacy, integrity and transparency sets us apart in the global marketplace. We offer visionary wellness solutions.”



Paula Vetter - MCOA Medical Advisor, Board Certified Holistic Family Nurse Practitioner, Certified Herbalist, Reiki Master/Teacher, Certified EFT Practitioner, and Integrative Wellness Coach



Cannabis Global Inc. (CBGL)

SMART drinks™

Hemp You Can Feel™

Comply Bag™

Cannabis Global, Inc. (CBGL) is an emerging force in the cannabis marketplace with a growing product and proprietary intellectual property portfolio. Cannabis Global is focused on the science of cannabis and multiple provisional patents for cannabis infusion and nanoparticle technologies while continuing an active research & development program.



Natural Plant Extracts (NPE)

Natural Plant Extracts holds a Type 7 license, which allows NPE to produce, manufacture, and distribute cannabis products.



CANNABIS INDUSTRY

MCOA is committed to:

- **Science**
- **Technologies**
- **Advanced Therapeutics**
- **Formulations**
- **Distribution**
- **Fulfillment**

By partnering with established companies that represent various industries in the cannabis sector, we have positioned ourselves for growth, expansion, leadership, education, and greater market penetration worldwide.

Synergistic Cannabis Companies

- **Cutting edge scientific development**
- **Premium product formulations**
- **Patents**
- **Global e-commerce platforms**
- **Setting high testing standards**
- **Cannabis Engineering & Equipment**
- **Compliance for Distribution**
- **Global fulfillment**



Premium extraction methods for obtaining the purest CBD - CO2 extraction yields the



Comprehensive, double tested for cannabinoids in full-spectrum CBD plus testing for terpenes. Different terpenes have different health benefits.



We test every batch of our hemp oil to determine the exact concentration of CBD, ensuring you consistently receive one of the most concentrated CBD rich hemp oils on the market today.



Distribution and fulfillment of CBD products that are shipped must be derived from hemp rather than marijuana, and as such it must contain less than 0.3% THC.



Industrial scale formulation and large scale production of CBD. We rigorously test and analyze our products from seed to shelf, ensuring that every natural product we offer is free of contaminants and of the highest quality possible.



From the first seed to the last label, we oversee the entire process, adhere to the highest standards and guarantee purity and safety with third-party testing. It's no wonder our quality standards lead the industry.



The global cannabidiol market was valued at USD \$4.6 billion in 2020. This is according to Grandview Research, which estimates that the market will swell by a compound annual growth rate of 22.2% between 2020 and 2025.

MCOA IN THE WORLD



During 2020, MCOA began changing how the world works together, by announcing that it has expanded its international footprint to Latin America, with production and distribution launches in both Brazil and Uruguay. This follows successful entries into the UK, Germany, and elsewhere. Latin America is a key region for MCOA with its high growth potential.

MCOA launched two new subsidiaries MR Hemp Brazil and MR Hemp Uruguay to bring for the first time the Company's hemp-based **hempsmart™** premium quality product line to the South American markets of Brazil and Uruguay.

MCOA will continue to invest in infrastructure & people, to provide high quality CBD products to our customers faster, with increased value. The Company anticipates selectively hiring the best talent throughout Latin America and train them extensively.

The quality of our people is the key to our customers and eventually to our own success. Uruguay for example has excellent universities and talent which will provide our fuel of talent for growth in the future.

MCOA expects to continue expanding our geographic footprint around the world and we believe there is a great opportunity in Brazil, Uruguay, and throughout Latin America. The Company also expects to have a multi-language website and e-commerce platform for Latin America. By offering Latin American consumers a platform in their native language, allows them to become even more educated about the Cannabis industry, CBD, and our products; which should help drive more efficient buyer acquisition and conversion.

This launch of MR Hemp Brazil and MR Hemp Uruguay includes production and distribution opportunities that will further drive MCOA's expansion globally and allow MCOA to distribute its CBD and hemp-derived **hempsmart™** product line in Brazil, a country with a population of over 212 million consumers that has seen a recent surge in CBD popularity and sales.

MCOA is also applying for status in a "Free Trade Zone" which allows the entity exemption from local, sales and exportation tax. MCOA stands to benefit from a more cost-effective structure for the products manufactured and sold to MCOA from the newly formed subsidiary. This will help to enhance the profitability of the U.S. parent company and reduce the tax burden of the overall consolidated group.

Uruguay has a population of over 3.6 million consumers and was the first country in the world to legalize recreational and medical cannabis. Although CBD is legal in Brazil and Uruguay, access to quality products in these markets remains challenging for consumers due to low quality and/or prescription requirements. The **hempsmart™** Brazil and **hempsmart™** Uruguay subsidiaries will include manufacturing and distribution to alleviate these challenges.



hempsmart™ has been shipping our premium products since 2016.

We have expanded into the US, UK, Spain, Germany, Netherlands, Australia and India.

In 2020 MCOA has opened hempsmart™ Latin America beginning with Brazil and Uruguay.







MCOA Financial Statements



2020



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Marijuana Company of America, Inc. (Converge Global, Inc.)

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Marijuana Company of America, Inc. and its subsidiaries ("the Company") as of December 31, 2020 and December 31, 2019 and the related statements of operations, stockholders' deficit, cash flow and the related notes to consolidated financial statements (collectively referred to as the consolidated financial statements) for the year ended December 31, 2020 and December 31, 2019. In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020 and December 31, 2019, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and

Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has an accumulated deficit, recurring losses, and expects continuing future losses, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. The firm has served this client since December 2016.

s/s/ L&L CPAS, PA
L&L CPAS, PA
Certified Public Accountants
Plantation, FL
The United States of America
April 14, 2021

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
AUDITED

	Dec 31, 2020	Dec 31, 2019
ASSETS		
Current assets:		
Cash	\$ 74,503	\$ 211,765
Short-term Investments	239,063	27,403
Accounts receivable, net	8,640	18,317
Inventory	103,483	149,175
Prepaid Insurance	55,783	-
Other current assets	56,121	11,034
Total current assets	<u>537,593</u>	<u>417,694</u>
Property and equipment, net	6,542	7,512
Other assets:		
Long-term Investments	1,552,001	693,915
Right-of-use-assets	7,858	22,101
Security deposit	<u>2,500</u>	<u>2,500</u>
Total assets	<u>2,106,494</u>	<u>1,143,722</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	480,877	797,789
Accrued compensation	79,214	4,875
Accrued liabilities	401,461	522,258
Notes payable, related parties	40,000	40,000
Loans payable PPP Stimulus	35,500	-
Convertible notes payable, net of debt discount of \$405,507 and \$808,980, respectively	1,426,894	3,193,548
Right-of-use liabilities - current portion	7,858	14,361
Warrant liability to be settled	-	192,115
Contingency Liability	-	956,251
Subscriptions payable	670,000	330,797
Derivative liability	<u>4,426,057</u>	<u>5,693,071</u>
Total current liabilities	<u>7,567,861</u>	<u>11,745,065</u>
Non-Current Liabilities		
Right-of-use liabilities	<u>-</u>	<u>7,858</u>
Total liabilities	<u>7,567,861</u>	<u>11,752,923</u>
Stockholders' deficit:		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized		
Class A preferred stock, \$0.001 par value, 10,000,000 shares designated, 10,000,000 shares issued and outstanding as of December 31, 2020 and December 31, 2019	10,000	10,000
Class B preferred stock, \$0.001 par value, 5,000,000 shares designated, 2,000,000 and 0 shares issued and outstanding as of December 31, 2020 and December 31, 2019, respectively	2,000	-
Common stock, \$0.001 par value; 15,000,000,000 shares authorized; 3,136,774,861 and 77,958,081 shares issued and outstanding as of December 31, 2020 and December 31, 2019, respectively	3,136,775	77,958
Common stock to be issued, 11,892,411 and 0 shares, respectively	11,892	-
Additional paid in capital	77,687,561	63,467,054
Accumulated deficit	<u>(86,309,595)</u>	<u>(74,164,213)</u>
Total stockholders' deficit	<u>(5,461,367)</u>	<u>(10,609,201)</u>
Total liabilities and stockholders' deficit	<u>\$ 2,106,494</u>	<u>\$ 1,143,722</u>

See the accompanying notes to these audited condensed consolidated financial statements

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020 and 2019
AUDITED

	For the Year ended Dec 31,...	
	<u>2020</u>	<u>2019</u>
REVENUES:		
Sales	\$ 267,584	\$ 673,919
Related party Sales	13,069	21,157
Total Revenues	<u>280,653</u>	<u>695,076</u>
Cost of sales	<u>159,304</u>	<u>248,556</u>
Gross Profit	121,349	446,520
OPERATING EXPENSES:		
Depreciation	5,933	7,299
Selling and marketing	420,511	1,743,427
Payroll and related	411,954	385,246
Stock-based compensation	3,014,888	1,417,850
General and administrative	<u>1,122,954</u>	<u>3,363,516</u>
Total operating expenses	<u>4,976,240</u>	<u>6,917,338</u>
Net loss from operations	(4,854,891)	(6,470,818)
OTHER INCOME (EXPENSES):		
Interest expense, net	(2,999,291)	(4,682,247)
Legal Contingency expense	-	(1,497,674)
Impairment gain (Loss) on Joint Ventures	(22,658)	(478,400)
Income (loss) on equity investment	106,305	(13,842)
Loss on change in fair value of derivative liabilities	(4,698,072)	(2,123,570)
Unrealized Gain (loss) on trading securities	248,204	(677,584)
Realized loss on sale of trading securities	(2,603)	(75,545)
Loss on disposition of investment	0	(389,664)
(Loss) Gain on settlement of debt	<u>77,624</u>	<u>(3,770,974)</u>
Total other income (expense)	<u>(7,290,491)</u>	<u>(13,709,500)</u>
Net loss before income taxes	(12,145,382)	(20,180,318)
Income taxes (benefit)	<u>0</u>	<u>0</u>
NET INCOME (LOSS)	<u>\$ (12,145,382)</u>	<u>(\$20,180,318)</u>
Loss per common share, basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.41)</u>
Weighted average number of common shares outstanding, basic and diluted (after stock-split)	<u>962,029,388</u>	<u>48,669,683</u>

See the accompanying notes to these audited condensed consolidated financial statements

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 12 MONTHS ENDED DECEMBER 31, 2020 AND 2019
AUDITED

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ (12,145,382)	\$ (20,180,318)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	1,658,395	2,906,843
Depreciation and amortization	5,933	7,299
Bad debt expense	-	15,000
Imputed interest on stock-settled debt	-	147,115
Impairment Loss on equity method investee	-	286,127
Impairment loss on joint venture		720,921
(Gain) Loss on change in fair value of derivative liability	4,698,072	2,123,570
Interest expense recognized for the excess of fair value of derivative liability over net book value of notes payable at issuance	792,321	1,374,078
Loss on share inducement and settlement of warrant liability	163,885	-
Stock-based compensation	3,014,888	3,222,092
Unrealized (Gain) Loss on trading securities	(248,204)	677,584
Realized Loss on trading securities	2,603	105,013
(Gain) Loss on settlement of debt	(77,624)	3,770,974
Changes in operating assets and liabilities:		
Accounts receivable	9,677	13,059
Inventories	45,692	37,814
Prepaid expenses and other current assets	(100,870)	57,799
Notes receivable	75,000	-
Accounts payable	(45,706)	171,629
Accrued expenses and other current liabilities	353,149	(92,741)
Right-of-use assets	14,243	(22,101)
Right-of-use liabilities	(14,361)	22,219
Accrued compensation	74,339	322,068
Contingency liability	-	1,497,674
Net cash provided by (used in) operating activities	(1,723,950)	(2,816,282)
Cash flows from investing activities:		
Purchases of property and equipment	(6,016)	(2,381)
Proceeds from disposition of investment	125,000	-
Investment in joint venture	-	(223,788)
Net cash provided by (used in) investing activities	118,984	(226,169)
Cash flows from financing activities:		
Proceeds from issuance of notes payable	1,017,664	2,802,500
Proceeds from PPP loan payable	35,500	-
Proceeds from issuance of notes payable		45,000
Repayments to related parties	(75,000)	(42,861)
Proceeds from sales of trading securities	10,855	-
Proceeds from sale of common stock	478,685	90,000
Net cash provided by (used in) financing activities	1,467,704	2,894,639
Net increase (decrease) in cash	(137,262)	(147,812)
Cash at beginning of period	211,765	359,577
Cash at end of period	\$ 74,503	\$ 211,765

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
AUDITED

	Class A Preferred Stock		Class B Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount
Balance, December 31, 2018	<u>10,000,000</u>	<u>\$ 10,000</u>	<u>-</u>	<u>\$ -</u>	<u>42,687,301</u>	<u>\$ 42,687</u>
Common stock issued to settle amounts previously accrued					25,000	25
Common stock issued for services rendered		-			18,627,050	18,627
Common stock issued in settlement of convertible notes payable and accrued interest	-	-			9,251,217	9,251
Issuance of warrants and BCF with convertible debt	-	-			1,000,000	1,000
Conversion of related party notes payable					1,220,856	1,221
Common stock issued in exchange for exercise of warrants on a cashless basis	-	-			1,653,175	1,653
Issuance of common shares					316,693	317
Sale of common stock	-	-			222,221	222
Common shares issued in settlement of legal case					2,082,398	2,082
Common shares cancelled by officer					(1,349,877)	(1,350)
Issuance of common stock for investments in joint ventures					2,222,047	2,222
Reclassification of derivative liabilities to additional paid in capital						
Net Loss	-	-	-	-	-	-
Balance, December 31, 2019	<u>10,000,000</u>	<u>\$ 10,000</u>	<u>-</u>	<u>\$ -</u>	<u>77,958,081</u>	<u>\$ 77,957</u>

	Class A Preferred Stock		Class B Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount
Balance, December 31, 2019	<u>10,000,000</u>	<u>\$ 10,000</u>	<u>-</u>	<u>\$ -</u>	<u>77,958,081</u>	<u>\$ 77,958</u>
Common stock issued to settle amounts previously accrued	-	-	-	-	8,333	\$ 8
Issuance of preferred stock to officer	-	-	2,000,000	2,000	-	\$ -
Common stock issued for services rendered	-	-	-	-	217,396,427	\$ 217,396
Common stock issued in settlement of convertible notes payable and accrued interest	-	-	-	-	2,291,141,317	\$ 2,291,141
Issuance of common stock in settlement of liability	-	-			205,582,491	\$ 205,583
Conversion of related party notes payable and accounts payable	-	-	-	-	21,276,596	\$ 21,277
Common stock issued in exchange for exercise of warrants on a cashless basis	-	-			51,054,214	\$ 51,054
Sale of common stock	-	-			268,679,513	\$ 268,680
Common shares issued in settlement of legal case	-	-	-	-	3,677,889	\$ 3,678
Reclassification of derivative liabilities to additional paid in capital						
Net Loss	-	-	-	-	-	-
Balance, December 31, 2020	<u>10,000,000</u>	<u>\$ 10,000</u>	<u>2,000,000</u>	<u>\$ 2,000</u>	<u>3,136,774,861</u>	<u>\$ 3,136,775</u>

See the accompanying notes to these audited condensed consolidated financial statements

MARIJUANA COMPANY OF AMERICA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
AUDITED

	Common Stock to be issued		Stock	Paid In	Accumulated	
	<u>Shares</u>	<u>Amount</u>	<u>Subscriptions</u>	<u>Capital</u>	<u>Deficit</u>	<u>Total</u>
Balance, December 31, 2018	<u>316,693</u>	<u>\$ 90,000</u>	<u>\$ -</u>	<u>\$ 50,707,104</u>	<u>\$ (53,983,895)</u>	<u>\$ (3,134,104)</u>
Common stock issued to settle amounts previously accrued				26,975		27,000
Common stock issued for services rendered	-	-	-	3,370,264		3,388,891
Common stock issued in settlement of convertible notes payable and accrued interest				3,832,638	-	3,841,889
Issuance of warrants and BCF with convertible debt	-	-		855,717		856,717
Conversion of related party notes payable	-	-		1,181,194		1,182,415
Common stock issued in exchange for exercise of warrants on a cashless basis			-	(1,653)	-	-
Issuance of common shares	(316,693)	(90,000)		89,683		-
Sale of common stock	-	-		64,778	-	65,000
Common shares issued in settlement of legal case				539,341		541,423
Common shares cancelled by officer				1,350		-
Issuance of common stock for investments in joint ventures				1,216,818		1,219,040
Reclassification of derivative liabilities to additional paid in capital				1,582,845		1,582,845
Net Loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,180,318)</u>	<u>(20,180,318)</u>
Balance, December 31, 2019	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,467,054</u>	<u>\$ (74,164,213)</u>	<u>\$ (10,609,202)</u>

	Common Stock to be issued		Stock	Paid In	Accumulated	
	<u>Shares</u>	<u>Amount</u>	<u>Subscriptions</u>	<u>Capital</u>	<u>Deficit</u>	<u>Total</u>
Balance, December 31, 2019	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,467,054</u>	<u>\$ (74,164,213)</u>	<u>\$ (10,609,201)</u>
Common stock issued to settle amounts previously accrued				6,692	-	6,700
Issuance of preferred stock to officer	-	-	-	2,227,027	-	2,229,027
Common stock issued for services rendered	-	-		568,465		785,861
Common stock issued in settlement of convertible notes payable and accrued interest	-	-		1,625,799	-	3,916,940
Issuance of common stock in settlement of liability	10,892,411	10,892		546,248		762,723
Conversion of related party notes payable and accounts payable	-	-		28,723		50,000
Common stock issued in exchange for exercise of warrants on a cashless basis	1,000,000	1,000	-	375,446	-	427,500
Sale of common stock	-	-	-	210,006	-	478,686
Common shares issued in settlement of legal case				952,573	-	956,251
Reclassification of derivative liabilities to additional paid in capital	-	-	-	7,679,528	-	7,679,528
Net Loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,145,382)</u>	<u>(12,145,382)</u>
Balance, December 31, 2020	<u>11,892,411</u>	<u>\$ 11,892</u>	<u>\$ -</u>	<u>\$ 77,687,561</u>	<u>\$ (86,309,595)</u>	<u>\$ (5,461,367)</u>

See the accompanying notes to these audited condensed consolidated financial statements

MCOA

We Are The Difference.

MCOA is a diversified holding company with wholly owned subsidiaries and financial investments in various private and publicly traded companies across the Cannabis industry.





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