Megola, Inc.

FINANCIAL STATEMENTS

For the Fiscal Year ended March 31, 2019
(Unaudited)

Prepared by Management

(Stated in US Dollars)

NOTE TO READER

Megola, Inc. ("Megola" or "the Company") was incorporated in the State of Nevada under the name SuperiorClean, Inc. on March 29, 2001 to franchise and support third party carpet cleaning operations. On September 25, 2003, the Company changed its name to Megola, Inc. pursuant to an acquisition agreement with Megola, Inc., an Ontario company ("Megola Canada"). On November 26, 2003, the Company and Megola Canada completed the agreement by way of a reverse acquisition. Megola Canada was formed to sell physical water treatment devices to a wide range of end-users in the United States, Canada and internationally under a license granted by Megola GmbH in Germany. Megola operated up until March 2016 when it no longer had the financial resources to continue to meet its ongoing obligations in the normal course and was subsequently struck in the State of Nevada.

The Company was reinstated on May 9, 2018 and on May 17, 2018, the 8th District Court for Clark County, Nevada, entered an Order granting the application for custodianship of Megola, Inc. to International Venture Society, LLC.

On September 24, 2018, Mr. William Eric Ottens, formerly our sole officer and director, paid $50,000 to the then controlling shareholder of the Company for 1 share of Special 2018 Series A Preferred Shares. This effected a change of control.

Upon discharge of the Company from Custodianship in fiscal 2018 (effected by the State of Nevada on February 2019) the Company adopted an opening balance sheet consisting only of those assets and liabilities identified during the custodianship. All assets and liabilities outstanding prior to the Company becoming defunct in fiscal 2016 were written off effective March 31, 2018, save for an identified advance payable to a company controlled by the officer and director of Megola Canada, our former 100% controlled subsidiary, and have been included in the Company's accumulated deficit. Concurrent with his appointment as the sole officer and director, Mr. William Eric Ottens, as the controlling shareholder, selected a fiscal year end of March 31. The Company is a shell, with no operations.

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Megola, Inc.
Balance Sheet
(Stated in U.S. Dollars)
(Unaudited)

		March 31, 2019
ASSETS		
Current Assets		
Cash and cash equivalents	$	-
Prepaid expenses		1,500
Total Current Assets		1,500
Total Assets	$	1,500
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	$	-
Advances Payable		-
Due to Shareholder		205,184
Advances Payable – related parties		1,500
Derivative liability (Note 7)		46,541,271
Total Current Liabilities		46,747,955
Total Liabilities	$	46,747,955
Stockholders' Deficit		
Common Stock – authorized 3,000,000,000 shares, $0.001 par value, 196,095,060 shares of common stock issued and outstanding as of March 31, 2019		196,095
2018 Special Series A Preferred Shares – authorized 1 share of $0.001 par value, 1 share issued and outstanding as of March 31, 2019		-
2018 Special Series B Preferred Shares – authorized 30,000,000 shares $0.001 par value, 10,000,000 shares issued and outstanding as of March 31, 2019		10,000
2018 Special Series D Preferred Shares – authorized 20,000,000 shares $0.001 par value, 20,000,000 shares issued and outstanding as of March 31, 2019		20,000
Series A Preferred Shares – authorized 200 shares, $0.001 par value, 70 shares issued and outstanding as of March 31, 2019		-
Series B Preferred Shares – 100 authorized shares $0.001 par value, 6 shares issued and outstanding as of March 31, 2019		-
Series C Preferred Shares – 100 authorized shares, $0.001 par value, 8 shares issued and outstanding as of March 31, 2019		-
Additional Paid in Capital		-
Accumulated Deficit		(46,972,550)
Total Stockholders' Equity (Deficit)		(46,746,455)
Total Liabilities and Stockholders' Deficit	$	1,500

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

Megola, Inc.
Statement of Operations
(Stated in U.S. Dollars)
(Unaudited)

		For the Fiscal Year Ended March 31, 2019
Revenues	$	-
Operating expenses:		
Management and consulting fees		30,000
Total operating expenses		(30,000)
Gain (loss) changes in derivative liability		(46,541,271)
Net income (loss)	$	(46,571,271)
Net loss per common share Basic and diluted	$	(0.24)
Weighted average number of common shares Basic and diluted		196,095,060

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

Megola, Inc.
Statement of Stockholders' Equity (Deficiency)
(Stated in U.S. Dollars)
(Unaudited)

	Preferred Stock (1)	Special 2018 Preferred Stock (2)	Common Stock		Additional Paid-in		Shareholders
	Amount	Amount	Shares	Amount	Capital	Deficit	(Deficit)
Balance, March 31, 2018	**$ -**	$ -	**196,095,060**	$ **196,095**	$ **-**	$ **(401,279)**	$ **(205,184)**
Shares Issued for Services	-	30,000	-	-	-	-	30,000
Loss for the period	-					(46,571,271)	(46,571,271)
Balance March 31, 2019	**$ -**	**$ 30,000**	**196,095**	**$ 196,095**	**$ -**	**$ (46,972,550)**	**$ (46,746,455)**

(1)

	Preferred Series A		Preferred Series B		Preferred Series C		Preferred Series D		Preferred Series E		Preferred Series F		Preferred Series G	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance, March 31, 2018	70	$ -	6	$ -	8	$ -	-	$ -	-	$ -	-	$ -	-	$ -
Balance, March 31, 2019	70	$ -	6	$ -	8	$ -	-	$ -	--	$ -	-	$ -	-	$ -

(2)

	Special 2018 Series A Preferred		Special 2018 Series B Preferred		Special 2018 Series D Preferred	
	Shares	Amount	Shares	Amount	Shares	Amount
Balance, March 31, 2018	-	**$** -	-	$ -	**$** -	$ -
Issuance	1	-	10,000,000	10,000	20,000,000	20,000
Balance March 31, 2019	**1**	$ **-**	**10,000,000**	$ **10,000**	$ **20,000,000**	$ **20,000**

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

Megola, Inc.
Statement of Cash Flows
(Stated in U.S. Dollars)
(Unaudited)

		For the fiscal year ended March 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$	(46,571,271)
Adjustments to reconcile net (loss) to net cash used in operating activities:		
(Gain) loss in change in derivative liability		46,541,271
Preferred Stock issued as consulting fees		30,000
Changes in operating assets and liabilities		
Prepaid Expenses		(1,500)
Accounts payable and accrued expenses		1,500
Cash provided by (used in) operating activities		-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash provided by (used in) investing activities		-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash provided by (used in) financing activities		-
INCREASE (DECREASE) IN CASH		-
CASH AT BEGINNING OF YEAR		-
CASH AT END OF YEAR	$	-

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

NOTE 1 - NATURE OF OPERATIONS

Description of Business:

Historical Information:

Megola, Inc. ("Megola" or "the Company") was incorporated in the State of Nevada under the name SuperiorClean, Inc. on March 29, 2001 to franchise and support third party carpet cleaning operations.

On September 25, 2003, the Company changed its name to Megola, Inc. pursuant to an acquisition agreement with Megola, Inc., an Ontario company ("Megola Canada"). On November 26, 2003, the Company and Megola Canada completed the agreement by way of a reverse acquisition. Megola Canada was formed to sell physical water treatment devices to a wide range of end-users in the United States, Canada and internationally under a license granted by Megola GmbH in Germany. Megola operated up until March 2016 when it no longer had the financial resources to continue to meet its ongoing obligations in the normal course and was subsequently struck in the State of Nevada.

The Company was reinstated on May 9, 2019 and on May 17, 2018, the 8th District Court for Clark County, Nevada, entered an Order granting the application for custodianship of Megola, Inc. to International Venture Society, LLC.

On September 24, 2018, Mr. William Eric Ottens paid $50,000 to the then controlling shareholder for 1 share of Special 2018 Series A Preferred Shares. This effected a change of control, and Mr. Ottens became the sole officer and director of the Company. The Company is a shell, with no operations.

Current Information:

On September 25, 2018, the Company entered into a formal agreement to ratify the divestiture of the shares of our former controlled subsidiary, Megola Canada, in agreement with 1863942 Ontario Corporation, an entity controlled by the officer and director of Megola Canada who is also a shareholder of the Company. Under the terms of the agreement, the Company transferred the shares of Megola Canada to 1863942 Ontario Corporation and assumed certain debts incurred in prior periods in the amount of $205,184 which were paid by 1863942 Ontario Corporation.

On December 24, 2018, effective February 13, 2019, the Custodianship of Megola, Inc. in the State of Nevada was discharged.

NOTE 2 – GOING CONCERN

The Company has liabilities of $46,747,955 as at March 31, 2019 of which $46,541,271 relates to certain derivative liabilities (ref: Note 7) and we have incurred operating losses to date. We have no cash on hand. The Company expects that while it is restructuring and reviewing acquisitions it will continue to incur operating losses. The Company has been funded to date by management and shareholders and expects this funding to continue until such time as it can acquire an operating business or undertake a financing. There can be no assurance that the Company will continue to receive this funding from management or that the funding it does receive will be sufficient to pay for its ongoing operations. Management's plans for the continuation of the Company as a going concern includes the identification and completion of acquisitions, the development of a commercially viable business, and the financing the Company's operations through issuance of its common stock and shareholder advances until such time as it has established profitable operations.

The financial statements reflect all adjustments consisting of normal recurring adjustments, which, in the opinion of management, are necessary for a fair presentation of the results for the periods shown. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

NOTE 3 - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (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 these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles (US GAAP). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal recurring nature.

Fiscal Year End

The Company has selected March 31 as its fiscal year end.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value. During the fiscal year ended March 2019, there was no impairment of long-lived assets.

Fair Value of Financial Instruments

The Company follows the fair value measurement rules, which provides guidance on the use of fair value in accounting and disclosure for assets and liabilities when such accounting and disclosure is called for by other accounting literature. These rules establish a fair value hierarchy for inputs to be used to measure fair value of financial assets and liabilities. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels: Level 1 (highest priority), Level 2, and Level 3 (lowest priority).

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the balance sheet date.

Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

(Stated in U.S. Dollars)

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments (continued)

Level 3—Inputs are unobservable and reflect the Company's assumptions as to what market participants would use in pricing the asset or liability. The Company develops these inputs based on the best information available.

Investments are reflected in the accompanying financial statements at fair value. The carrying amount of receivables and accounts payable and accrued expenses approximates fair value due to the short-term nature of those instruments. The estimated fair values for financial instruments are determined at discrete points in time based on relevant market information. These estimates involve uncertainties and cannot be determined with precision. The carrying amounts of lease receivables, accounts payable, and accrued liabilities approximate fair value given their short-term nature or effective interest rates, which constitutes level three inputs.

Basic and Diluted Loss Per Share

In accordance with ASC Topic 260 – "Earnings Per Share," the basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common stock outstanding. Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional shares of common stock that would have been outstanding if the potential common stock had been issued and if the additional shares of common stock were dilutive.

Potential common stock consists of the incremental common stock issuable upon the exercise of common stock warrants (using the if-converted method), convertible notes, classes of shares with conversion features, stock awards and stock options. The computation of loss per share for the fiscal year ended 2019 excludes potentially dilutive securities of underlying preferred shares, because their inclusion would be antidilutive.

The table below reflects the potentially dilutive securities at March 31, 2019:

	March 31, 2019
2018 Special Series A Preferred stock	500,000,000
2018 Special Series B Preferred stock	10,000,000,000
2018 Special Series D Preferred stock	2,000,000,000
Series A Preferred Stock	350
Series B Preferred Stock	1,128
Series C Preferred Stock	1,504
Total	12,500,002,982

Income Taxes

Income taxes are recognized in accordance with ASC 740, "Income Taxes", whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 5 - RELATED PARTY TRANSACTIONS

William Eric Ottens

During the fiscal year ended March 31, 2019, Mr. William Eric Ottens, formerly our sole officer and director, provided funding for operations in the amount of $1,500.

As at March 31, 2019, Mr. Ottens was owed $1,500 which is reflected on the balance sheets as "Advances payable related party".

NOTE 6 – COMMON AND PREFERRED STOCK

Preferred Stock:

The Company has authorized 54,000,000 shares of Preferred Stock, at various par values, of which 100 shares are designated as Series A Preferred, 200 shares are designated as Series B Preferred, 100 shares are designated as Series C Preferred, 5,000,000 shares are designated as Series D Preferred, 5,000,000 shares are designated as Series E Preferred, 25,000,000 shares are designated as Series F Preferred, and 10,000,000 shares are designated as Series G Preferred. The Company has also designated a 2018 Special Series of Preferred stock. We have 1 share designated as 2018 Special Series A Preferred Stock, 30,000,000 shares designated as 2018 Special Series B Preferred Stock, and 20,000,000 shares designated as 2018 Special Series D Preferred Stock. The Company does not have sufficient shares of Common Stock authorized at the time of this filing to allow for the issuance of all of the underlying shares for the various series of designated shares of Preferred Stock (ref: Note 7). It is the intent of the Company, based on agreements with certain of the stockholders to return 20,000,000 shares of the 2018 Special Series D stock and 10,000,000 shares of the 2018 Special Series B stock to treasury and cancel the 2018 Special Series B and D Preferred shares upon return to current status on OTCMarkets.

On May 22, 2018, a reverse split of the Series A, B, and C Preferred Shares was effected on the basis of 1 share for each 2,000,000 Series A Preferred Shares; 1 share for each outstanding 1,500,000 Series B Preferred Shares, and 1 share for each outstanding 1,500,000 Series C Preferred Shares. This reverse split has been retroactively impacted in the Preferred stock and per share of Preferred Stock information presented in these financial statements.

Further to this reverse split, the Company amended the authorized shares of Series A Preferred Stock to 200 shares, Series B Preferred Stock 100 shares and Series C Preferred Stock to 100 shares on August 6, 2019.

2018 Special Series A Preferred Shares:

There is one (1) share of 2018 Special Series A Preferred stock, $0.001 par value authorized which carries the right to 51% voting control of the Company.

During fiscal 2019, one (1) share of Special Series A stock was issued at par value to our former sole officer and director as consideration for services rendered. At March 31, 2019, there was one (1) share of 2018 Special Series A Preferred stock issued and outstanding.

2018 Special Series B Preferred Shares:

There are 30,000,000 shares of 2018 Special Series B Preferred stock, $0.001 par value authorized. Each one share of 2018 Special Series B stock is convertible into one share of common stock at $0.01 per share and carry no voting rights.

During fiscal 2019, 10,000,000 shares of 2018 Special Series B Preferred stock were issued for consulting fees valued at $1,000 to an independent third party consultant. On issue the Company expensed $9,000 as a discount on the issuance of shares of preferred stock as consulting fees. At March 31, 2019, there were 10,000,000 shares of 2018 Special Series B Preferred stock issued and outstanding.

NOTE 6 – COMMON AND PREFERRED STOCK (continued)

Preferred Stock (continued):

2018 Special Series D Preferred Shares:

There are 20,000,000 shares of 2018 Special Series D Preferred stock, $0.001 par value authorized. Each one share of 2018 Special Series D stock is convertible into one share of common stock at $0.001 per share and carry no voting rights.

During fiscal 2019, 20,000,000 shares of 2018 Special Series D Preferred stock were agreed to be issued for consulting fees to our sole officer and director, valued at $20,000.

At March 31, 2019, there were 20,000,000 shares of 2018 Special Series D preferred stock issued and outstanding.

Series A Preferred Shares:

There are a total of 200 shares of Series A Preferred Stock, $0.001 par value authorized. All shares of Preferred Series "A" stock held 12 months are eligible for conversion to common stock at a conversion price set at $0.20 cents per share and the Company has the right to effect a mandatory conversion of the Series A Preferred stock 24 months from the date of issuance of the Series A Preferred stock. Each Preferred Series "A" share is entitled to cast 100 votes in a shareholder meeting.

As at March 31, 2019 there were a total of 70 shares of Series A Preferred Stock issued and outstanding.

Series B Preferred Shares:

There are a total of 100 shares of Series B Preferred Stock, $0.001 par value, authorized. All shares of Preferred Series "B" stock are convertible to common stock at a conversion price set at $0.05 cents per share or the 10 day average trading price of the common stock at the time of conversion, whichever is less, and have no voting rights.

As at March 31, 2019 there were a total of 6 shares of Series B Preferred Stock issued and outstanding.

Series C Preferred Shares:

There are a total of 100 shares of Series C Preferred Stock authorized, $0.001 par value. All shares of Preferred Series "C" stock held 12 months are convertible to common stock at a conversion price set at $0.10 cents per share or the 10 day average trading price of the common stock at the time of conversion, whichever is less. Each Preferred Series "C" share is entitled to cast 2,000 votes in a shareholder meeting.

At March 31, 2019 there were a total of 8 shares of Series C Preferred Stock issued and outstanding.

Common stock:

The Company has authorized 3,000,000,000 shares of Common Stock, $0.001 par value.

There were no common shares issued during the fiscal year ended March 31, 2019.

As of March 31, 2019, a total of 196,095,060 shares of common stock were issued and outstanding.

NOTE 7- DERIVATIVE LIABILITIES FROM EXCEED AUTHORIZED SHARES OF COMMON STOCK

As of March 31, 2019, given the fact that the Company had 3,000,000,000 shares of common stock authorized, the Company determined it could exceed its authorized shares of common stock by approximately 9,696,098,042 common shares, if all of the series of Preferred Stock described in Note 6 above were converted into shares of common stock. At March 31, 2019, 9,696,098,042 common shares respectively in excess of the authorized common stock were accounted for as a derivative liability. The fair value of 9,696,098,042 common shares was determined to be $46,541,217 at March 31, 2019, using the closing price of Megola's common stock on each of the respective fiscal year ends.

NOTE 8 – DUE TO SHAREHOLDER

As at March 31, 2019, 1863942 Ontario Corporation, an entity controlled by a shareholder of the Company who is also the officer and director of our former subsidiary, Megola Canada, was owed a total of $205,184. This debt in the amount of $205,184 was agreed to be acquired by the Company upon the ratification of the divestiture of Megola Canada effective March 31, 2018. Prior to the appointment of a custodian in 2018, management had agreed to retire the debt payable to 1863942 Ontario Corporation by the issuance of certain shares, however, the shares were never issued. The amount is reflected on the balance sheets as "Due to Shareholder" and is non-interest bearing and due on demand.

NOTE 9 – SUBSEQUENT EVENTS

During the fiscal year ended March 31, 2020, the conversion terms of the Special Series A Preferred stock was amended so that the right to conversion into 500,000,000 common shares was eliminated. The right to carry 51% voting control remains.

On January 25, 2020, the Board of Directors of the Company and the majority shareholder of the Company approved an Amendment to the Articles of Incorporation whereby the Company designated a series of Preferred Shares, being Series D, E, F and G. Concurrently they approved the cancellation of the 2018 Special Series B and D shares of preferred stock upon their return to treasury. Further the Company received and approved the consents of Mr. Rodney Nettles and Mr. Bob Gardiner to serve as members of the Board of Directors of the Company, such action to take place upon the Company filing all required reports with OTCMarkets. The aforementioned Certificate of Amendment was filed with the State of Nevada on February 28, 2020.

On January 30, 2020, Mr. Ottens entered into an agreement with Mr. Rodney Nettles, whereunder he agreed to sell his 1 share of 2018 Special Series A Preferred Stock for cash consideration of $50,000. Further to this agreement, certain shareholders holding the 2018 Special Series B and the 2018 Special Series D Preferred stock agreed to cancellation of their shares for cumulative cash consideration of $15,000 from Mr. Nettles upon closing of the sale of the 2018 Special Series A Preferred Stock, all of which transactions are dependent upon the filing of all reports required with OTC Markets. The transactions contemplated by this agreement have not yet closed.

Subsequent to the fiscal year ended March 31, 2020, the Company's former sole officer and director and its controlling shareholder, Mr. William Eric Ottens, agreed to forgive $6,249 in advances payable which amount has been recorded as a contribution to paid in capital.

On May 21, 2020, Mr. William Eric Ottens resigned as the sole officer and director of the Company, and concurrently, Mr. Robert Gardiner was appointed President and a director and Mr. Rodney Nettles was appointed Secretary/Treasurer and a director. As at the date of this report Mr. Ottens continues to be the controlling shareholder of the Company. The Company is currently a shell and is reviewing a number of possible acquisitions.

The Company has evaluated subsequent events from the balance sheet date through the date that the financial statements were issued and determined that there are no additional subsequent events to disclose.