

SPECTACULAR SOLAR INC.
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2021 and 2020
(Unaudited)

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SPECTACULAR SOLAR INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	As of December 31,	
	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 197,931	\$ 209,886
Account receivable	2,485,243	1,671,578
Account receivable-related parties	-	201,638
Other current asset	3,135	-
Total current assets	2,686,309	2,083,102
Property and equipment, net	73,676	97,754
Total assets	\$ 2,759,985	\$ 2,180,857
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 536,151	\$ 379,150
Auto loans-current	29,623	29,623
Loan payable-strategic funding	326,268	455,417
Deferred revenue	1,435,275	1,932,012
Total current liabilities	2,327,317	2,796,202
Long term liabilities		
Auto loans-long term	50,700	72,064
PPP and SBA loans	1,129,900	849,900
Loan payables	-	1,187,009
Total liabilities	\$ 3,507,917	\$ 4,905,175
Stockholders' equity		
Preferred stock, \$0.001 par value per share; 400,000,000 shares authorized, 302,185,737 issued and outstanding for the year ended December 31, 2021 and year ended December 31, 2020, respectively	302,186	302,186
Common stock, \$0.001 par value per share; 450,000,000 shares authorized; 425,148,167 and 402,998,167 shares issued and outstanding for the year ended December 31, 2021 and year ended December 31, 2020, respectively	425,150	403,000
Additional paid in capital	733,669	189,299
Accumulated deficit	(2,208,937)	(3,618,803)
Total stockholders' equity	(747,932)	(2,724,318)
Total liabilities and stockholders' equity	\$ 2,759,985	\$ 2,180,857

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

SPECTACULAR SOLAR INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Year Ended December 31,	
	2021	2020
Revenue	\$ 3,510,493	\$ 3,531,337
Cost of revenue	<u>2,050,893</u>	<u>2,779,046</u>
Gross profit	1,459,600	752,291
Operating expenses		
Advertising and marketing	80,052	67,708
Commission expense	4,361	35,239
Depreciation expense	37,962	37,962
Professional fees	281,047	125,347
Rent expense	60,777	62,355
Share based compensation	566,520	925,885
General and administrative	<u>824,808</u>	<u>569,754</u>
Total operating expenses	1,855,527	1,824,250
Other income (expense)		
Interest expense	(251,909)	(380,241)
Debt forgiveness	1,234,454	-
Other income	<u>826,248</u>	<u>-</u>
Net income (loss)	<u>\$ 1,412,866</u>	<u>\$ (1,452,201)</u>
 Net loss per common share, basic and diluted	 <u>\$ -</u>	 <u>\$ -</u>
 Weighted average number of common shares outstanding, basic and diluted	 <u>423,221,454</u>	 <u>395,490,112</u>

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

SPECTACULAR SOLAR INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Year Ended December 31, 2021 and 2020
(Unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	
Balance, December 31, 2020	302,185,737	\$ 302,186	402,998,167	\$ 403,000	\$ 189,299	\$ (3,618,803)	\$ (2,724,318)
Common stock issued for services	-	-	22,150,000	22,150	544,370		566,520
Net income	-	-	-	-	-	1,409,866	1,409,866
Balance, December 31, 2021	<u>302,185,737</u>	<u>\$ 302,186</u>	<u>425,148,167</u>	<u>\$ 425,150</u>	<u>\$ 733,669</u>	<u>\$ (2,208,937)</u>	<u>\$ (747,932)</u>

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	
Balance, December 31, 2019	302,185,737	\$ 302,186	383,898,167	\$ 383,900	\$ (717,486)	\$ (2,166,602)	\$ (2,198,002)
Common stock issued for services	-	-	19,100,000	19,100	906,785		925,885
Net loss	-	-	-	-	-	(1,452,201)	(1,452,201)
Balance, December 31, 2020	<u>302,185,737</u>	<u>\$ 302,186</u>	<u>402,998,167</u>	<u>\$ 403,000</u>	<u>\$ 189,299</u>	<u>\$ (3,618,803)</u>	<u>\$ (2,724,318)</u>

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

SPECTACULAR SOLAR INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Year Ended December 31,	
	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 1,409,866	\$ (1,452,201)
Non-cash adjustments to reconcile net loss to net cash:		
Depreciation and amortization expense	37,962	37,962
Share based compensation	566,520	925,885
Debt forgiveness	(1,231,454)	-
Changes in operating assets and liabilities:		
Accounts receivable	(612,027)	398,148
Other current asset	(3,135)	-
Accounts payable and accrued liabilities	405,653	(316,615)
Deferred revenue	(496,737)	(819,860)
CASH PROVIDED/(USED) IN OPERATING ACTIVITIES	<u>76,648</u>	<u>(1,226,680)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(13,884)	(29,187)
CASH USED IN INVESTING ACTIVITIES	<u>(13,884)</u>	<u>(29,187)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of loans	166,494	1,109,930
Proceeds from PPP and SBA loans	280,000	849,900
Payments on loans	(511,213)	(476,571)
Payment to related parties	(10,000)	(150,000)
CASH PROVIDED/(USED) BY FINANCING ACTIVITIES	<u>(74,719)</u>	<u>1,333,259</u>
Net increase (decrease) in cash	<u>(11,955)</u>	<u>77,393</u>
Cash, beginning of year	<u>209,886</u>	<u>132,494</u>
Cash, end of year	<u>\$ 197,931</u>	<u>\$ 209,886</u>

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

SPECTACULAR SOLAR, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021
(Unaudited)

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Nature of Business

Synchronys International, Inc. (the Company) was incorporated in the State of Nevada on April 8, 2004, under the name of AYL Global, Inc. On January 18, 2006, the Company changed its name to China Northwest Biotech Corp. On June 18, 2007, the Company changed its name to LGM Biopharma, Inc. The Company changed its name to Synchronys International, Inc. on November 23, 2007, and considers January 1, 2007 to be the date of commencement of new development of its principle business plan (date of inception). On March 31, 2013 the Company changed its name to Seeker Tee International, Inc. On August 24, 2018, Spectacular Solar Inc. merged with and into Seeker Tee International, Inc. with Seeker Tee International, Inc. being the surviving entity. On January 15, 2019, the Company changed its name to Spectacular Solar, Inc.

Spectacular Solar, Inc. is involved in solar system installations, both corporate and residential, investment fund management and roofing contracting.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

Investments in unconsolidated subsidiaries representing ownership of at least 20% but less than 50%, is accounted for under the equity method. Non-marketable investments in which the Company has less than 20% ownership and in which it does not have the ability to exercise significant influence over the investee is initially recorded at cost and periodically reviewed for impairment. As of December 31, 2021 and December 31, 2020, the Company did not have non-marketable investments.

Use of Estimates in Financial Statement Presentation

The preparation of these 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 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.

Reclassifications

Certain amounts for the prior year have been revised or reclassified to conform with current year presentation.

Cash and Cash Equivalents

The Company considers all highly liquid accounts with original maturities of three months or less to be cash equivalents. At December 31, 2021 and December 31, 2020, all of the Company's cash was deposited in major banking institutions. There were no cash equivalents as of December 31, 2021 and December 31, 2020.

Revenue Recognition

Pursuant to ASC 605: revenues were recognized when the four basic criteria for recognition were met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) consideration is fixed or determinable; and (4) collectability is reasonably assured.

Fair Value of Financial Instruments

The fair value of financial instruments, which include cash, accounts payable and accrued expenses and advances from related parties were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Management is of the opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments.

Fair value is defined as the price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier fair value hierarchy which prioritizes the inputs used in the valuation methodologies, as follows:

Level 1 Inputs - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 Inputs - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or 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 (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means.

Level 3 Inputs - Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

At December 31, 2021 and December 31, 2020, the carrying amounts of the Company's financial instruments, including cash, accounts payables, and accrued expenses, approximate their respective fair value due to the short-term nature of these instruments.

At December 31, 2021 and December 31, 2020, the Company does not have any assets or liabilities required to be measured at fair value in accordance with FASB ASC Topic 820, Fair Value Measurement.

Stock Based Compensation

Stock based compensation costs are measured at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The Company determines the fair value of awards using the Black - Scholes valuation model.

New Accounting Pronouncements

In May 2014, ASU 2014-09 was issued related to revenue from contracts with customers. The ASU was further amended in August 2015, March 2016, April 2016, and May 2016 by ASU 2015-14, 2016-08, 2016-10 and 2016-

In August 2015, the effective date was deferred to reporting periods, including interim periods, beginning after December 31, 2017, and will be applied retrospectively. Early adoption is not permitted.

Since ASU 2014-09 was issued, several additional ASUs have been issued to clarify various elements of the guidance. These standards provide guidance on recognized revenue, including a five-step model to determine when revenue recognition is appropriate. The standard requires that an entity recognize revenue to depict the transfer of control of promised goods or services to customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Effective January 1, 2018, the Company will adopt ASU 2014-09, "Revenue from Contracts with Customers". The results of operations for the reported periods after January 1, 2018 will be presented under this amended guidance, while prior period amounts are reported in accordance with ASC 605-Revenue Recognition.

The Company has completed its assessment of the impact of the new revenue standard on the Company's financial position, results of operations, or cash flows and believes the new standard will not have a material impact. The Company will adopt the standard using the modified retrospective method of adoption. The Company's revenue arises from contracts with customers in which the sale of coins is the single performance obligation under the customer contract. Accordingly, revenue will continue to be recognized at a point in time when control of the asset is transferred to the customer, which is generally consistent with the Company's current accounting policies.

ASU 2014-09 provides presentation and disclosure requirements which are more detailed than under current GAAP.

The Company reviews new accounting standards as issued. No new standards had any material effect on these financial statements. The accounting pronouncements issued subsequent to the date of these financial statements that were considered significant by management were evaluated for the potential effect on these consolidated financial statements. Management does not believe any of the subsequent pronouncements will have a material effect on these consolidated financial statements as presented and does not anticipate the need for any future restatement of these consolidated financial statements because of the retro-active application of any accounting pronouncements issued subsequent to September 30, 2021 through the date these financial statements were issued.

Going Concern

The financial statements have been prepared assuming the Company will continue as a going concern. The Company has incurred losses since inception, resulting in an accumulated deficit of approximately \$2,208,937 and positive working capital of \$358,993 as of December 31, 2021 and future losses are anticipated. These factors, among others, generally tend to raise substantial doubt as to its ability to obtain additional long-term debt or equity financing in order to have the necessary resources.

In order to continue as a going concern, the Company needs to develop a reliable source of revenues, and achieve a profitable level of operations in the future and/or to obtain the necessary financing to meet its obligations arising from normal business operations when they come due.

Accordingly, the audited financial statements are accounted for as if the Company is a going concern and does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amount and classification of liabilities or other adjustments that might be necessary should the Company be unable to continue as a going concern.

NOTE 3 – LOANS PAYABLE

During December 31, 2021 and December 31, 2020, the Company entered into several loans with lenders, which bear interest at a rate varying from 0 to 10 percent, due on an annual basis. Any amount of interest which is not paid when due shall bear interest at 0 to 10 percent until paid in full.

During the years ending December 31, 2021 and December 31, 2020, the Company received \$166,494 and \$1,109,930, respectively, from funding on loans and made \$511,213 and \$476,571, respectively of payments on the outstanding loans and had loan forgiveness of \$1,231,454 and \$0, respectively.

NOTE 4 – STOCKHOLDERS EQUITY

Common Shares

The Company is authorized to issue up to 450,000,000 shares of \$0.001 par value common stock.

2021 Transactions

During the year ended December 31, 2021, the Company issued an aggregate of 22,150,000 shares of common stock valued at \$566,520 to various shareholders for services. The shares were valued on the date of the agreement using the share price per OTC markets on that date.

2020 Transactions

During the year ended December 31, 2020, the Company issued an aggregate of 19,100,000 shares of common stock valued at \$925,885 to various shareholders for services. The shares were valued on the date of the agreement using the share price per OTC markets on that date.

As of December 31, 2021 and December 31, 2020, the Company has 424,798,167 and 402,998,167 common shares issued and outstanding, respectively.

Preferred Shares

The Company is authorized to issue up to 400,000,000 shares of \$0.001 par value preferred stock.

As of December 31, 2021 and December 31, 2020, the Company has 302,185,737 and 302,185,737 preferred shares issued and outstanding, respectively.

NOTE 5 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

	December 31, 2021	December 31, 2020
Automobiles (5 year useful life)	\$ 232,879	\$ 218,995
Less: accumulated depreciation	(159,203)	(121,241)
Total property and equipment, net	<u>\$ 73,676</u>	<u>\$ 97,754</u>

Depreciation expense for the years ended December 31, 2021 and 2020 was \$37,962 and \$37,962, respectively.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The Company leases office and warehouse space at 485C US Highway 1, Suite 100, Iselin, NJ 08830.

NOTE 7 – SUBSEQUENT EVENTS

None