

**FOODBASE GROUP INC.**

**Financial Statements**

**As of and for the years ended  
December 31, 2020 and 2019**

**Foodbase Group Inc.**  
**FORMERLY Matches, Inc.**  
**BALANCE SHEETS**  
*Unaudited*

	<u>December 31</u> <u>2020</u>	<u>December 31</u> <u>2019</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ -	\$ -
<b>Total Current Assets</b>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>-</u>	<u>-</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	-	478
Due to related party	<u>5,756</u>	<u>275</u>
<b>Total Current Liabilities</b>	<u>5,756</u>	<u>753</u>
<b>Total Liabilities</b>	<u>5,756</u>	<u>753</u>
<b>Commitment &amp; contingencies</b>	-	-
<b>Stockholders' Deficit</b>		
Common stock, \$0.001 par value; 50,000,000,000 shares authorized; 30,703,525,000 issued and outstanding, respectively	30,703,525	30,703,525
Additional paid-in capital	(19,823,195)	(19,823,195)
Accumulated deficit	<u>(10,886,086)</u>	<u>(10,881,083)</u>
<b>Total Stockholders' Deficit</b>	<u>(5,756)</u>	<u>(753)</u>
<b>Total Liabilities and Stockholders' Deficit</b>	<u>\$ -</u>	<u>\$ -</u>

*See accompanying notes to financial statements*

Foodbase Group Inc.  
FORMERLY Matches, Inc.  
STATEMENTS OF OPERATIONS  
Unaudited

	Years Ended	
	December 31 2020	December 31 2019
Revenues	\$ -	\$ -
Operating expenses		
Other general & administrative expense	5,003	753
Total operating expenses	5,003	753
Loss from operations	(5,003)	(753)
Other Income (Expenses)		
Net income (loss) before income taxes	(5,003)	(753)
Income tax	-	-
Net income (loss)	(5,003)	(753)
Net loss attributable to common stockholders	\$ (5,003)	\$ (753)
Earnings (Loss) per Share - Basic and Diluted	\$ (0.000)	\$ (0.000)
Weighted Average Shares Outstanding - Basic and Diluted	30,703,525,000	1,334,689,384
Earnings (Loss) per Share - Basic	\$ (0.000)	\$ (0.000)
Weighted Average Shares Outstanding - Basic	30,703,525,000	1,334,689,384
Earnings (Loss) per Share - Dilutive	\$ -	\$ -
Weighted Average Shares Outstanding - Diluted	-	-

See accompanying notes to financial statements

Foodbase Group Inc.  
FORMERLY Matches, Inc.  
STATEMENTS OF STOCKHOLDERS' DEFICIT  
Unaudited

	<u>Common Stock</u>				<b>Total Stockholders' Deficit</b>
	<u>Shares</u>	<u>Par Value, \$0.001</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	
<b>Balance, January 1, 2019</b>	78,525,000	\$ 78,525	\$ 10,801,805	\$ (10,880,330)	-
New share issuance	30,625,000,000	30,625,000	(30,625,000)	-	-
Net loss	-	-	-	(753)	(753)
<b>Balance, December 31, 2019</b>	<u>30,703,525,000</u>	<u>\$ 30,703,525</u>	<u>\$ (19,823,195)</u>	<u>\$ (10,881,083)</u>	<u>\$ (753)</u>
<b>Balance, January 1, 2020</b>	30,703,525,000	\$ 30,703,525	\$ (19,823,195)	\$ (10,881,083)	\$ (753)
Net loss	-	-	-	(5,003)	(5,003)
<b>Balance, December 31, 2020</b>	<u>30,703,525,000</u>	<u>\$ 30,703,525</u>	<u>\$ (19,823,195)</u>	<u>\$ (10,886,086)</u>	<u>\$ (5,756)</u>

See accompanying notes to financial statements

**Foodbase Group Inc.**  
**FORMERLY Matches, Inc.**  
**STATEMENTS OF CASH FLOWS**  
*Unaudited*

	<b>Years Ended</b>	
	<b>December 31</b>	<b>December 31</b>
	<b>2020</b>	<b>2019</b>
<b>Cash Flows from Operating Activities</b>		
Net Loss	\$ (5,003)	\$ (753)
<b>Changes in Operating Assets and Liabilities</b>		
Accounts payable and accrued expenses	(478)	478
<b>Net Cash Used in Operating Activities</b>	<b>(5,481)</b>	<b>(275)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from (Repayment of) related party payables	5,481	275
<b>Net Cash Provided by Financing Activities</b>	<b>5,481</b>	<b>275</b>
<b>Net Increase (Decrease) in Cash</b>	-	-
<b>Cash at Beginning of Period</b>	-	-
<b>Cash at End of Period</b>	<b>\$ -</b>	<b>\$ -</b>

*See accompanying notes to financial statements*

**FOODBASE GROUP INC**  
**Formerly MATCHES INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended December 31, 2020 and 2019**  
**(Unaudited)**

**NOTE 1 - ORGANIZATION AND OPERATIONS**

Foodbase Group Inc. formerly known as Matches Inc. (the “Company”) is a corporation organized under the laws of the State of North Carolina. The Company was redomiciled from Wyoming to North Carolina in 2019, and the Wyoming entity was dissolved in 2021.

On July 6, 2017, the Forth District Court of Johnson Country of Wyoming granted the order of default judgement and granted the application for appointment of custodian due to the absence of a functioning board of directors in the Company. The order appointed a custodian to take on any corporation actions on behalf of the Company that would further the interest of its shareholders.

On August 23, 2019, a change of control occurred with respect to the Company to better reflect its new business direction.

The Company is seeking for opportunities in the bakery product market to develop and create bakery related supply chain to become a professional solution provider in the Asian baking industry.

The Company is an emerging growth company and, as such, the Company is subject to all of the risks associated with early stage and emerging growth companies.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of presentation*

The Company’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company’s system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

*Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

The Company’s significant estimates include income taxes provision and valuation allowance of deferred tax assets; the fair value of financial instruments; the carrying value and recoverability of long-lived assets, including the values assigned to an estimated useful lives of computer equipment; and the assumption that the Company will continue as a going concern. Those significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to those estimates or assumptions, and certain estimates or assumptions are difficult to measure or value. Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly reviews its estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such reviews, and if deemed appropriate, those estimates are adjusted accordingly. Actual results could differ from those estimates.

#### Carrying value, recoverability and impairment of long-lived assets

The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which include computer equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company considers the following to be some examples of important indicators that may trigger an impairment review: (i) significant under-performance or losses of assets relative to expected historical or projected future operating results; (ii) significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy; (iii) significant negative industry or economic trends; (iv) increased competitive pressures; (v) a significant decline in the Company's stock price for a sustained period of time; and (vi) regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.

The impairment charges, if any, is included in operating expenses in the accompanying consolidated statements of operations.

#### Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the Related parties include a) affiliates of the Company; b) Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; c) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d) principal owners of the Company; e) management of the Company; f) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g) Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

#### Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If

the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

#### Revenue recognition

The Company adopted ASU 2014-09, Topic 606 on January 1, 2018, using the modified retrospective method. ASC 606 requires the use of a new five-step model to recognize revenue from customer contracts. The five-step model requires that the Company (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, including variable consideration to the extent that it is probable that a significant future reversal will not occur, (iv) allocate the transaction price to the respective performance obligations in the contract, and (v) recognize revenue when (or as) the Company satisfies the performance obligation.

The adoption of Topic 606 has no impact on revenue amounts recorded on the Company's financial statements as the Company has not generate any revenues.

#### Income Tax Provisions

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

#### Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

#### Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and

provides definitions of each category, and uses the indirect or reconciliation method (“Indirect method”) as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

#### NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, the Company had an accumulated deficit at December 31, 2020 of \$10,886,086 without any revenues. These factors among others raise substantial doubt about the Company’s ability to continue as a going concern.

While the Company has not commenced operations and generate revenues, the Company’s cash position may not be significant enough to support the Company’s daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company’s ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

#### NOTE 4 – STOCKHOLDERS’ DEFICIT

##### Common Stock

The Company is authorized to issue 50,000,000,000 shares of common stock.

Due to shortage of authorized shares in 2012, there were 100,948,648 shares of Common Stock that were to be issued by the former management when the Company has completed an amendment to its articles to increase its authorized shares or effects a reverse stock split. However, these shares were never issued prior to the abandonment of the Company’s operation by the former management and these shares have been adjusted to Additional Paid-in Capital for the year ended December 31, 2019.

For the year ended December 31, 2019, the Company issued 30,625,000,000 shares at par value of \$0.001 to the custodian and its designees.

As of December 31, 2020, the Company has 30,703,525,000 shares issued and outstanding.

#### NOTE 5 – INCOME TAX

On December 22, 2017, the President of the United States signed into law the Tax Cuts and Jobs Act (“Tax Reform Act”). The legislation significantly changes U.S. tax law by, among other things, lowering corporate income tax rates, implementing a territorial tax system and imposing a transition tax on deemed repatriated earnings of foreign subsidiaries. The Tax Reform Act permanently reduces the U.S. corporate income tax rate from a maximum of 34% to a flat 21% rate, effective January 1, 2018. As a result of the reduction in the U.S. corporate income tax rate from 34% to 21% under the Tax Reform Act, the Company revalued its ending net deferred tax assets.

The Company has accumulated approximately \$10,886,086 of net operating losses (“NOL”) as of December 31, 2020 carried forward to offset future taxable income. 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 periods 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 asset relating to NOLs for every period because it is more likely than not that all of the deferred tax asset will not be realized.

**NOTE 6 – RELATED PARTY TRANSACTION**

Ching-Hung Lee, majority shareholder, director and officer of the Company, have paid certain expenses on behalf of the Company. Such amounts are due on demand and non-interest bearing. The outstanding amount due to related party was \$5,756 and \$275 as of December 31, 2020 and 2019, respectively.

**NOTE 7 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events to the date the financial statements were issued and has determined that there are no items to disclose or require adjustments other than the event disclosed below.