

**Matchaah Holdings, Inc.**

Annual Financial Report  
For the Year Ended December 31, 2020  
Unaudited

## **Contents**

	<b>Page</b>
Officer Certification	1
Consolidated Balance Sheets	2
Consolidated Statements of Operations	3
Consolidated Statement of Changes in Stockholders' Equity/(Deficit)	4
Consolidated Statements of Cash Flows	5
Notes to Financial Statements	6-8

MATCHAAH HOLDINGS, INC.

10901 Nesbit Avenue South  
Bloomington, MN 55437

September 24, 2021

I hereby certify that the accompanying unaudited consolidated financial statements and related footnotes hereto are based on the best information currently available to the Company. To the best of my knowledge, this information presents fairly, in all material respects, the financial position and stockholders' equity of Matchaah Holdings, Inc. as of December 31, 2020 and December 31, 2019 and the results of its operations and cash flows for the year ended December 31, 2020 and 2019 in conformity with accounting principles generally accepted in the United States of America.

/s/ Paul Henson  
CEO

**Matchaah Holdings, Inc.**  
**Consolidated Balance Sheets**  
**As of December 31, 2020 and December 31, 2019**  
**(Unaudited)**

<b>ASSETS</b>	<b>Balance at .Dec 31, 2020</b>	<b>Balance at .Dec 31, 2019</b>
Cash & cash equivalents	\$98,776	\$98,764
Accounts Receivable	\$38,291	\$38,291
Intercompany MH Inc.	\$201,048	\$201,048
Inventory, net	151,655	151,755
<b>Total Current Assets</b>	<b>\$489,770</b>	<b>\$489,758</b>
Debt Issuance costs	0	0
Equipment, net	\$2,950	\$2,950
Intellectual property	\$ 600,000	\$ 600,000
Goodwill	0	0
<b>Total Assets</b>	<b>\$1,092,720</b>	<b>\$1,092,708</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$133,550	\$133,550
Accrued Expenses -	0	0
Accounts Payable - other	4,821	4,821
<b>Total Current Liabilities</b>	<b>\$138,371</b>	<b>\$138,371</b>
Intercompany MH	260,413	260,413
Notes Payable	543,167	543,167
<b>Total Long Term Liabilities</b>	<b>\$803,580</b>	<b>\$803,580</b>
<b>Total Liabilities</b>	<b>\$941,951</b>	<b>\$941,951</b>
Hi		
<b>Shareholders Deficit:</b>		
Common stock \$ .0001 Par Value	5,056	5,046
200,000,000 authorized 50,505,753		
issued and outstanding Dec. 31, 2020		
and 50,455,753 at Dec. 31, 2019 respectively.		
Preferred stock \$ .0001 Par Value	\$60	\$60
5,000,000 authorized 600,010		
issued and outstanding December 31, 2020		
And December 31, 2019 respectively.		
Additional Paid In Capital	775,153	775,153
Stock to be issued	-	-
Deficit	(629,490)	(629,502)
<b>Total stockholders equity ( deficit )</b>	<b>150,769</b>	<b>150,757</b>
<b>Total Liab. &amp; Stockholders Equity(Deficit)</b>	<b>\$1,092,720</b>	<b>\$1,092,708</b>

**Matchaah Holdings, Inc.**  
**Consolidated Income Statements**  
**For the Years Ended**  
**December 31, 2020 and 2019**  
**(Unaudited)**

	Year Ended December 31, 2020		Year Ended December 31, 2019
Revenue		\$0	\$7,944
Cost of revenue	\$	-	\$ (2,749)
Gross Profit (loss)	\$	-	\$ 5,195
Operating Expenses	\$	-	-
General and administrative Expenses	\$	-	\$ (8,382)
<b>Operating Income ( Loss )</b>	<b>\$</b>	<b>-</b>	<b>\$ (3,187)</b>
Other income ( expenses )	\$	(28)	\$ 1,139
Other income	\$	40	
Loss on sale or disposal			
Deprecation expense		\$0	\$0
Interest expense	\$	-	-
<b>Total other income ( expenses )</b>		<b>\$12</b>	<b>\$1,139</b>
<b>Loss before income taxes</b>	<b>\$</b>	<b>12</b>	<b>\$ (2,048)</b>
Minority interest	\$	-	-
<b>Net (Loss)</b>	<b>\$</b>	<b>12</b>	<b>\$ (2,048)</b>
<b>Net Loss per share</b>	<b>\$</b>	<b>(0.001)</b>	<b>\$ (0.001)</b>
Basic and diluted			
Weighted average number of shares		50,409,714	50,409,714
Basic and diluted			

See notes to the financial statements

Matcha Holdings, Inc.

Consolidated Statement of Changes in Stockholders Equity ( Deficit )

From December 31, 2017 to December 31, 2020

(Unaudited)

	Common stock	Preferred	Paid-in	Accumulated	
	Shares	Shares	Capital	Deficit	Total
	Amount	Amount			
	Par value .0001	Par value .001			
Balance December 31, 2017	50,455,753	\$5,046	\$ 775,153	\$ (305,205)	\$ 475,054
Open adjustment entry					239185
Net ( Loss) for the Year ended Dec. 31, 2018				\$ (322,249)	\$ (322,249)
Balance December 31, 2018	50,455,753	\$5,046	\$ 775,153	\$ (627,454)	\$ 391,990
Common shares Issuance	-				\$0
Net ( Loss) for the Year ended Dec. 31, 2019				\$ (2,048)	\$ (2,048)
Balance December 31, 2019	50,455,753	\$5,046	\$ 775,153	\$ (629,502)	\$ 150,757
Common shares Issuance	50,000	\$5,056			\$0
Net ( Loss) for the Year ended Dec. 31, 2020				\$ 12	\$ 12.
Balance December 31, 2020	50,505,753	\$5,056	\$ 775,153	\$ (629,490)	\$ 150,769



**Matchaah Holdings, Inc.**  
**Consolidated Statement Of Cash Flows**  
**For the year ended Dec 31, 2020 and 2019**

(Unaudited)	Year Ended <u>.12/31/20</u>	Year Ended <u>.12:31/19</u>
<b>Cash flows from operating activities</b>		
Net Profit/Loss	\$ 12	\$ (2,048)
Adjustments:		
Provision for doubtful accounts	-	-
Depreciation	\$0	\$0
Amortization of compensatory options	-	-
Gain on sale of equipment	-	-
Common stock issued for:		
Consulting services	-	-
<b>Changes in Assets &amp; Liabilities: Decrease (Increase)</b>		0
Accounts Receivables	-	-
Other assets		
Property & equipment	-	-
Accounts payable & accrued expenses	\$ -	\$ (13,790)
Loans Payable		
<b>Net cash used in operating activities</b>	<u>\$ 12</u>	<u>\$ (15,838)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of stock	-	-
Convertible note issued converted	-	-
Subscription receivable	-	-
Proceeds from notes payable	-	-
Net cash provided by financing activities	-	-
<b>Net cash increase (decrease)</b>	<u>\$ 12</u>	<u>\$ (15,839)</u>
Cash at the beginning of period	\$98,764	\$114,603
<b>Cash at the end of period</b>	<u>\$98,776</u>	<u>\$98,764</u>
Interest paid during the year	\$0	\$0
Non-cash Financing Activities		
Common Stock issued for debt	\$ -	\$ -

**Matchaah Holdings, Inc.**  
**Notes to Financial Statements**  
**December 31, 2020**  
**(Unaudited)**

**NOTE – 1 Nature of Operations & Company History:**

The financial statements include the accounts of Matchaah Holdings, Inc. (the "Company"), which is incorporated in Delaware.

Originally incorporated in the state of Nevada on November 25, 1996, domesticated in the state Of Wyoming on September 16, 2010. Finally reorganized in Delaware pursuant to Delaware General Corporation Law Section 251 (g) on December 21, 2016.

The Company had developed a full brand line of consumer products including beverages, Blends, and mixes made with matcha tea in multiple flavors and formats.

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

**Cash and cash equivalents**

For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

**Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include valuation of convertible notes payable and the valuation allowance of deferred tax assets.

**Fair value of financial instruments and financial statements**

The Company measures financial assets and liabilities in accordance with generally accepted accounting principles. The financial statements have been prepared in accordance with generally accepted accounting principles.



**Matchaah Holdings, Inc.**  
• **Notes to Financial Statements**  
**December 31, 2020**  
**(Unaudited)**

**Revenue recognition**

Revenue from sales of products and services is recognized when persuasive evidence of an arrangement exists, products have been shipped or services have been delivered to the customer, the price is fixed or determinable and collection is reasonably assured.

**Stock-based compensation**

The Company accounts for stock-based instruments issued to employees in accordance with ASC Topic 718. ASC Topic 718 requires companies to recognize in the statement of operations the grant-date fair value of stock options and other equity based compensation issued to employees and earned. The Company accounts for non-employee share-based awards in accordance with ASC Topic 505-50.

**Fixed Assets**

Fixed assets are recorded at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Repairs and maintenance are charged to expense as incurred. Expenditures for betterments and renewals are capitalized. The cost of fixed assets and the related accumulated depreciation are removed from the accounts upon retirement or disposal with any resulting gain or loss being recorded in operations.

**Intangible Assets**

Intangible assets with no determinable life are initially assessed for impairment upon purchase, with subsequent assessments required annually. When there is reason to suspect that their values have been diminished or impaired, a write-down is recognized as necessary. Intangible assets with rights that expire over time are amortized over the time period that the rights exist.

**Income taxes**

Income Taxes - The Company accounts for income taxes using the provisions of Statement of Financial Accounting Standards ("SFAS") No. 109, Accounting for Income Taxes. Under this standard, deferred tax assets and liabilities represent the estimated tax effects of future deductible or taxable amounts attributed to differences between the financial statements carrying amounts and the tax bases of existing assets and liabilities. The standard also allows recognition of income tax benefits for loss carry-forwards, credit carry-forwards and certain temporary differences for which tax benefits have not previously been recorded. Valuation allowances are provided for uncertainties associated with deferred tax assets.

**Matchaah Holdings, Inc.**  
• **Notes to Financial Statements**  
**December 31, 2020**  
**(Unaudited)**

**Net loss per share**

The Company computes net earnings (loss) per share in accordance with ASC 260-10, "Earnings per Share." ASC 260-10 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period. Diluted EPS excludes all dilutive potential common shares if their effect is anti-dilutive.

**NOTE 3 – Going Concern:**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Currently, the Company has incurred operating losses, and as of December 31, 2020 the Company also had a working capital deficit and an accumulated deficit. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management believes that the Company's capital requirement will depend on many factors including the success of the Company's development efforts and its efforts to raise capital. Management also believes the Company needs to raise additional capital for working capital purpose. There is no assurance that such financing will be available in the future. The conditions described above raise substantial doubt about our ability to continue as a going concern. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amount and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.