

HAMMER FIBER OPTICS HOLDINGS CORP

FORM 10-K/A (Amended Annual Report)

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Sector	Telecommunication Services
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K/A

[X] ANNUAL REPORT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended July 31, 2023

Commission file number 000-1539680

HAMMER FIBER OPTICS HOLDINGS CORP

(Exact name of registrant as specified in its charter)

NEVADA

(State of Other Jurisdiction
Of Incorporation of Organization)

98-1032170

(I.R.S. Employer Identification No.)

6151 Lake Osprey Drive

Sarasota, FL 34240

941-306-3019

(Address, including zip code, and telephone number, including area code,
of registrant's principal executive offices)

Securities registered under Section 12(b) of the Exchange Act: **None**

Securities registered under Section 12(g) of the Exchange Act: **Common Stock**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No []

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes [X] No []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐ Accelerated Filer ☐

Non-Accelerated Filer ☒ Smaller Reporting Company ☒ Emerging Growth Company ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐

The aggregate market value of the voting common stock held by non-affiliates of the registrant as of January 31, 2023, was approximately \$24,831,415 (based upon the \$0.40 closing price for shares of the registrant's common stock as reported by the OTCQB on January 31, 2023, the last trading day of the registrant's most recently completed fourth fiscal quarter). The registrant does not have non-voting common stock outstanding. As of February 14, 2024, there were 62,680,947 shares outstanding.

EXPLANTORY NOTE

This Form 10K/A for our year ended July 31, 2023 and 2022 is audited as recommended under AS 4105 as approved by the US Securities and Exchange Commission. The changes to the July 31, 2022 report are as follows:

1. The signature pages were updated to include the entire Board of Directors of Hammer Fiber Optics Holdings Corp.
 2. Amended the addresses and titles in Part III, Item 10.
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PART I

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This annual report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The words "believe," "expect," "anticipate," "intend," "estimate," "may," "should," "could," "will," "plan," "future," "continue," "and" other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. These forward-looking statements are based largely on our expectations or forecasts of future events, can be affected by inaccurate assumptions, and are subject to various business risks and known and unknown uncertainties, a number of which are beyond our control. Therefore, actual results could differ materially from the forward-looking statements contained in this document, and readers are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. A wide variety of factors could cause or contribute to such differences and could adversely impact revenues, profitability, cash flows and capital needs. There can be no assurance that the forward-looking statements contained in this document will, in fact, transpire or prove to be accurate. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by any forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, among other things:

- risk that general economic and business conditions, both nationally and in our markets, may change substantially, or sufficiently to change or impact our business,
- risk that our expectations and estimates concerning future financial performance, financing plans and the impact of competition,
- risk in our ability to implement our growth strategy,
- risk anticipated trends in our business,
- risk that we will not be able to remediate identified material weaknesses in our internal control over financial reporting and disclosure controls and procedures,
- risk that we fail to meet the requirements of the agreements under which we acquired our business interests, including any cash payments to the business operations, which could result in the loss of our right to continue to operate or develop the specific businesses described in the agreements,
- risk that we cannot attract, retain and motivate qualified personnel, particularly employees, consultants and contractors for our operations
- risks related to tax assessments
- advances in technologies, and
- other risk factors set forth herein.

In addition, in this report, we use words such as "anticipates," "believes," "plans," "expects," "future," "intends," and similar expressions to identify forward-looking statements. As used in this current report, the terms "we", "us", "our" and the "company" refer to Hammer Fiber Optics Holdings Corp.

We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this Annual Report on Form 10K. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this prospectus may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

ITEM 1. BUSINESS

Our Corporate History and Background

The Company was incorporated in the State of Nevada on September 23, 2010, under the name Recursos Montana S.A. The Company's principal activity was as a pre-exploration stage company engaged in the acquisition and exploration of mineral properties then owned by the Company. During this time, the Company was deemed a "shell company" in the pre-exploration stage and was ultimately unable to commence exploration activities.

On February 2, 2015, the Company entered into a Share Exchange Agreement with Tanaris Power Holdings, Inc., whereby the Company acquired 100% of Tanaris Power Holdings, Inc. issued and outstanding common stock in exchange for shares of the Company's common stock equal 51% of the issued and outstanding common stock and cash consideration to Tanaris in the aggregate amount of \$350,000. Tanaris Power Holdings, Inc. was the owner of certain rights in connection with the marketing and sale of smart lithium-ion batteries and battery technologies for various industrial vehicles markets and related applications. On March 6, 2015, the Company amended its Articles of Incorporation to change its name to Tanaris Power Holdings, Inc.

On April 25, 2016, Tanaris Power Holdings, Inc., a Nevada corporation entered into a Share Exchange Agreement (the "Share Exchange Agreement") with Hammer Fiber Optics Investments, Ltd., a Delaware corporation ("HFOI"), and the controlling stockholders of HFOI (the "HFOI Shareholders"). Pursuant to the Share Exchange Agreement, the Company acquired 20,000,000 shares of common stock of HFOI from the HFOI shareholders (the "HFOI Shares") and in exchange the Company issued to the HFOI Shareholders 50,000,000 (post-Merger) restricted shares of its common stock (the "HMMR Shares"). As a result of the Share Exchange Agreement, HFOI became a wholly owned subsidiary of the Company. Hammer Fiber Optics Investments, Ltd. was formed in the State of Delaware on June 13, 2014.

On April 13, 2016, our board of directors approved a Plan of Merger (the "Plan of Merger") under Nevada Revised Statutes (NRS) Section 92A.180 to merge (the "Merger") with our wholly-owned subsidiary Hammer Fiber Optics Holdings Corp., a Nevada corporation, to effect a name change from Tanaris Power Holdings, Inc. to Hammer Fiber Optics Holdings Corp. The transaction was accounted for as a reverse merger. The Plan of Merger also provided for a 1 for 1,000 exchange ratio for shareholders of both the Company and Hammer Fiber Optics Holdings Corp., which had the effect of a 1 for 1,000 reverse split of our common stock. Articles of Merger were filed with the Secretary of State of Nevada on April 13, 2016 and, on April 14, 2016, this corporate action was submitted to FINRA for its review and approval.

On May 3, 2016, the Financial Industry Regulatory Authority ("FINRA") approved the merger with our wholly-owned subsidiary, Hammer Fiber Optics Holdings Corp. Accordingly, thereafter the Company's name was changed and our shares of common stock began trading on the Over the Counter Bulletin Board (OTCBB) under our new ticker symbol "HMMR" as of May 27, 2016.

On September 11, 2018, our board of directors approved stock purchase agreements with 1stPoint Communications LLC and its subsidiaries, Endstream Communications LLC, Open Data Centers LLC and Shelcomm Inc. for the acquisition of all of the equity of the entities. 1stPoint and its subsidiaries possess CLEC licenses in Florida, New York State, and a nationwide CMRS (Commercial Mobile Radio Services) license. The companies operate a data center facility in Piscataway, New Jersey. The acquisition of 1stPoint Communications, LLC, Open Data Centers, LLC and Shelcomm, Inc. closed on November 1, 2018. The acquisition of Endstream Communications, LLC closed on December 17, 2018. On January 29, 2019 our board of directors approved a stock purchase agreement with American Network, Inc to acquire all of its equity. The acquisition of American Network, Inc closed on September 1, 2019.

As of April 30, 2020 our board of directors approved the discontinuation of the operations of Open Data Centers LLC. The operations of Open Data Centers, LLC were discontinued effective April 30, 2020 and the Company shut down its operations in its Piscataway, NJ data center.

On October 19, 2021 our board of directors approved a name change from Hammer Fiber Optics Holdings Corp to Hammer Technology Holdings Corp.

On October 25, 2021 our board of directors approved a share exchange agreement with Telecom Financial Services Limited ("TFS") for the acquisition one hundred percent (100%) of its stock. TFS owns the intellectual property critical to the operations of the company's financial technology business unit as well as certain key supplier, marketing and operating agreements. The acquisition of TFS closed on January 3, 2022. TFS has been renamed HammerPay [USA] Ltd.

On July 31, 2023 our board of directors approved the discontinuation of the operations of Hammer Wireless (SL) Limited, the company's data communications service in Sierra Leone. The operations were discontinued in March 2020 and all assets have been written down.

Current Operations

Hammer Fiber Optics Holdings Corp (OTCPK:HMMR) is a company focused on sustainable shareholder value investing in both financial services technology and wireless telecommunications infrastructure.

Hammer's financial technologies business is focused on providing digital stored value technology via its HammerPay mobile payments platform to enable digital commerce between consumers and branded merchants across the developing world, ensuring Swift, Safe and Secure encrypted remittances and banking transactions.

Hammer's "Everything Wireless" go to market strategy for its telecommunications business includes the development of high speed fixed wireless service for residential, small business and enterprise clients using its wireless fiber platform, Hammer Wireless AIR®, mobility networks including 4G5G//LTE, Over-the-Top services such as voice, SMS and collaboration services and hosting services.

Employees

We currently have eighteen employees, fifteen of which are full time employees and three are part time.

ITEM 1A. RISK FACTORS

You should carefully consider each of the risks and uncertainties described below and elsewhere in this Annual Report on Form 10-K, as well as any amendments or updates reflected in subsequent filings with the SEC. We believe these risks and uncertainties, individually or in the aggregate, could cause our actual results to differ materially from expected and historical results and could materially and adversely affect our business operations, results of operations, financial condition and liquidity. Further, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our results and business operations.

Risks Associated with Our Business

Our operations and financial performance could be negatively impacted, if the markets for our products do not develop and expand as we anticipate.

The markets for our products and services are characterized by rapidly changing technologies, evolving industry or regulatory standards and new product introductions. Our success is dependent on the successful introduction of new products and services, or upgrades of current products and services, and our ability to compete with new technologies. The following factors related to our products, services and markets, if they do not continue as in the recent past, could have an adverse impact on our operations:

- our ability to source critical materials such as optical fiber and cable and hardware and equipment, at competitive prices;
- our ability to develop new products in response to government regulations and laws;
- our ability to secure and retain adequate spectrum to facilitate ongoing operations and deployment of our services beyond our present geographic footprint.

We rely on contract manufacturing of our products. Our inability to secure production sources meeting our quality, cost, working conditions and other requirements, or failures by our contractors to perform, could harm our sales and reputation.

We source many of our materials from international manufacturers. As a result, we must locate and secure production that meets our demands. We depend on our manufacturers to maintain adequate financial resources and maintain sufficient development and manufacturing capacity. We do not have material long-term contracts with any of our manufacturers, and these manufacturers generally may unilaterally terminate their relationship with us at any time. Our dependence on contract manufacturers could subject us to a number of risks if these manufacturers do not meet our quality, cost, working conditions and other requirements or if they fail to materially perform, any of which could seriously harm our sales and reputation. Further, if we need to place greater demands on our current manufacturers due to increased customer demands, or seek additional or replacement manufacturers, we may be unable to do so on terms that are acceptable to us, if at all.

Violation of labor laws and practices by our manufacturers and suppliers could harm our business.

We require our manufacturers and suppliers to operate in compliance with applicable laws and regulations. While the Company promotes ethical business practices, we do not control our manufacturers or suppliers or their labor practices. The violation of labor or other laws by any of our manufacturers or suppliers, or divergence of their labor practices from those generally accepted as ethical in the local markets, could interrupt or otherwise disrupt the shipment of our products, harm the value of our trademarks, damage our reputation or expose us to potential liability for their wrongdoings.

A privacy breach could damage our reputation and our relationship with our customers, expose the Company to litigation risk and adversely affect our business.

As part of our normal course of business, we collect, process and retain sensitive and confidential customer information. Despite security measures we have in place, our facilities and systems may be vulnerable to security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming and/or human errors, or other similar events. Any security breach involving the misappropriation, loss or other unauthorized disclosure of confidential information could severely damage our reputation and our relationships with our customers, expose the Company to risks of litigation and liability and adversely affect our business.

Our Articles of Incorporation exculpates our officers and directors from certain liability to our Company or our stockholders.

Our Articles of Incorporation contain a provision limiting the liability of our officers and directors for their acts or failures to act, except for acts involving intentional misconduct, fraud or a knowing violation of law. This limitation on liability may reduce the likelihood of derivative litigation against our officers and directors and may discourage or deter our stockholders from suing our officers and directors based upon breaches of their duties to our Company.

Our directors and named executive officers are also our principal stockholders, as such they will be able to exert significant influence over matters submitted to stockholders for approval, which could delay or prevent a change in corporate control or result in the entrenchment of management or the Board of Directors, possibly conflicting with the interests of other stockholders.

Our directors and named executive officers are also our principal stockholders and as such they exert significant influence in determining the outcome of corporate actions requiring stockholder approval and otherwise control of our business. This control could have the effect of delaying or preventing a change in control or entrenching management or the Board of Directors, which could conflict with the interests of our other stockholders and, consequently, could adversely affect the market price of our common stock.

The Company's independent auditors have issued a going concern opinion.

The Company's ability to remain a going concern is highly dependent on its ability to raise sufficient debt and/or equity capital, among other things. No assurance can be given that the company will be successful in these efforts.

Information technology dependency and security vulnerabilities could lead to reduced revenue, liability claims, or competitive harm.

The Company is increasingly dependent on sophisticated information technology and infrastructure. Any significant breakdown, intrusion, interruption or corruption of these systems or data breaches could have a material adverse effect on our business.

We use electronic information technology (IT) in our manufacturing processes and operations and other aspects of our business. Despite our implementation of security measures, our IT systems are vulnerable to disruptions from computer viruses, natural disasters, unauthorized access, cyber-attack and other similar disruptions. A material breach in the security of our IT systems could include the theft of our intellectual property or trade secrets. Such disruptions or security breaches could result in the theft, unauthorized use or publication of our intellectual property and/or confidential business information, harm our competitive position, reduce the value of our investment in research and development and other strategic initiatives, or otherwise adversely affect our business. We have, from time to time, experienced incidents related to our IT systems, and expect that such incidents will continue, including malware and computer virus attacks, unauthorized access, systems failures and disruptions. We have measures and defenses in place against unauthorized access, but we may not be able to prevent, immediately detect, or remediate such events.

Business disruptions could affect our operating results

A significant portion of our development activities and certain other critical business operations are concentrated in a few geographic areas. A major earthquake, fire or other catastrophic event that results in the destruction or disruption of any of our critical facilities could severely affect our ability to conduct normal business operations and, as a result, our future financial results could be materially and adversely affected.

If we cannot attract more customers to purchase our products, we may not be able to increase or sustain our revenues.

Our future success will depend on our ability to attract additional customers. The growth of our customer base could be adversely affected by:

- customer unwillingness to implement our products and services;
- any delays or difficulties that we may incur in completing the development and introduction of our products or product enhancements or service enhancements;
- the overall satisfaction of our customers;
- new product and service introductions by our competitors;
- any failure of our products to perform as expected; or
- any difficulty we may incur in meeting customers' expectations.

Fluctuations in the economy affect the telecommunications industry, including broadband and Internet, and may decrease demand for various products and services. Such a decrease may have an adverse effect on the demand in the fiber optic sector and negatively impact the growth of our customer base.

Foreign Currency

We transact business in various foreign currencies including the Euro. In general, the functional currency of a foreign operation is the local country's currency. Consequently, revenues and expenses of operations outside the United States are translated into US Dollars using the weighted-average exchange rates on the period end date and assets and liabilities of operations outside the United States are translated into US Dollars using the change rate on the balance sheet dates. The effects of foreign currency translation adjustments are included in the stockholders' equity as a component of the AOCL in the accompanying financial statements.

Internal Controls

We have determined that our internal controls are ineffective due to the small staff of the company. Although we have implemented internal systems and controls to minimize the potential for risk and business loss, a breakdown of internal controls could affect our ability to conduct normal business operations and, as a result, our future financial results could be materially and adversely affected.

Risks Relating to Ownership of Our Securities

Our stock price may be volatile, which may result in losses to our shareholders.

The stock markets have experienced significant price and trading volume fluctuations, and the market prices of companies listed on the OTC PK quotation system in which shares of our common stock are listed, have been volatile in the past and have experienced sharp share price and trading volume changes. The trading price of our common stock is likely to be volatile and could fluctuate widely in response to many factors, including the following, some of which are beyond our control:

- variations in our operating results;
- changes in expectations of our future financial performance, including financial estimates by securities analysts and investors;
- changes in operating and stock price performance of other companies in our industry;
- additions or departures of key personnel; and
- future sales of our common stock.

Domestic and international stock markets often experience significant price and volume fluctuations. These fluctuations, as well as general economic and political conditions unrelated to our performance, may adversely affect the price of our common stock.

Our common shares may become thinly traded and you may be unable to sell at or near ask prices, or at all.

We cannot predict the extent to which an active public market for trading our common stock will be sustained. The trading price of our common shares has historically been sporadically or "thinly-traded" meaning that the number of persons interested in purchasing our common shares at or near ask prices at any given time may be relatively small or non-existent. This situation is attributable to a number of factors, including the fact that we are a small company which is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community who generate or influence sales volume. Even if we came to the attention of such persons, those persons tend to be risk-averse and may be reluctant to follow, purchase, or recommend the purchase of shares of an unproven company such as ours until such time as we become more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot provide any assurance that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained.

The market price for our common stock is particularly volatile given our status as a relatively small company, which could lead to wide fluctuations in our share price. You may be unable to sell your common stock at or above your purchase price if at all, which may result in substantial losses to you.

Shareholders should be aware that, according to SEC Release No. 34-29093, the market for penny stocks can be negatively affected from patterns of fraud and abuse. Such patterns include (1) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (2) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (3) boiler room practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (4) excessive and undisclosed bid-ask differential and markups by selling broker-dealers; and (5) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the resulting inevitable collapse of those prices and with consequent investor losses. Our management is aware of the abuses that have occurred historically in the penny stock market. Although we do not expect to be in a position to dictate the behavior of the market or of broker-dealers who participate in the market, management will strive within the confines of practical limitations to prevent the described patterns from being established with respect to our securities. The occurrence of these patterns or practices could increase the volatility of our share price.

We do not anticipate paying any cash dividends to our common shareholders.

We presently do not anticipate that we will pay dividends on any of our common stock in the foreseeable future. If payment of dividends does occur at some point in the future, it would be contingent upon our revenues and earnings, if any, capital requirements, and general financial condition. The payment of any common stock dividends will be within the discretion of our Board of Directors. We presently intend to retain any earnings after paying the interest for the preferred stock, if any, to implement our business plan; accordingly, we do not anticipate the declaration of any dividends for common stock in the foreseeable future.

Volatility in our common share price may subject us to securities litigation.

The market for our common stock is characterized by significant price volatility as compared to seasoned issuers, and we expect that our share price will continue to be more volatile than a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may, in the future, be the target of similar litigation. Securities litigation could result in substantial costs and liabilities and could divert management's attention and resources.

The elimination of monetary liability against our directors, officers and employees under Nevada law and the existence of indemnification rights of our directors, officers and employees may result in substantial expenditures by our company and may discourage lawsuits against our directors, officers and employees.

Our Articles of Incorporation contain a specific provision that eliminates the liability of our directors and officers for monetary damages to our company and shareholders. Further, we are prepared to give such indemnification to our directors and officers to the extent provided for by Nevada law. We may also have contractual indemnification obligations under our employment agreements with our officers. The foregoing indemnification obligations could result in our company incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which we may be unable to recoup. These provisions and resultant costs may also discourage our company from bringing a lawsuit against directors and officers for breaches of their fiduciary duties, and may similarly discourage the filing of derivative litigation by our shareholders against our directors and officers even though such actions, if successful, might otherwise benefit our company and shareholders.

Our business is subject to changing regulations related to corporate governance and public disclosure that have increased both our costs and the risk of noncompliance.

Because our common stock is publicly traded, we are subject to certain rules and regulations of federal, state and financial market exchange entities charged with the protection of investors and the oversight of companies whose securities are publicly traded. These entities, including the Public Company Accounting Oversight Board, the United States Security & Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA), have issued requirements and regulations and continue to develop additional regulations and requirements in response to corporate scandals and laws enacted by Congress, most notably the Sarbanes-Oxley Act of 2002. Our efforts to comply with these regulations have resulted in, and are likely to continue resulting in, increased general and administrative expenses and diversion of management time and attention from revenue-generating activities to compliance activities. Because new and modified laws, regulations and standards are subject to varying interpretations in many cases due to their lack of specificity, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None

ITEM 2. PROPERTIES

The Company does not own any real property, nor have any long term lease obligations.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company may become subject to various legal proceedings that are incidental to the ordinary conduct of its business. Although the Company cannot accurately predict the amount of any liability that may ultimately arise with respect to any of these matters, it makes provision for potential liabilities when it deems them probable and reasonably estimable. These provisions are based on current information and legal advice and may be adjusted from time to time according to developments.

The following parties have filed claims against Hammer Fiber Optics Investments Ltd and are not secured:

Calvi Electric v. Hammer Fiber Optics Inv, Ltd.	\$	9,210
Horizon Blue Cross v. Hammer Fiber Optics Inv, Ltd.	\$	17,309
Cross River Fiber v. Hammer Fiber Optics Inv, Ltd.	\$	273,220

Cross River Fiber has advanced its claim against Hammer Fiber Optics Investments, Ltd. Cross River Fiber has expanded its claim to include Hammer Fiber Optics Holdings Corp, 1stPoint Communications, LLC, Endstream Communications, LLC, Open Data Centers, LLC, Manhattan Carrier Company, LLC, Erik Levitt personally, Local Telecommunications Services – FL, LLC, Local Telecommunications Services – NY, LLC, American Network Inc and Hammer Wireless Corporation. There never was, nor has there ever been, a contract between any of these entities or Mr. Levitt personally and Cross River Fiber, nor is there any security under the agreement between Cross River Fiber and Hammer Fiber Optics Investments, Ltd. After discovery in the claim against Hammer Fiber Optics Holdings Corp and its subsidiaries, A trial occurred on February 5th and 6th of 2024 and a ruling was issued at the end of the trial in favor of Hammer Fiber Optics Holdings Corp and its subsidiaries. An award was given to Cross River against one of the related parties to the claim of \$25,000. The judgement has not yet been entered.

ITEM 4. [RESERVED]

PART II

ITEM 5. MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES MARKET FOR COMMON EQUITY

Market Price and Dividends

Our common stock is currently quoted on the OTC PK, under the symbol "HMMR." Our common stock has been quoted on the OTC Bulletin Board since approximately August 30, 2016. Prior to that, our shares of common stock were quoted on the OTC Bulletin Board under the symbol "TPHX". Because we are quoted on the OTC PK, our securities may be less liquid, receive less coverage by security analysts and news media, and generate lower prices than might otherwise be obtained if they were listed on a national securities exchange. The following table sets forth the high and low bid quotations for our common stock as reported on the OTC PK for the periods indicated.

	High	Low
Fiscal Year 2022		
July 31, 2023	0.51	0.35
April 30, 2023	0.51	0.22
January 31, 2023	0.56	0.26
October 31, 2022	0.50	0.16
Fiscal Year 2021		
July 31, 2022	0.70	0.43
April 30, 2022	0.69	0.39
January 31, 2022	1.40	0.41
October 31, 2021	1.41	0.43

Information for the periods referenced above has been furnished by the OTC PK. The quotations furnished by the OTC PK reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not reflect actual transactions. As of July 31, 2023, there were 62,205,947 shares of the registrant's \$.001 par value common stock issued and 60,452,612 outstanding. We have never declared or paid any cash dividends on our common stock nor do we intend to do so in the foreseeable future. Any future determination to pay cash dividends will be at the discretion of our board of directors and will depend upon our financial condition, operating results, capital requirements, any applicable contractual restrictions and such other factors as our board of directors deems relevant.

Re-Purchase of Equity Securities

None.

Securities Authorized for Issuance under Equity Compensation Plan

None.

ITEM 6. SELECTED FINANCIAL DATA

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections. We may use words such as "anticipate," "expect," "intend," "plan," "believe," "foresee," "estimate" and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. You should read this Report completely and with the understanding that actual future results may be materially different from what we expect. The forward looking statements included in this Report are made as of the date of this Report and should be evaluated with consideration of any changes occurring after the date of this Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward- looking statements, whether as a result of new information, future events or otherwise.

The following discussion should be read in conjunction with our audited financial statements and the related notes that appear elsewhere in this annual report. The discussions of results, causes and trends should not be construed to imply any conclusion that these results or trends will necessarily continue into the future. Our audited financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

Overview

The company was incorporated on September 23, 2010 pursuant to the laws of the State of Nevada under the name of Recursos Montana S.A. On March 6, 2015 the Company amended its Articles of Incorporation to change its name to "Tanaris Power Holding, Inc." On April 25, 2016, Tanaris Power Holdings, Inc., a Nevada corporation (the "Company" or "TPHX") entered into a Share Exchange Agreement (the "Share Exchange Agreement") with Hammer Fiber Optics Investments, Ltd., a Delaware corporation ("HFOI"), and the controlling stockholders of HFOI (the "HFOI Shareholders"). Pursuant to the Share Exchange Agreement, closed on July 19, 2016, the Company acquired 20,000,000 shares of common stock of HFOI from the HFOI shareholders and in exchange the Company issued to the HFOI Shareholders 50,000,000 (post-Merger) restricted shares of its common stock. As a result of the Share Exchange Agreement, HFOI became a wholly owned subsidiary of the Company.

The Company was originally organized for the purpose of acquiring and developing mineral properties. The Company had not established the existence of a commercially viable minable ore deposit and therefore did not reach the exploration stage. As such, the company negotiated to dispose of the business of investing in minerals in favor of developing new business opportunities in the technology sector. The company Hammer Fiber Optics Holdings Corp. is now an alternative telecommunications carrier that is poised to position itself as a premier provider of diversified dark fiber networking solutions as well as high capacity broadband wireless access networks in the United States and abroad.

On September 11, 2018, Mark Stogdill, President and Chief Executive Officer and Executive Director of the Board of Directors of the Company resigned from his position as President and Chief Executive Officer of the Company. Mr. Stogdill retains his position as a Director of the Board of Directors. In combination with this change, Erik B. Levitt was appointed the interim President and Chief Executive Officer, effective immediately, and later appointed the President and Chief Executive Officer on November 1, 2018.

On October 10, 2018 the Company announced the closure of the Atlantic City, NJ wireless broadband network as a result of the termination of the Master Spectrum Lease Agreement held by the Company subsidiary Hammer Fiber Optic Investments Ltd. d/b/a Hammer Communications by Verizon Communications. Verizon Communications had informed the Company of their intention to honor the terms of the lease agreement, then subsequently issued a notification to the Company that the spectrum lease for the 28 GHz spectrum will be prematurely terminated as of October 31, 2018. The Company negotiated with Verizon to find a path forward and was offered a less desirable spectrum leasing arrangement. After extensive engineering discussions it was determined that it was not feasible to pursue the alternative agreement proposed by Verizon. As a result, the Company discontinued operations as of October 31, 2018.

On September 11, 2018, our board of directors approved stock purchase agreements with 1stPoint Communications LLC and its subsidiaries, Endstream Communications LLC, Open Data Centers LLC and Shelcomm Inc. for the acquisition of all of the equity of the entities. 1stPoint and its subsidiaries possess CLEC licenses in Florida, New York State, and a nationwide CMRS (Commercial Mobile Radio Services) license. The companies operate a data center facility in Piscataway, New Jersey. The acquisition of 1stPoint Communications, LLC, Open Data Centers, LLC and Shelcomm, Inc. closed on November 1, 2018. Mr. Levitt was also elected as a member of the Board of Directors, effective immediately. The acquisition of Endstream Communications, LLC closed on December 17, 2018.

On January 29, 2019 our board of directors approved a stock purchase agreement with American Network, Inc to acquire all of its equity. The acquisition of American Network, Inc closed on September 1, 2019.

As of April 30, 2020 our board of directors approved the discontinuation of the operations of Open Data Centers LLC. The operations of Open Data Centers, LLC were discontinued effective April 30, 2020 and the Company shut down its operations in its Piscataway, NJ data center.

On September 14, 2021, Erik B. Levitt, President and Chief Executive Officer and Executive Director of the Board of Directors of the Company resigned from his position as Chief Executive Officer of the Company. Mr. Levitt retains his position as an Executive Director of the Board of Directors and Principal Financial Officer as well as the Managing Member and Chief Executive Officer of 1stPoint Communications, LLC and Endstream Communications, LLC. In combination with this change, Michael C. Cothill was appointed the Executive Chairman, effective immediately.

On October 19, 2021 our board of directors approved a name change from Hammer Fiber Optics Holdings Corp to Hammer Technology Holdings. The name change has not yet been made effective.

On October 25, 2021 our board of directors approved a share exchange agreement with Telecom Financial Services Limited ("TFS") for the acquisition one hundred percent (100%) of its stock. TFS owns the intellectual property critical to the operations of the company's financial technology business unit as well as certain key supplier, marketing and operating agreements. TFS has been renamed HammerPay [USA] Ltd.

On July 31, 2023 our board of directors approved the discontinuation of the operations of Hammer Wireless (SL) Limited, the company's data communications service in Sierra Leone. The operations were discontinued in March 2020 and all assets have been written down.

Results of Operations

The Year Ended July 31, 2023 Compared to the Year Ended July 31, 2022

Net revenues from continuing operations for the year ended July 31, 2023 and 2022 were \$3,256,611 and \$2,602,115, respectively. The increase in gross revenues were primarily due to growth in the messaging revenue from the Company's Over-the-Top ("OTT") business practice.

During the year ended July 31, 2023, the Company incurred total operating expenses from continuing operations of \$3,846,078 compared with \$3,149,840 for the comparable period ended in 2022. The increase in operating costs was primarily due to expenses related to its increased revenues in its OTT business as well as expenses associated with new product development in the financial services segment on the HammerPay platform.

The Company recorded depreciation expense of \$60,283 during the year ended July 31, 2023 compared to \$65,487 in the comparable period in 2022, primarily due to efficiencies in the Company's telecommunications business unit.

During the year ended July 31, 2023, interest financing expense and expenses associated with warrants was \$457,398 compared to \$805,803 in the comparable period in 2022. The increase was due primarily to the interest and financing expense associated with the notes payable used to fund the development and growth of the HammerPay application and the financial technology business unit.

Liquidity and Capital Resources

We have financed our operations since inception primarily through notes payable from related parties, which have been disclosed herein under Related Party Transactions. As of July 31, 2023, the Company had cash and cash equivalents of \$66,688.

Net cash from operating activities was \$-636,706 and \$-451,955 for the year ended July 31, 2023 and July 31, 2022, respectively. The increase was primarily due to the development activities related to the HammerPay application.

Net cash used in investing activities was \$12,650 and \$46,893 for the year ended July 31, 2023 and July 31, 2022, respectively. The decrease was primarily due efficiencies in the Company's telecommunications business unit.

Net cash provided by financing activities was \$233,134 and \$904,152 for the year ended July 31, 2023 and July 31, 2022, respectively. The decrease in cash provided by financing activities for the period ended July 31, 2023 when compared to the same period in 2022 was primarily due to reduced cash needs in the development of the HammerPay application.

We have not attained profitable operations and are dependent upon obtaining financing to pursue any extensive activities. For these reasons, our auditors have included in their report on our audited financial statements for the fiscal years ended July 31, 2023 and 2022 an explanatory paragraph regarding factors that raise substantial doubt that we will be able to continue as a going concern.

Going Concern

As at July 31, 2023, substantial doubt existed as to the Company's ability to continue as a going concern as the Company has earned only minimal revenue, has no certainty of earning additional revenues in the future, has a working capital deficit and an overall accumulated deficit since inception. The Company will require additional financing to continue operations either from management, existing shareholders, or new shareholders through equity financing and/or sources of debt financing. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Contractual Obligations

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Selected Financial Data

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

July 31, 2023 and 2022

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Hammer Fiber Optics Holding Corp

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hammer Fiber Optics Holding Corp (“the Company”) as of July 31, 2023 and 2022, and the related consolidated statements of operations, stockholders’ equity (deficit), and cash flows for each of the years in the two-year period ended July 31, 2023, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of July 31, 2023 and 2022 and the results of its operations and its cash flows for each of the years in the two-year period ended July 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 4 to the financial statements, the Company has consistently sustained losses since inception. This factor, among others, raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to this matter is also described in Note 4. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. 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 audit, 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 audit 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 audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Accounting for Convertible Notes Payable and Related Transactions — Refer to Notes 10, 12, and 16 to the financial statements.

Critical Audit Matter Description

The company has issued convertible notes during 2023 and 2022 with related incentives consisting of warrants and common stock. These financing transactions required auditor judgement regarding the appropriateness of the accounting and subjectivity in relation to valuation these financing transactions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to evaluating the Company's accounting for the notes payable, including management's judgements and inputs related to the fair value of the incentives, included the following, among others:

- Substantive detail testing to evaluate the accuracy and completeness of the recorded convertible notes.
- Development of an independent fair value assessment and compared our estimates to management's estimates.
- Evaluated management's conclusions regarding the accounting treatment applied to the convertible notes and related transactions.

Fruci & Associates II, PLLC

Fruci & Associates II, PLLC – PCAOB ID #05525
We have served as the Company's auditor since 2022.

Spokane, Washington
February 14, 2024

5525

Hammer Fiber Optics Holdings Corp.
Consolidated Balance Sheets

	July 31,	
	2023	2022
		(as restated)
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 66,688	\$ 482,910
Accounts receivable	238,820	216,834
Security Deposits	7,316	11,082
Prepaid expenses	18,675	14,746
Total current assets	331,499	725,572
Property and equipment, net	89,712	137,345
Intangible and other assets	7,406,827	7,464,702
Assets from Discontinued Operations	-	1,243,960
Total Assets	<u>\$ 7,828,038</u>	<u>\$ 9,571,579</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,205,995	\$ 1,342,287
Loans payable	1,443,294	1,314,693
Warrant Liabilities	195,750	213,750
Unissued Stock	105,925	-
Deferred Revenue	172,900	321,074
Current Liabilities from Discontinued Operations	545,994	546,304
Total Liabilities	<u>3,669,858</u>	<u>3,738,108</u>
Stockholders' Equity (Deficit)		
Common stock, \$0.001 par value, 250,000,000 shares authorized 62,205,947 and 61,565,851 shares issued; 60,452,612 and 59,812,506 shares outstanding at July 31, 2023 and 2022, respectively	\$ 62,206	\$ 61,566
Additional paid-in capital	27,808,440	27,564,129
Accumulated deficit	(23,712,466)	(21,792,224)
Total Stockholder's Equity (Deficit)	<u>4,158,180</u>	<u>5,833,471</u>
Total Liabilities and Stockholders' Equity (Deficit)	<u>\$ 7,828,038</u>	<u>\$ 9,571,579</u>

See accompanying notes to consolidated financial statements.

Hammer Fiber Optics Holdings Corp
Consolidated Statements of Operations

	For the Year Ended July 31,	
	2023	2022 (as restated)
Revenues	\$ 3,256,611	\$ 2,602,115
Costs and expenses:		
Cost of sales	2,426,456	2,022,190
Selling, general and administrative expenses	1,359,339	1,062,163
Depreciation expense	60,283	65,487
Total operating expenses	<u>3,846,078</u>	<u>3,149,840</u>
Operating loss	(589,467)	(547,725)
Other income (expense)		
Other Income	262,259	-
Interest expense	(20,618)	(89,926)
Warrant financing expense	(145,725)	(125,025)
Financing expenses	(255,532)	(635,812)
Warrant adjustment to Fair Value	18,000	57,000
Other expenses	(175,559)	(12,040)
Total other expenses	<u>(317,175)</u>	<u>(805,803)</u>
Income (loss) Before Discontinued Operations	(906,642)	(1,353,528)
Income (loss) From Discontinued Operations	<u>(1,013,600)</u>	<u>-</u>
Net income (loss)	<u>\$ (1,920,242)</u>	<u>\$ (1,353,528)</u>
Weighted average number of common shares outstanding - basic and diluted	<u>62,205,947</u>	<u>61,565,841</u>
Loss per share- basic and diluted		
Continuing operations	\$ (0.01)	\$ (0.02)
Discontinued operations	(0.02)	-
Total	<u>\$ (0.03)</u>	<u>\$ (0.02)</u>

See accompanying notes to consolidated statements.

Hammer Fiber Optics Holdings Corp.
Consolidated Statement of Stockholders' Equity (Deficit)

	Common Stock		Treasury Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Stockholders' Equity (Deficit)
Balance, July 31, 2021	60,853,341	60,853	5,932,835	-	22,859,434	(20,438,696)	2,481,591
Shares issued from prior acquisition	-	-	(2,089,750)	-	-	-	-
Shares returned to treasury	-	-	3,000,000	-	-	-	-
Treasury shares issued for acquisition	-	-	(5,000,000)	-	4,250,500	-	4,250,500
Commitment shares issued for debt	712,500	713	-	-	454,195	-	454,908
Treasury shares issued	-	-	(89,750)	-	-	-	-
Net loss (as restated)	-	-	-	-	-	(1,353,528)	(1,353,528)
Balance, July 31, 2022 (as restated)	61,565,841	61,566	1,753,335	-	\$ 27,564,129	\$ (21,792,224)	\$ 5,833,471
Debt conversion shares issued	640,106	640	-	-	244,311	-	244,951
Net loss	-	-	-	-	-	(1,920,242)	(1,920,242)
Balance, July 31, 2023	62,205,947	62,206	1,753,335	-	\$ 27,808,440	\$ (23,712,466)	\$ 4,158,180

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

Hammer Fiber Optics Holdings Corp
Consolidated Statements of Cash Flows

	For the Years Ended July 31,	
	2023	2022
		(as restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (1,920,242)	\$ (1,353,528)
Loss from discontinued operations	1,013,600	-
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation expense	60,283	65,487
Warrant adjustment to Fair Value	(18,000)	(57,000)
Non-cash interest expense	227,872	454,908
Writedown of intangible assets	57,875	-
Changes in operating assets and liabilities:		
Accounts receivable	(21,986)	68,172
Security deposits	3,766	-
Prepaid expenses	(3,929)	62
Accounts payable	(117,821)	434,151
Deferred revenue	(148,174)	21,874
Net cash provided by (used in) operating activities- continuing operations	(866,756)	(365,874)
Net cash provided by (used in) operating activities- discontinued operations	230,050	(86,081)
Net cash provided by (used in) operating activities	(636,706)	(451,955)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(12,650)	(46,893)
Net cash provided by (used in) investing activities- continuing operations	(12,650)	(46,893)
Net cash provided by (used in) investing activities- discontinued operations	-	-
Net cash provided by (used in) investing activities	(12,650)	(46,893)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans	(168,284)	(61,300)
Proceeds from loans	401,418	965,452
Net cash provided by (used in) financing activities- continuing operations	233,134	904,152
Net cash provided by (used in) financing activities- discontinued operations	-	-
Net cash provided by (used in) financing activities	233,134	904,152
Net increase (decrease) in cash	(416,222)	405,304
Cash, beginning of period	482,910	77,606
Cash, end of period	<u>\$ 66,688</u>	<u>\$ 482,910</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES:		
Cash paid for interest	<u>\$ 20,618</u>	<u>\$ 11,587</u>
Cash paid for taxes	<u>\$ 1,415</u>	<u>\$ 2,040</u>
SUPPLEMENTAL SCHEDULES OF NONCASH FINANCING ACTIVITIES		
Common stock shares issued upon conversion of debt	<u>\$ 244,311</u>	<u>\$ -</u>

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

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2023 and 2022

NOTE 1 - ORGANIZATION AND DESCRIPTION BUSINESS

Hammer Fiber Optics Holdings Corp (OTCPK:HMMR) is a company focused on sustainable shareholder value investing in both financial services technology and wireless telecommunications infrastructure.

Hammer's financial technologies business is focused on providing digital stored value technology via its HammerPay mobile payments platform to enable digital commerce between consumers and branded merchants across the developing world, ensuring Swift, Safe and Secure encrypted remittances and banking transactions.

Hammer's "Everything Wireless" go to market strategy for its telecommunications business includes the development of high speed fixed wireless service for residential, small business and enterprise clients using its wireless fiber platform, Hammer Wireless AIR®, mobility networks including 4G/LTE, Over-the-Top services such as voice, SMS and collaboration services and hosting services.

NOTE 2 - CORPORATE HISTORY AND BACKGROUND ON MERGER

The Company was originally incorporated in the State of Nevada on September 23, 2010, under the name Recursos Montana S.A. The Company's principal activity was an exploration stage company engaged in the acquisition of mineral properties then owned by the Company.

On February 2, 2015, the Company entered into a Share Exchange Agreement with Tanaris Power Holdings, Inc., whereby the Company acquired 100% of Tanaris Power Holdings, Inc. issued and outstanding common stock in exchange for shares of the Company's common stock equal to 51% of the issued and outstanding common stock of the Company. Tanaris Power Holdings, Inc. was the owner of certain rights in connection with the marketing and sale of smart lithium-ion batteries and battery technologies for various industrial vehicles markets and related applications. On March 6, 2015, the Company amended its Articles of Incorporation to change its name to Tanaris Power Holdings, Inc.

On April 25, 2016, Tanaris Power Holdings, Inc., a Nevada corporation entered into a Share Exchange Agreement (the "Share Exchange Agreement") with Hammer Fiber Optics Investments, Ltd., a Delaware corporation ("HFOI"), and the controlling stockholders of HFOI (the "HFOI Shareholders"). Pursuant to the Share Exchange Agreement, the Company acquired 20,000,000 shares of common stock of HFOI from the HFOI shareholders (the "HFOI Shares") and in exchange, the Company issued to the HFOI Shareholders 50,000,000 (post-Merger) restricted shares of its common stock (the "HMMR Shares"). As a result of the Share Exchange Agreement, HFOI became a wholly owned subsidiary of the Company.

On April 13, 2016, the Board of Directors (BOD) approved a Plan of Merger (the "Plan of Merger") under Nevada Revised Statutes (NRS) Section 92A.180 to merge (the "Merger") with our wholly-owned subsidiary HFO Holdings, a Nevada corporation, to effect a name change from Tanaris Power Holdings Inc. to Hammer Fiber Optics Holdings Corp. The Plan of Merger also provided for a 1 for 1,000 exchange ratio for shareholders of both the Company and the HFO Holdings, which had the effect of a 1 for 1,000 reverse split of the common stock. Articles of Merger were filed with the Secretary of State of Nevada on April 13, 2016 and, on April 14, 2016, this corporate action was submitted to Financial Industry Regulatory Authority (the "FINRA") for its review and approval.

On May 3, 2016, the FINRA approved the merger with the wholly-owned subsidiary, HMMR Fiber Optics Holdings Corp. ("HFO Holdings"). Accordingly, thereafter, the Company's name was changed and the shares of common stock began trading under new ticker symbol "HMMR" as of May 27, 2016. The merger was effected on July 19, 2016.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 2 - CORPORATE HISTORY AND BACKGROUND ON MERGER (CONTINUED)

On September 11, 2018, our board of directors approved stock purchase agreements with 1stPoint Communications LLC and its subsidiaries, Endstream Communications LLC, Open Data Centers LLC and Shelcomm Inc. for the acquisition of all of the equity of the entities. 1stPoint and its subsidiaries possess CLEC licenses in Florida, New York State, and a nationwide CMRS (Commercial Mobile Radio Services) license. The companies operate a data center facility in Piscataway, New Jersey. The acquisition of 1stPoint Communications, LLC, Open Data Centers, LLC and Shelcomm, Inc. closed on November 1, 2018. The acquisition of Endstream Communications, LLC closed on December 17, 2018.

On January 29, 2019 our board of directors approved a stock purchase agreement with American Network, Inc to acquire all of its equity. The acquisition of American Network, Inc closed on September 1, 2019.

As of April 30, 2020 our board of directors approved the discontinuation of the operations of Open Data Centers LLC. The operations of Open Data Centers, LLC were discontinued effective April 30, 2020 and the Company shut down its operations in its Piscataway, NJ data center.

On October 19, 2021 our board of directors approved a name change from Hammer Fiber Optics Holdings Corp to Hammer Technology Holdings Corp.

On October 25, 2021 our board of directors approved a share exchange agreement with Telecom Financial Services Limited ("TFS") for the acquisition one hundred percent (100%) of its stock. TFS owns the intellectual property critical to the operations of the company's financial technology business unit as well as certain key supplier, marketing and operating agreements. The acquisition of TFS closed on January 3, 2022. TFS has been renamed HammerPay [USA] Ltd.

On July 31, 2023 our board of directors approved the discontinuation of the operations of Hammer Wireless (SL) Limited, the company's data communications service in Sierra Leone. The operations were discontinued in March 2020 and all assets have been written down.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of estimates

The preparation of financial statements in conformity with GAAP 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents include cash in banks, money market funds, and certificates of term deposits with maturities of less than three months from inception, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of loss in value.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation is provided for on a straight-line basis over the useful lives of the assets. For network service equipment, and furniture and fixtures, the useful life is ten and five years, respectively. Leasehold Improvements are depreciated over six years. Expenditures for additions and improvements are capitalized; repairs and maintenance are expensed as incurred.

Impairment of long-lived assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to future undiscounted cash flows to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets. The Company has not recognized impairment losses for any long-lived assets.

Notes Receivable

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, they are recorded at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty is more likely than not to default.

Indefinite lived intangible assets

The Company reviews property, plant and equipment, inventory component prepayments and certain identifiable intangibles, excluding goodwill, for impairment. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by comparison of their carrying amounts to future undiscounted cash flows the assets are expected to generate. If property, plant and equipment, inventory component prepayments and certain identifiable intangibles are considered to be impaired, the impairment to be recognized equals the amount by which the carrying value of the assets exceeds its fair value. The Company has not recorded any related impairment losses. The Company does not amortize goodwill and intangible assets with indefinite useful lives, rather such assets are required to be tested for impairment at least annually or sooner whenever events or changes in circumstances indicate that the assets may be impaired. The Company has not recorded any related impairment losses.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

The Company accounts for revenues under Accounting Standards Update (ASU) 2014-09, "Revenue from Contracts with Customers" (Topic 606), which we adopted on August 1, 2018, using the modified retrospective approach. This standard update, along with related subsequently issued updates, clarifies the principles for recognizing revenue and develops a common revenue standard for GAAP. The Company performs the following five steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company applies the five-step model to arrangements that meet the definition of a contract under Topic 606, including when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

At contract inception, once the contract is determined to be within the scope of Topic 606, the Company evaluates the goods or services promised within each contract related performance obligation and assesses whether each promised good or service is distinct. The Company recognizes as revenue, the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied. Amounts invoiced or collected in advance of product delivery or providing services are recorded as unearned revenue or customer deposits. The company accrues for sales returns, bad debts, and other allowances based on its historical experience. The Company's revenues are derived from its subsidiaries, 1stPoint Communications, LLC, Endstream Communications, LLC and Shelcomm, Inc. 1stPoint's and Shelcomm's revenues are derived from retail web and voice hosting services as well as carrier hosting services. These are contracted agreements which are billed monthly, and revenues are recognized in the period in which the services are rendered. In some cases customers sign longer term agreements (up to two years) and prepay for those services. Revenues are recognized in the period the services are delivered. Endstream's revenue is derived from post-paid and pre-paid wholesale voice services and billed on a usage basis. Revenues are recognized in the period in which the services are delivered.

Income taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, "Accounting for Income Taxes". The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Fair value measurements

The Company adopted the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures", which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The estimated fair value of certain financial instruments, including cash and cash equivalents are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 - quoted prices in active markets for identical assets or liabilities

Level 2 - quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 - unobservable inputs reflecting management's assumptions about the inputs used in pricing the asset or liability. Financial assets and liabilities (including warrants) approximate fair value.

All financial assets and liabilities are approximate their fair value. Warrants are valued at Level 3.

Fair Value Measurements

		Fair Value Measurements at July 31, 2023		
		using:		
	July 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Liabilities	\$ —	—	—	—
Warrant Liabilities	\$ 195,750	—	—	195,750

		Fair Value Measurements at July 31, 2022		
		using:		
	July 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Liabilities	\$ —	—	—	—
Warrant Liabilities	\$ 213,750	—	—	213,750

The warrant liabilities are measured at fair value using quoted market prices and estimated volatility factors based on historical prices for the Company's common stock and are classified within Level 3 of the valuation hierarchy.

The following table provides a summary of changes in fair value of the Company's Level 3 financial liabilities as of July 31, 2023, and 2022:

	July 31, 2023	July 31, 2022
Balance, January 1	\$ 213,750	\$ —
Additions	—	270,750
Change in fair value of derivative liabilities	(35,862)	(57,000)
Balance, December 31	\$ 195,750	\$ 213,750

Consolidation of financial statements

Hammer Fiber Optics Holdings Corp. is the parent company and sole shareholder of Hammer Wireless Corporation, Hammer Fiber Optic Investments Ltd, 1stPoint Communications, LLC, Endstream Communications, LLC, Shelcomm, Inc., American Network, Inc. and HammerPay [USA], Inc. The company is also the beneficial owner of Hammer Wireless SL. The financial statements for Hammer Fiber Optics Holdings Corp. and its subsidiaries are reported on a consolidated basis. All significant intercompany accounts and transactions have been eliminated. Hammer Fiber Optics Investments, Ltd and Open Data Centers, LLC and Hammer Wireless (SL) Ltd have been discontinued and are reported on a summarized basis in consolidation. Open Data Centers was dissolved on December 30, 2020.

Segment Information

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker ("CODM"), or decision-making group, in making decisions on how to allocate resources and assess performance. The Company has one operating segment.

Basic and Diluted Earnings (Loss) per Common Share

The basic earnings (loss) per share are calculated by dividing the Company's net income available to common shareholders by the weighted average number of common shares during the year. The diluted earnings (loss) per share is calculated by dividing the Company's net income (loss) available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Diluted earnings (loss) per share are the same as basic earnings (loss) per share due to the lack of dilutive items in the Company and the fact that the Company has a net loss for the periods presented. As of July 31, 2023 and 2022, there were no common stock equivalents outstanding.

As of July 31, 2023 the Company had 600,000 shares of potentially dilutive warrants.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses. This ASU added a new impairment model (known as the current expected credit loss (“CECL”) model) that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of expected credit losses. The CECL model applies to most debt instruments, trade receivables, lease receivables, financial guarantee contracts, and other loan commitments. The CECL model does not have a minimum threshold for recognition of impairment losses and entities will need to measure expected credit losses on assets that have a low risk of loss. The Company adopted this ASU on a prospective basis as of August 1, 2022, and the adoption of this guidance had no material impact on the consolidated financial statements.

In August 2020, the FASB issued ASU 2020-06, “Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40)”. This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock, as well as amend the guidance for the derivatives scope exception for contracts in an entity’s own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. The Company adopted this ASU on a prospective basis as of August 1, 2023. The Company is currently evaluating any impact the adoption of this ASU might have on its consolidated financial statements.

Reclassifications

Certain reclassifications have been made to the financial statements to conform to the consolidated 2023 financial statement presentation.

Accounts Receivable

Accounts receivable are recorded at invoiced amount and generally do not bear interest. An allowance for doubtful accounts is established, as necessary, based on past experience and other factors which, in management's judgment, deserve current recognition in estimating bad debts. Such factors include growth and composition of accounts receivable, the relationship of the allowance for doubtful accounts to accounts receivable and current economic conditions. The determination of the collectability of amounts due from customer accounts requires the Company to make judgments regarding future events and trends. Allowances for doubtful accounts are determined based on assessing the Company's portfolio on an individual customer and on an overall basis. This process consists of a review of historical collection experience, current aging status of the customer accounts, and the financial condition of the Company's customers. The allowance for doubtful accounts was approximately \$11,000 and \$0 as of July 31, 2023 and 2022.

NOTE 4 - GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has consistently sustained losses since its inception. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a period of one year from the issuance of these financial statements. The Company's continuation as a going concern is dependent upon, among other things, its ability to increase revenues, adequately control operating expenses and receive debt and/or equity capital from third parties. No assurance can be given that the Company will be successful in these efforts.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company intends to continue to address this condition by seeking to raise additional capital through the issuance of debt and/or the sale of equity until such time that ongoing revenues can sustain the business, at which time capitalization may be considered through other means.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 5 - RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

Subsequent to the Company's filing of its Annual Report on Form 10-K for the year ended July 31, 2022, with the Securities and Exchange Commission on February 8, 2023, the Company performed an evaluation of its accounting in connection with warrants issued in conjunction with the February 11, 2022 Mast Hill Fund, L.P. and February 17, 2022 Talos Victory Fund, L.P. convertible notes. Management determined that the Original Form 10-K does not give effect to \$196,043 in expense and the issuance of warrant (the "Warrants") to purchase shares at a price between \$1.50 and \$3.00 per share of the common stock outstanding. Accordingly, the Company restates its consolidated financial statements in this Form 10-K as outlined further below. Upon review of the Company's previously filed 10-K, the following errors were discovered and recorded:

1. Certain intellectual property (platform software) for the HammerPay subsidiary has been reclassified as an intangible asset.
2. Financing expense associated with the two convertible notes have been accrued and amortized instead of expensed in accordance with ASC 470-20-25.
3. Warrants issued in conjunction with two convertible notes have been valued in accordance with ASC 820-10 as clarified by ASU 2022-03.
4. The Balance Sheet, Statement of Operations and Statement of Cash Flows has been adjusted to reflect the change in warrant financing expenses and expenses associated with the convertible notes. Adjustments to the fair value of the warrants has been reflected as other income.
5. Item 2: "Management's Discussion and Analysis of Financial Condition and Results of Operations" has been modified to reflect the change in warrant financing expenses and expenses associated with the convertible notes.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 5 - RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS (CONTINUED)

The following table sets forth the effects of the adjustments on affected items within the Company's previously reported consolidated balance sheets for the year ended July 31, 2022:

	July 31, 2022	Adjustments	July 31, 2022
	(As Filed)		(As Restated)
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 482,910	-	\$ 482,910
Accounts receivable	216,834	-	216,834
Security Deposits	11,082	-	11,082
Prepaid expenses	14,746	-	14,746
Total current assets	<u>725,572</u>		<u>725,572</u>
Property and equipment, net	278,345	141,000 (1)	137,345
Intangible and other assets	7,323,702	(141,000) (1)	7,464,702
Assets from Discontinued Operations	1,243,960	-	1,243,960
Total assets	<u>\$ 9,571,579</u>		<u>\$ 9,571,579</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)			
Current Liabilities			
Accounts payable and accrued expenses	\$ 1,130,465	211,822 (2)	\$ 1,342,287
Loans payable	1,544,935	(230,242) (2)	1,314,693
Warrant Liabilities	-	213,750 (2)	213,750
Deferred Revenue	321,074	-	321,074
Liabilities from Discontinued Operations	546,304	-	546,304
Total Liabilities	<u>3,542,778</u>		<u>3,738,108</u>
Stockholders' Equity (Deficit)			
Common stock, \$0.001 par value, 250,000,000 shares authorized 62,205,947 and 61,565,851 shares issued; 60,452,612 and 59,812,506 shares outstanding at July 31, 2023 and 2022, respectively	\$ 61,566	-	\$ 61,566
Additional paid-in capital	27,564,129	-	27,564,129
Accumulated deficit	(21,596,894)	(195,330) (2)	(21,792,224)
Total Stockholder's Equity (Deficit)	<u>6,028,801</u>		<u>5,833,471</u>
Total Liabilities and Stockholders' Equity (Deficit)	<u>\$ 9,571,579</u>		<u>\$ 9,571,579</u>

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 5 - RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS (CONTINUED)

The following table sets forth the effects of the adjustments on affected items within the Company's previously reported consolidated statements of operations for the year ended July 31, 2022:

	July 31, 2022	Adjustments	July 31, 2022
	(As Filed)		(As Restated)
Revenues	\$ 2,602,115	\$ -	\$ 2,602,115
Costs and expenses:			
Cost of sales	2,022,190	-	2,022,190
Selling, general and administrative expenses	1,062,163	-	1,062,163
Depreciation expense	65,487	-	65,487
Total operating expenses	3,149,840	-	3,149,840
Operating loss	(547,725)	-	(547,725)
Other income (expense)			
Other Income	-	-	-
Interest expense	(11,587)	(78,339) (2)	(89,926)
Warrant financing expense	-	(125,025) (2)	(125,025)
Financing expenses	(586,133)	(49,679) (2)	(635,812)
Warrant adjustment to fair value	-	57,000 (2)	57,000
Other expenses	(12,040)	-	(12,040)
Total other expenses	(609,760)		(805,803)
Income (loss) Before Discontinued Operations	(1,157,485)		(1,353,528)
Income (loss) From Discontinued Operations	-	-	-
Net income (loss)	\$ (1,157,485)		\$ (1,353,528)
Weighted average number of common shares outstanding - basic and diluted	61,382,496		61,565,841
Loss per share- basic and diluted			
Continuing operations	\$ (0.02)		\$ (0.02)
Discontinued operations	-		-
Total	\$ (0.02)		\$ (0.02)

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 5 - RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS (CONTINUED)

The following table sets forth the effects of the adjustments on affected items within the Company's previously reported consolidated statements of cash flows for the year ended July 31, 2022:

	July 31, 2022	Adjustments	July 31, 2022
	(As Filed)		(As Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Loss	\$ (1,157,485)	\$ (196,043)	\$ (1,353,528)
Loss from discontinued operations	-	-	-
Adjustments to reconcile net loss to net cash provided by operating activities:			
Gain on loan forgiveness	-	-	-
Depreciation expense	64,327	1,160 (1)	65,487
Warrant adjustment to Fair Value	-	(57,000) (2)	(57,000)
Non-cash expense	-	454,908 (2)	454,908
Changes in operating assets and liabilities:			
Accounts receivable	(46,860)	115,032 (2)	68,172
Security deposits	-	-	-
Prepaid expenses	62	-	62
Accounts payable	348,680	85,471 (2)	434,151
Deferred revenue	21,879	(5) (2)	21,874
Net cash provided by (used in) operating activities- continuing operations	(769,397)		(365,874)
Net cash provided by (used in) operating activities- discontinued operations	(50,212)		(86,081)
Net cash provided by (used in) operating activities	(819,609)		(451,955)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	(205,060)	158,167 (2)	(46,893)
Purchase of licenses	-	-	-
Acquisition of customer contracts	-	-	-
Net cash provided by (used in) investing activities- continuing operations	(205,060)		(46,893)
Net cash provided by (used in) investing activities- discontinued operations	-	-	-
Net cash provided by (used in) investing activities	(205,060)		(46,893)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans	(100,966)	39,666 (2)	(61,300)
Proceeds from loans	1,530,939	(565,487) (2)	965,452
Net cash provided by (used in) financing activities- continuing operations	1,429,973		904,152
Net cash provided by (used in) financing activities- discontinued operations	-		-
Net cash provided by (used in) financing activities	1,429,973		904,152
Net increase (decrease) in cash	405,304		405,304
Cash, beginning of period	77,606		77,606
Cash, end of period	\$ 482,910		\$ 482,910
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES:			
Cash paid for interest	\$ 11,587		\$ 11,587
Cash paid for taxes	\$ 2,040		\$ 2,040

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 5 - RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS (CONTINUED)

The specific explanations for the items noted above in the restated financial statements are as follows:

- (1) After reexamination of transactions that occurred in 2022, the Company has reclassified certain intellectual property (platform software) owned by subsidiary HammerPay from property, plant and equipment to intangible assets on its financial statements for the year ended July 31, 2022.
- (2) During February 2022, the Company entered into two convertible notes that included warrants exercisable for five years. Management determined that the original consolidated balance sheet, consolidated statement of operations, and consolidated statement of cash flows amounts did not give effect to the issuance of warrants to purchase shares at a price between \$1.50 and \$3.00 per share of the common stock outstanding. The Company recorded an additional expense of \$196,043 in relation to the Warrant.
 - Financing expense associated with these convertible notes have been accrued and amortized instead of expensed in accordance with ASC 470-20-25.
 - The warrants issued in conjunction with the aforementioned February 2022 convertible notes have been valued in accordance with ASC 820-10 as clarified by ASU 2022-03.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 6 - DISCONTINUED OPERATIONS

Hammer Fiber Optics Investment Ltd ceased operations on October 31, 2018 when Verizon Communications, LLC terminated the spectrum lease agreement. The operations of Hammer Fiber Optics Investments, Ltd were classified as a discontinued operation. Open Data Centers, LLC ceased operating in its Piscataway, NJ location in May 2020. Hammer Wireless (SL) Ltd ceased operating in Sierra Leone in March 2020. Reporting of the discontinued operations is in accordance with Accounting Standards Update No. 2014-08, Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. The following summarizes the assets and liabilities of the discontinued operations:

	July 31, 2023	July 31, 2022
Assets		
Current Assets		
Cash	\$ -	\$ -
Accounts receivable	-	-
Other current assets	-	-
Total current assets	-	-
Other Assets		
Property and equipment- net	-	1,243,960
Intangible assets	-	-
Total other assets	-	1,243,960
Total Assets	\$ -	\$ 1,243,960
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 545,994	\$ 546,304
Notes payable- related parties	-	-
Current portion of long-term notes payable - related parties	-	-
Accrued interest	-	-
Rent Concessions	-	-
Total current liabilities	545,994	546,304
Net assets (liabilities)	\$ (545,994)	\$ 697,656

The following summarizes the operations of the discontinued operations:

	July 31, 2023	July 31, 2022
Revenue	\$ -	\$ -
Operating expenses		
Operations and maintenance	-	-
General and administrative	-	-
Depreciation and amortization	-	-
Impairment expense	(1,013,600)	-
Loss from operations	(1,013,600)	-
Other income (expense)	-	-
Interest expense	-	-
Interest income	-	-
Total other income (expense)	-	-
Net Income	\$ (1,013,600)	\$ -

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 7 - PROPERTY AND EQUIPMENT

As of July 31, 2023, property and equipment from ongoing operations included:

	Amount	Life
Computer and Telecom equipment	\$ 1,275,031	5 years
Less: Accumulated depreciation	(1,185,319)	
Total	<u>\$ 89,712</u>	

Depreciation expense was \$60,283 and \$65,487 for the years ended July 31, 2023 and 2022, respectively.

NOTE 8 - INDEFINITE LIVED INTANGIBLE ASSETS

The Company has \$18,934 of recognized indefinite lived intangible assets, which consist of the ownership of Internet Protocol version 4 (IPv4) address blocks.

These assets are not amortized and are evaluated routinely for potential impairment. If a determination is made that the intangible asset is impaired after performing the initial qualitative assessment, the asset's fair value will be calculated and compared with the carrying value to determine whether an impairment loss should be recognized.

NOTE 9 - RELATED PARTY TRANSACTIONS

During the current fiscal year ending on July 31, 2020, the Company entered into convertible notes with a the Chief Executive Officer and a relation of the Chief Executive Officer on April 20th and May 5th 2020 in the amounts of \$36,300, and \$12,000 respectively. The \$12,000 note was paid on May 12th, 2020. The Company entered into a convertible note with a related party on August 22, 2019 in the amount of \$12,000. \$4,500 has been repaid. The Company entered into a convertible note with two related parties (who were former partners in 1stPoint Communications, LLC) on August 24, 2019 in the amount of \$12,000 and \$6,000 respectively. Any interest may be accrued as either cash or stock at the option of the Company. During the current fiscal year ending July 31, 2020, the Company entered into Stock Purchase Agreements from a related party in the amount of \$10,000 on August 15, 2020, \$25,000 on March 17, 2020, and \$40,000 on March 26, 2020. On September 1, 2020, the Company entered into a promissory note for the sum of \$100,000 with a non-executive director. The note bears interest at a rate of 6%, payable at the end of the term, but has been waived by the lending party. On November 23, 2020, and on January 19, 2021 the Company entered into promissory notes for the sums of \$10,000 and \$75,000 with a non executive director. These notes bear interest at a rate of 6%, payable at the end of the term and may be convertible into common stock at the Company's option. Interest has been waived by the lender.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 9 - RELATED PARTY TRANSACTIONS (CONTINUED)

On February 26, 2021, March 9, 2021 and March 15, 2021 the Company entered into promissory notes for the sums of \$25,000, \$100,000 and \$25,000 respectively, with a non-executive director. These notes are bear interest at a rate of 6% payable at the end of the term unless forgiven by the note holder and may be converted into common stock at the Company's option. The interest has been waived by the lender.

On January 15, 2022 the Company entered into a promissory note for the sum of \$25,000 with a non-executive director. These notes bear interest at a rate of 6%, annually, to be expensed at the end of the note upon conversion by the holder, may be waived or otherwise forgiven by the note holder and may be convertible into common stock at the Company's option, and on December 28, 2021, January 12, 2022 and January 21, 2022 1stPoint Communications, LLC entered into three notes in the amounts of \$10,200, \$7,600 and \$4,000 with a a relation of the Chief Executive Officer of 1stPoint Communications, under the same terms as the note on January 15, 2022. Interest has been waived by the lender on all notes.

On February 28, 2022 and March 7, 2022 the Company entered into a promissory note totaling \$25,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On June 22, 2022 and July 28, 2022 the Company entered into a promissory note totally \$27,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On November 14, 2022 the Company entered into a promissory note totally \$26,500 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On March 29, 2023 the Company entered into a promissory note totally \$9,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On May 5, 2023 the Company entered into a promissory note totally \$25,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On May 23, 2023 the Company entered into a promissory note totally \$25,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On June 7, 2023 the Company entered into a promissory note totally \$25,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On June 13, 2023 the Company entered into a promissory note totally \$16,500 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. On July 6, 2023 the Company entered into a promissory note totally \$25,000 with a non-executive director. The interest of this note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option.

As of July 31, 2023, all of the related party payables are reported as current liabilities in the Consolidated Balance Sheet and all interest has been forgiven by the holders of all promissory notes from all related parties.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 10 - CONVERTIBLE DEBT

As of 31 July 2023, The company has convertible notes with related parties in the amounts of \$24,253, \$161,300, \$12,000, \$6,000, \$7500, \$36,600 and \$472,500 that convert into Common Stock at the Company's option and bear interest at a rate of 6% annually, to be expensed at the time of conversion. All interest on these notes have been forgiven by the parties.

On February 11, 2022, the Company entered into a Securities Purchase Agreement (the "Mast SPA") by and between the Company and Mast Hill Fund, L.P. ("Mast"). Pursuant to the terms of the Mast SPA, the Company agreed to sell to Mast and Mast agreed to purchase from the Company, a promissory note in the aggregate principal amount of \$550,000 (the "Mast Note"), convertible into shares of the Company's common stock upon the terms and subject to the limitations and conditions set forth in the Mast Note. The Mast Note has an original issue discount of \$55,000, resulting in gross proceeds to the Company of \$495,000. Mast has piggyback registration rights pursuant to the terms of the Mast SPA.

Pursuant to the terms of the Mast SPA, the Company also agreed to issue (i) a common stock purchase warrant to purchase 150,000 shares of Company common stock at an exercise price of \$3.00, subject to adjustment as set forth therein (the "Mast First Warrant"), (ii) a common stock purchase warrant to purchase 150,000 shares of Company common stock at an exercise price of \$1.50, subject to adjustment as set forth therein (the "Mast Second Warrant" and together with the Mast First Warrant, the "Mast Warrants"), and (iii) 475,000 shares of Company common stock to Mast as additional consideration for the purchase of the Mast Note.

The Mast Note bears interest at a rate of 12% per annum and matures on February 11, 2023. Any amount of principal or interest on the Mast Note which is not paid when due will bear interest at a rate of the lesser of (i) 16% per annum and (ii) the maximum amount permitted by law. The Mast Note may not be prepaid in whole or in part except as provided in the Mast Note by way of conversion at Mast's option. Mast has the right at any time to convert all or any part of the outstanding and unpaid principal amount and interest of the Mast Note into common stock, subject to a 4.99% equity blocker, at a conversion price of \$0.58 per share; *provided, however*, that Mast is entitled to deduct \$1,750 from the conversion amount in each case to cover Mast's fees associated with conversion. Mast's right to exercise each of the Mast Warrants is subject to a 4.99% equity blocker. Each of the Mast Warrants expires on the five-year anniversary of issuance.

The foregoing description of the Mast SPA, the Mast Note and the Mast Warrants does not purport to be complete and is qualified in its entirety by reference to the Mast SPA, the Mast Note, the First Mast Warrant and the Second Mast Warrant, copies of which are filed as Exhibits 10.1, 10.2, 10.3 and 10.4 to Form 8-K filed on February 23, 2022.

On February 17, 2022, the Company entered into a Securities Purchase Agreement (the "Talos SPA") by and between the Company and Talos Victory Fund, LLC ("Talos"). Pursuant to the terms of the Talos SPA, the Company agreed to sell to Talos, and Talos agreed to purchase from the Company, a promissory note in the aggregate principal amount of \$275,000 (the "Talos Note"), convertible into shares of the Company's common stock upon the terms and subject to the limitations and conditions set forth in the Talos Note. The Talos Note has an original issue discount of \$27,500, resulting in gross proceeds to the Company of \$247,500. Talos has piggyback registration rights pursuant to the terms of the Talos SPA. Pursuant to the terms of the Talos SPA, the Company also agreed to issue (i) a common stock purchase warrant to purchase 75,000 shares of Company common stock at an exercise price of \$3.00, subject to adjustment as set forth therein (the "Talos First Warrant"), (ii) a common stock purchase warrant to purchase 75,000 shares of Company common stock at an exercise price of \$1.50, subject to adjustment as set forth therein (the "Talos Second Warrant" and together with the Talos First Warrant, the "Talos Warrants"), and (iii) 237,500 shares of Company common stock to Talos as additional consideration for the purchase of the Talos Note. Talos converted the note into 512,696 shares of HMMR common stock on October 4, 2022.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 11 - INCOME TAXES

The Company's income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best estimate of current and future taxes to be paid. The Company is subject to income taxes in the United States and numerous foreign jurisdictions. Significant judgments and estimate are required in the determination of the consolidated income tax expense.

The reconciliation of income tax benefit at the U.S. statutory rate of 21% for the fiscal year ended July 31, 2023 and 2022, to the Company's effective tax rate is as follows:

	July 31,	
	2023	2022
Income tax benefit provision at statutory rate	\$ (1,920,242)	\$ 187,671
Change in valuation allowance	1,920,242	(187,671)
	<u>\$ -</u>	<u>\$ -</u>

The tax effects of temporary differences that give rise to the Company's net deferred tax assets as of July 31, 2023 and 2022 are as follows:

	July 31,	
	2023	2022
Net operating gain/loss	\$ (1,920,242)	\$ (893,672)
Valuation allowance	1,920,242	893,672
	<u>\$ -</u>	<u>\$ -</u>

The Tax Cuts and Jobs Act of 2017 (the Act) reduced the statutory corporate federal income tax rate from 35% to 21% beginning in 2018. The blended tax rate for 2018 considered the tax laws enacted in 2017. The tax effect of temporary differences from net operating losses ("NOL") has been reduced to reflect the newly enacted rates.

The Company has approximately \$22,912,000 of NOL carried forward to offset taxable income in future years. The tax laws enacted in 2017 also changed the treatment of NOL. Prior to the change, NOL could be carried back up to two years and carried forward up to 20 years to offset taxable income. In the new tax law, the NOL that can be carried forward is limited to 80% of the taxable income, can no longer be carried back, but are allowed to be carried forward indefinitely. The new law will apply to NOL arising in tax years beginning 2019. December 31, 2017, hence, \$3,000,000 of the NOL will be subject to the 80% limitation and will be carried forward indefinitely while \$19,297,000 of the NOL will be carried forward for 20 years and will begin to expire in 2036.

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the period in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the assessment, management has established a full valuation allowance against all of the deferred tax assets relating to NOLs for every period because it is more likely than not that all of the deferred tax asset will not be realized.

HAMMER FIBER OPTICS HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 11 - INCOME TAXES (CONTINUED)

As of July 31, 2023 and 2022, the Company has no unrecognized income tax benefits. The Company's policy for classifying interest and penalties associated with unrecognized income tax benefits is to include such items as a tax expense. No interest or penalties have been recorded during the years ended July 31, 2023 and 2022. As of July 31, 2023 and 2022, the Company did not have any amounts recorded pertaining to uncertain tax positions.

The tax years from 2016 and forward remain open to examination by federal and state authorities due to net operating loss and credit carryforwards. The Company is currently not under examination by the Internal Revenue Service or any other taxing authorities.

NOTE 12 - STOCKHOLDERS' EQUITY

Common Stock

On October 4, 2022, Talos converted the promissory convertible note into 512,696 shares of the Company's common stock (see Note 10).

Treasury Stock

The balance of Company Treasury Stock was unchanged during the period.

Unissued Stock

On March 6, 2023, Mast Hill amended the terms of its promissory note. The terms included the issuance of 475,000 shares of the Company's common stock. The stock had not been issued until after July 31, 2023. The fair value of the stock at \$105,925 has been recognized as a liability on the consolidated balance sheet as of July 31, 2023.

NOTE 13 - COMMITMENTS AND LEASES

Hammer does not currently have any material long term lease obligations. All leases are currently month-to-month and have no obligations pursuant to ASC 842. There are two month-to-month tenancy agreements for office space which are less than \$2,000 per month.

NOTE 14 - FOREIGN CURRENCY

We transact business in various foreign currencies including the Euro. In general, the functional currency of a foreign operation is the local country's currency. Consequently, revenues and expenses of operations outside the United States are translated into USD Dollars using the weighted-average exchange rates on the period end date and assets and liabilities of operations outside the United States are translated into US Dollars using the change rate on the balance sheet dates. The effects of foreign currency translation adjustments are not material to the Company's accompanying financial statements.

NOTE 15 - CLAIMS

From time to time, the Company may become subject to various legal proceedings that are incidental to the ordinary conduct of its business. Although the Company cannot accurately predict the amount of any liability that may ultimately arise with respect to any of these matters, it makes provision for potential liabilities when it deems them probable and reasonably estimable. These provisions are based on current information and legal advice and may be adjusted from time to time according to developments. The following parties have filed claims against Hammer Fiber Optics Investments Ltd and are not secured:

Calvi Electric v. Hammer Fiber Optics Inv, Ltd.	\$	9210
Horizon Blue Cross v. Hammer Fiber Optics Inv, Ltd.	\$	17,309
Cross River Fiber v. Hammer Fiber Optics Inv, Ltd.	\$	273,220

HAMMER FIBER OPTICS HOLDINGS CORP.
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NOTE 15 - CLAIMS (CONTINUED)

Cross River Fiber has advanced its claim against Hammer Fiber Optics Investments, Ltd. Cross River Fiber has expanded its claim to include Hammer Fiber Optics Holdings Corp, 1stPoint Communications, LLC, Endstream Communications, LLC, Open Data Centers, LLC, Manhattan Carrier Company, LLC, Erik Levitt personally, Local Telecommunications Services – FL, LLC, Local Telecommunications Services – NY, LLC, American Network Inc and Hammer Wireless Corporation. There never was, nor has there ever been, a contract between any of these entities or Mr. Levitt personally and Cross River Fiber, nor is there any security under the agreement between Cross River Fiber and Hammer Fiber Optics Investments, Ltd. After discovery in the claim against Hammer Fiber Optics Holdings Corp and its subsidiaries. A trial occurred on February 5th and 6th of 2024 and a ruling was issued at the end of the trial in favor of Hammer Fiber Optics Holdings Corp and its subsidiaries. An award was given to Cross River against one of the related parties to the claim of \$25,000. The judgement has not yet been entered.

NOTE 16 - WARRANTS

On February 11, 2022, the Company issued a purchase warrant to Mast Hill Fund, L.P. for 150,000 shares of the Company's common stock in conjunction with convertible debt. The warrants are exercisable for 5 years at \$1.50 per share. The warrants were evaluated for purposes of classification between liability and equity. Because the warrants were issued in conjunction with a debenture the warrants have been considered debt pursuant to ASC 820 Topic 10. On February 11, 2022, the Company issued a purchase warrant for to Mast Hill Fund, L.P. for 150,000 shares of the Company's common stock in conjunction with convertible debt. The warrants are exercisable for 5 years at \$3.00 per share. The Company determined the Warrants should be classified as a liability as the warrants are redeemable for cash in the event of a fundamental transaction, as defined in the warrant agreement, which includes a change in control.

On February 17, 2022, the Company issued a purchase warrant to Talos Victory Fund, LLC for 75,000 shares of the Company's common stock in conjunction with convertible debt. The warrants are exercisable for 5 years at \$1.50 per share. The warrants were evaluated for purposes of classification between liability and equity. Because the warrants were issued in conjunction with a debenture the warrants have been considered debt pursuant to ASC 820 Topic 10.

On February 17, 2022, the Company issued a purchase warrant to Talos Victory Fund, LLC for 75,000 shares of the Company's common stock in conjunction with convertible debt. The warrants are exercisable for 5 years at \$3.00 per share. The warrants were evaluated for purposes of classification between liability and equity. Because the warrants were issued in conjunction with a debenture the warrants have been considered debt pursuant to ASC 820 Topic 10.

The Black Scholes model was used to determine the fair price of the warrants, including the use of the share price, exercise price, term, volatility, risk free interest rate and the dividend rate. The warrants were priced in each quarter and the carrying cost of the warrant adjusted in accordance with the model.

HAMMER FIBER OPTICS HOLDINGS CORP.
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JANUARY 31, 2024

NOTE 17 - OTHER INCOME (EXPENSE) AND DISCONTINUED AND CONTINUING OPERATIONS

Discontinued Operations

The remaining assets of the operations of Hammer Fiber Optics Investments, Ltd in Atlantic County, NJ have been written down and considered a loss from discontinued operations. The loss from discontinued operations was \$1,013,600. This is a one-time write-down and will not recur.

The remaining assets of the operations of Hammer Wireless [SL] Ltd in Sierra Leone have been written down and considered a loss from discontinued operations. The loss from discontinued operations was \$40,506.80. This is a one-time write-down and will not recur.

Other Income

Manage evaluated the deferred revenue of the 1stPoint Communications, LLC business unit and determined that certain revenues had not been reflected in prior periods due to changes in the underlying systems relating to its web hosting business. As a result management adjusted the deferred revenue from prior periods as Other Income. Adjustments to the current period were considered revenues in the period. The Other Income from prior periods was \$135,037.12. Management evaluated revenue from Endstream Communications and recognized a customer prepayment of \$5.38. These are not expected to recur.

On October 4, 2022 Talos Fund exercised its right to convert the principal and accrued interest from its promissory note in the amount of \$297,364 at \$0.58 per share of the Company's common stock. The conversion price was above the market price at closing of \$0.355 per share. Therefore the Company recognized a gain of \$115,357 on conversion.

On March 23, 2023 Mast Hill exercised its rights to convert interest expense and transactions fees in the amount of \$73,897.80 at \$0.58 per share of the Company's common stock. The conversion price was above the market price at closing of \$0.489 per share. Therefore the Company recognized a gain of \$11,467.31 on conversion.

Financing Expenses

The company recognized financing expenses associated with notes payable to Synergy Finance of \$18,803.59 and \$27,598.86 to Forward Financing.

The company recognized \$209,129.91 in financing expenses associated with the Mast Hill note and Talos convertible notes.

Other Expenses

The company recognized a loss of \$170,368 on currency exchange in association with the discontinuation of the Hammer Wireless SL business unit. 1stPoint and Endstream recognized a loss of \$3,771 and \$5.52 respectively.

NOTE 18 - LOANS AND FINANCING AGREEMENTS

On March 20, 2023, 1stPoint Communications entered into a financing agreement with Greenbox Capital, also known as Synergy Finance in the amount of \$58,000 and \$2,320 in transaction fees. On July 31, 2023 the principal remaining was \$17,234.25

On February 26, 2021 Endstream Communications entered into a financing agreement with Forward Financing in the amount of \$40,000. The amount was refinanced on March 25, 2022 and again on November 16 2022 in the amount of \$141,750. On July 31, 2023 the principal remaining was \$40,234.21.

NOTE 19 - SUBSEQUENT EVENTS

Since July 31, 2023 the Company has entered into several promissory notes with a non-executive director. These notes total \$406,035. The interest on these note has been forgiven by the note holder and may be converted into the Company's common stock at the Company's option. The dates of the notes were August 8, 2023, August 11, 2023, August 31, 2023, September 22, 2023, October 17, 2023, October 24, 2023, November 3, 2023, November 6, 2023, December 1, 2023, December 4, 2023, December 13, 2023 and December 28 2023 and January 29, 2024. The notes on August 8, August 31, September 22, October 17, October 24, November 3, November 6, December 1 and December 28 2023 have a principal of \$25,000. The November 6, 2023 note has a principal of \$100,000. The note on December 13, 2023 has a principal of \$20,000 and the note on December 4, 2023 has a principal of \$17,500. The note on January 29, 2024 has a principal amount of \$50,000.

On August 23, 2023 the Company issued 475,000 shares to Mast Hill Fund pursuant to the amendment of the terms of its promissory note. The fair value of these shares is reflected as a liability (unissued stock).

Management has reviewed the subsequent events and there is no material impact on the current financial statements or the valuation of the business.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL STATEMENTS

On November 14, 2022, we dismissed as our independent public accounting firm Boyle CPA (the "Dismissal"). The Dismissal is due to Boyle CPA's failure to provide any meaningful responses to our repeated communications since the September 9, 2022 Engagement Letter with Boyle CPA regarding the audit to be performed by Boyle CPA for the audit year end of July 31, 2022 (the "Audit"), leading us to the conclusion that Boyle CPA was not committed to working on the Audit. On November 14, 2022, our Board of Directors unanimously approved a resolution to dismiss Boyle CPA effective immediately as of November 14, 2022. During the years ending July 31, 2019, 2020 and 2021, respectively and the subsequent interim periods through October 31, 2022 and to present there were no (1) disagreements with Boyle CPA on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedures, or (2) reportable events under Item 301(a)(1)(v) of Regulation S-K. On November 14, 2022, the Board of Directors of the Company unanimously passed a resolution to appoint Fruci and Associates II, PLLC as our new independent public accounting firm.

ITEM 9A(T). CONTROLS AND PROCEDURES

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and our chief financial officer (who is acting as our principal executive officer, principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure. As of July 31, 2023, we carried out an evaluation, under the supervision of our Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. The officer concluded that the disclosure controls and procedures were not effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control include providing management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States. Our management assessed the effectiveness of our internal control over financial reporting as of July 31, 2022. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework. Our management has concluded that, as of July 31, 2023, our internal control over financial reporting was not effective. This annual report does not include an attestation report of our company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit our company to provide only management's report in this annual report.

Inherent limitations on effectiveness of controls

Internal control over financial reporting has inherent limitations which include but is not limited to the use of independent professionals for advice and guidance, interpretation of existing and/or changing rules and principles, segregation of management duties, scale of organization, and personnel factors. Internal control over financial reporting is a process which involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis, however these inherent limitations are known features of the financial reporting process and it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting that occurred during the year ended July 31, 2023 that have materially or are reasonably likely to materially affect, our internal controls over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Identification of Executive Officers and Directors of the Company

Name and Address of Beneficial Owner Directors and Officers:	Age	Class	Shares Held or Controlled	Percentage of Class ¹
Michael Cothill ² Principal Executive Officer & Executive Director 6151 Lake Osprey Drive Sarasota, FL 34240	66	Common	4,350,000	7.1%
Erik B. Levitt ³ Principal Financial Officer, President & Executive Director 401 East 34 th Street, Suite #N27J New York, NY 10016	49	Common	2,384,310	3.9%
Michael Sevell ⁴ Director 6151 Lake Osprey Drive Sarasota, FL 34240	69	Common	9,857,359	16.0%
Mark Stogdill ⁵ Director 6151 Lake Osprey Drive Sarasota, FL 34240	43	Common	5,000,000	8.1%
Kristen Vasicek ⁶ Secretary & COO 401 East 34 th Street, Suite #N27J New York, NY 10016	42	Common	261,719	>1.0%
All executive officers and directors as a group (5 people)		Common	20,544,856	35.5%

- The number and percentage of shares beneficially owned is determined under rules promulgated by the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has sole or shared voting power or investment power and also any shares, which the individual has the right to acquire within 60 days through the exercise of any stock option or other right. The entities or persons named in the table have sole voting and investment power with respect to all shares of common stock shown that are beneficially owned by them, subject to community property laws where applicable and the information contained in the footnotes to this table.
- On August 1, 2016, Michael Cothill was appointed as the Company's Treasury and Chairman of the Company's Board of Directors. The beneficial ownership of our Chairman, Michael Cothill, is held through Ambleside Trust, of which he is the Managing Member.
- Erik Levitt's ownership is composed of 2,384,310 shares owned directly, as follows: (a) 91,800 shares issued (pursuant to an the September 11, 2018 Purchase Agreement for our purchase of Shelcomm, Inc.) ("Shelcomm"), in exchange for Erik Levitt's respective equity ownership in Shelcomm; and (b) 199,954 shares issued (pursuant to the September 12, 2018 Purchase Agreement for our purchase of Open Data Centers ("Open Data") in exchange for Erik Levitt's respective ownership of Open Data Centers, LLC.

In addition, pursuant to vesting schedules, Erik Levitt will receive 1,534,325 shares through a single member LLC, Manhattan Carrier Company ("Manhattan"), of which he is the sole member, as follows: (i) 665,808 shares issued to (pursuant to the September 11, 2018 Purchase Agreement providing for our 100% purchase of Endstream Communications, LLC ("Endstream"), which included Erik Levitt's respective ownership of Endstream; (ii) 871,517 shares issued to (pursuant to the September 11, 2018 Purchase Agreement providing for our 100% purchase of 1stPoint Communications, LLC) ("1stPoint"), including Erik Levitt's respective ownership of 1stPoint. Amendment 2 to the Stock Purchase Agreement for Endstream and 1stPoint Communications altered the 539 Plan, and Mr. Levitt received 159,800 shares of Common Stock in exchange for Erik Levitt's respective ownership of Endstream Communications, LLC and 226,845 shares of Common Stock in exchange for Erik Levitt's respective ownership of 1stPoint Communications, LLC. In accordance with Amendment 2 of the Stock Purchase Agreements for Endstream and 1stPoint Communications altered the Plan and Mr. Levitt received an additional 141,817 shares of Stock.

4. Michael Sevell's ownership of 9,857,359 shares is composed of: (a) 7,665,039 shares owned directly by Michael Sevell; and (b) 2,192,500 shares representing his indirect ownership through 2,192,500 shares owned by Forefront Investors, LLC., for which Michael Sevell has sole dispositive power.
5. Mark Stogdill's ownership is 5,000,000 shares represents his indirectly ownership of 5,000,000 shares owned by Arradis Enterprises, LLC, a Limited Liability Company under his control and for which he has sole dispositive power.
6. Kristen Vasicek received 261,791 shares associated with the 2018 Purchase Agreements of Endstream Communications, LLC, and 1stPoint Communications, LLC, as amended under Amendment 2 of the Stock Purchase Agreement, which altered the 539 Vesting Plan.

Term of Office

Each director of the Company serves for a term of one year and until his successor is elected and qualified at the next Annual Shareholders' Meeting, or until his death, resignation or removal. Each officer of the Company serves for a term of one year and until his successor is elected and qualified at a meeting of the Board of Directors.

Significant Employees

Michael P. Cothill - Executive Chairman

Erik B. Levitt - Principal Financial Officer, CEO - 1stPoint Communications

Kristen Vasicek - Chief Operating Officer

Family Relationships

None.

Involvement in Certain Legal Proceedings

During the past ten years no director, executive officer, promoter or control person of the Company has been involved in the following:

- (1) A petition under the Federal bankruptcy laws or any state insolvency law which was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;
- (2) Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (3) Such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:
 - (i) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
 - (ii) Engaging in any type of business practice; or
 - (iii) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;
- (4) Such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (f)(3)(i) of this section, or to be associated with persons engaged in any such activity;
- (5) Such person was found by a court of competent jurisdiction in a civil action or by the Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;
- (6) Such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;
- (7) Such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:
 - (i) Any Federal or State securities or commodities law or regulation; or

- (ii) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
- (iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- (8) Such person was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Code of Ethics

The Company has not adopted any formal Code of Ethics.

Committees of the Board of Directors

The Company does not presently have a separately designated standing audit committee, compensation committee, nominating committee, executive committee or any other committees of our Board of Directors. The functions of those committees are undertaken by our Board of Directors as a whole.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to the named persons for services rendered in all capacities during the noted periods.

SUMMARY COMPENSATION TABLE 1				
Name and Principal Position	Fiscal Year	Salary (\$)	All Other Compensation (\$)	Total (\$)
Michael P. Cothill Executive Director & Executive Chairman	2023	NIL	NIL	
	2022	70,000	NIL	70,000
Erik B. Levitt Executive Director & Principal Financial Officer, CEO - 1stPoint Communications, LLC	2023	NIL	NIL	NIL
	2022	NIL	NIL	11,000
Kristen Vasicek ⁶ Secretary & COO	2023	72,000	NIL	72,000
	2022	72,000	NIL	72,000

1. We have omitted certain columns in the summary compensation table pursuant to Item 402(a)(5) of Regulation S-K as no compensation was awarded to, earned by, or paid to any of the executive officers or directors required to be reported in that table or column in any fiscal year covered by that table.
2. The "All Other Compensation" column is used to disclose the aggregate amount of all compensation that the company could not properly report in any other column of the Summary Compensation Table.
3. Kristen Vasicek is employed by the company under an at-will employment agreement.

Option Grants

We have not granted any options or stock appreciation rights to our named executive officers or directors since inception. We do not have any stock option plans.

Management Agreements

None.

Pension, Retirement or Similar Benefit Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits to our directors or executive officers. We have no material bonus or profit-sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of the board of directors or a committee thereof.

Compensation Committee

We do not currently have a compensation committee of the board of directors or a committee performing similar functions. The board of directors as a whole participates in the consideration of executive officer and director compensation.

Indebtedness of Directors, Senior Officers, Executive Officers and Other Management

None of our directors or executive officers or any associate or affiliate of our company during the last two fiscal years is or has been indebted to our company by way of guarantee, support agreement, letter of credit or other similar agreement or understanding currently outstanding.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE***Related Party Transactions***

None of the directors or executive officers of the Company, nor any person who owned of record or was known to own beneficially more than 10% of the Company's outstanding shares of its common stock, nor any associate or affiliate of such persons or companies, has any material interest, direct or indirect, in any transaction that has occurred during the past two fiscal years, or in any proposed transaction, which has materially affected or will affect the Company other than as disclosed at Note 8 to the financial statements.

With regard to any future related party transaction, we plan to fully disclose any and all related party transactions in the following manner:

- Disclosing such transactions in reports where required;
- Disclosing in any and all filings with the SEC, where required;
- Obtaining disinterested directors consent; and
- Obtaining shareholder consent where required.

Director Independence

For purposes of determining director independence, we have applied the definitions set out in NASDAQ Rule 5605(a)(2). The OTC PK on which shares of the Company's Common Stock are quoted does not have any director independence requirements. The NASDAQ definition of "Independent Director" means a person other than an Executive Officer or employee or any other individual having a relationship, which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Under the definitions outlined it is our opinion that Michael Sevell and Mark Stogdill are independent directors.

Review, Approval or Ratification of Transactions with Related Persons

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 13. PRINCIPAL ACCOUNTING FEES AND SERVICES

The company employs Pre-Approval Policies and Procedures Prior to engaging our accountants to perform a particular service, our board of directors obtains an estimate for the service to be performed. All of the services described above were approved by the board of directors in accordance with its procedures.

Below is the aggregate amount of fees billed for professional services rendered by our principal accountants with respect to our last two fiscal years:

	2023	2022
Audit fees	\$ 33,500	\$ -
Audit related fees	-	-
Tax fees	-	-
All other fees	-	-
Total	<u>\$ 33,500</u>	<u>\$ -</u>

All of the professional services rendered by principal accountants for the audit of our annual financial statements that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for last two fiscal years were approved by our board of directors.

Maintaining Principal Accountant's Independence

Our Board of Directors has considered whether the provision of the services described herein are compatible with maintaining the principal accountant's independence and believes that such services do not compromise that independence.

PART IV

ITEM 14 - EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements

1. Financial statements for our company are listed in the index under Item 8 of this document
2. All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

Exhibit Number	Description of Exhibit	Filing
<u>2.2</u>	<u>Agreement and Plan of Merger by and between the Company and its wholly owned subsidiary Hammer Fiber Optics Holdings Corp.</u>	<u>Filed with the SEC on June 14, 2016, as part of our Current Report on Form 8-K.</u>
<u>3.1a</u>	<u>Articles of Incorporation</u>	<u>Filed with the SEC on March 2, 2012, as part of our Registration Statement on Form S-1.</u>
<u>3.1b</u>	<u>Articles of Merger Dated February 20, 2015</u>	<u>Intended to be Filed with the SEC on March 1, 2015, as part of our Current Report on Form 8-K. The Exhibit was not attached, accordingly the Articles of Merger was filed with the SEC on September 21, 2016, as part of our Amended Current Report on Form 8-K/A.</u>
<u>3.1c</u>	<u>Articles of Merger Dated April 13, 2016</u>	<u>Filed with the SEC on September 21, 2016, as part of our Amended Current Report on Form 8-K/A.</u>
<u>3.2</u>	<u>Bylaws</u>	<u>Filed with the SEC on March 2, 2012, as part of our Registration Statement on Form S-1.</u>
<u>31.1</u>	<u>Sec. 302 Certification of Principal Financial Officer</u>	<u>Filed herewith</u>
<u>32.1</u>	<u>Sec. 906 Certification of Principal Financial Officer</u>	<u>Filed herewith</u>
101 INS	Inline XBRL Instance Document-the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document	Filed herewith
<u>101.SCH</u>	<u>Inline XBRL Taxonomy Extension Schema Document</u>	<u>Filed herewith</u>
<u>101.CAL</u>	<u>Inline XBRL Taxonomy Extension Calculation Linkbase Document</u>	<u>Filed herewith</u>
<u>101.DEF</u>	<u>Inline XBRL Taxonomy Extension Definition Linkbase Document</u>	<u>Filed herewith</u>
<u>101.LAB</u>	<u>Inline XBRL Taxonomy Extension Label Linkbase Document</u>	<u>Filed herewith</u>
<u>101.PRE</u>	<u>Inline XBRL Taxonomy Extension Presentation Linkbase Document</u>	<u>Filed herewith</u>
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

HAMMER FIBER OPTICS HOLDINGS CORP

Date: May 7, 2024

/s/ Erik Levitt

Erik B. Levitt

Principal Financial Officer

Date: May 7, 2024

/s/ Michael Cothill

Michael P. Cothill

Principal Executive Officer

Date: May 7, 2024

/s/ Mark Stogdill

Mark Stogdill

Non-Executive Director

Date: May 7, 2024

/s/ Michael Sevell

Michael Sevell

Non-Executive Director

HAMMER TECHNOLOGY HOLDINGS

Certification of the Chief Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-

I, Erik B. Levitt, certify that:

1. I have reviewed this Annual Report on Form 10-K, of Hammer Technology Holdings;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. As the registrant's Principal Executive Officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and I have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

/s/ Erik B. Levitt

Erik B. Levitt
Principal Financial Officer

HAMMER TECHONOLGY HOLDINGS

**Certification of the Principal Financial Officer Pursuant to
18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the accompanying Annual Report on Form 10-K of Hammer Technology Holdings (the "Company") for the year ended July 31, 2023 (the "Report"), I, Erik B. Levitt, President and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2024

/s/ Erik B. Levitt

Erik B. Levitt

Principal Financial Officer
