

CAREFREE GROUP INC.
FINANCIAL STATEMENTS (UNAUDITED)
DECEMBER 31, 2021 AND 2020

CAREFREE GROUP INC.
FINANCIAL STATEMENTS (UNAUDITED)

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**CAREFREE GROUP INC.
BALANCE SHEETS - UNAUDITED
DECEMBER 31,**

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash	\$ -	\$ -
	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>

LIABILITIES AND MEMBERS' EQUITY (DEFICIENCY)

CURRENT LIABILITIES

Accounts Payable	\$ 20,138	\$ 13,450
Lien Payable	250,000	244,860
Loans from Shareholder	<u>8,811</u>	<u>8,259</u>
Total current liabilities	<u>278,949</u>	<u>266,569</u>

Preferred Stock A \$.0001 par value; 10,000,000 shares authorized at December 31, 2021 and December 31, 2020; 1,000,000 and zero issued and outstanding respectively.

100 -

Common Stock A \$.001 par value; 200,000,000 shares authorized at December 31, 2021 and December 31, 2020; 164,397,408 and 39,397,408 shares issued and outstanding, respectively.

164,397 39,397

Additional Paid in Capital

17,128 -

Accumulated deficit

(460,574) (305,966)

Total Stockholders' Deficit

(278,949) (266,569)

TOTAL LIABILITIES AND MEMBERS' EQUITY (DEFICIENCY)	<u>\$ -</u>	<u>\$ -</u>
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CAREFREE GROUP INC.
STATEMENTS OF OPERATIONS - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31,

	<u>2021</u>	<u>2020</u>
REVENUE	\$ <u>-</u>	\$ <u>-</u>
OPERATING EXPENSES		
General and administrative expenses	<u>29,508</u>	<u>9,275</u>
Total Operating Expenses	<u>29,508</u>	<u>9,275</u>
NET LOSS	\$ <u>(29,508)</u>	\$ <u>(9,275)</u>
NET LOSS PER BASIC SHARES	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>
WEIGHTED AVERAGE NUMBER OF BASIC SHARES OUTSTANDING	<u>77,858,946</u>	<u>39,397,408</u>

The accompanying notes are an integral part of these financial statements

CAREFREE GROUP INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31,

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Total
	Shares	Amount	Shares	Amount			
Balance at December 31, 2018	-	\$ -	39,397,408	39,397	-	(287,416)	(248,019)
Net loss						(9,275)	(9,275)
Balance, December 31, 2019	-	-	39,397,408	39,397	-	(296,691)	(257,294)
Net loss						(9,275)	(9,275)
Balance at December 31, 2020	-	\$ -	39,397,408	\$ 39,397	\$ -	\$ (305,966)	\$ (266,569)
Issued 1,000,000 shares of preferred stock to Founder	1,000,000	100				(100)	-
Issued 125,000,000 shares of common stock to Founder			125,000,000	125,000		(125,000)	-
Shareholders contribution					17,128		17,128
Net loss						(29,508)	(29,508)
Balance at December 31, 2021	1,000,000	\$ 100	164,397,408	\$ 164,397	\$ 17,128	\$ (460,574)	\$ (278,949)

The accompanying notes are an integral part of these financial statements

CAREFREE GROUP INC.
CONDENSED STATEMENTS OF CASH FLOWS
DECEMBER 31,

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	\$ (29,508)	\$ (9,275)
Adjustments to reconcile net income to net cash used in operating activities:		
Changes in assets and liabilities:		
Accounts Payable	6,688	-
Lien Payable - Interest Portion	5,140	8,725
	-	-
Net cash used in operating activities	<u>(17,680)</u>	<u>(550)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Shareholders Contributions	17,128	-
Loans from Shareholder	552	550
Net cash provided by investing activities	17,680	550
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	<u>-</u>	<u>-</u>
CHANGE IN CASH	-	-
CASH - BEGINNING OF YEAR	<u>-</u>	<u>-</u>
CASH - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

CAREFREE GROUP INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
DECEMBER 31, 2021 AND 2020

NOTE 1 - BUSINESS OPERATION

Carefree Group Inc. ("We" or the "Company") has no operations since February 1, 2009. The Company is looking for an active business to purchase currently.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Liquidity, Going Concern and Uncertainties

As reflected in the accompanying unaudited financial statements, the Company has sustained net losses and has a working capital deficit of \$278,949 and a stockholders' deficit of \$278,949 at December 31, 2021. In addition, the Company has no operating business.

The ability of the Company to continue as a going concern is dependent on its ability to obtain debt or equity based financing and upon future commencement of operations from the development of its planned business.

The accompanying unaudited 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. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Basis of Presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP").

Use of Estimates

The preparation of the 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 dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates. Certain of our estimates, including evaluating the collectability of accounts receivable, could be affected by external

CAREFREE GROUP INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
DECEMBER 31, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates (Continued)

conditions, including those unique to our industry, and general economic conditions. It is possible that these external factors could have an effect on our estimates that could cause actual results to differ from our estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. At times, the Company's cash balances may exceed the current insured amounts under the Federal Deposit Insurance Corporation. There were no accounts that exceeded federally insured limits at December 31, 2021 and 2020.

Income Taxes

The Company has net operating losses for the periods ended December 31, 2021 and 2020. These losses have been 100% reserved and no deferred asset has been recorded. The Company is a C corporation for tax purposes.

NOTE 3 - LIEN PAYABLE

A certain creditor whose debt was incurred in 2008 holds a \$172,395 lien against the Company for services rendered in 2008. The lien was perfected in 2012. Interest has been accrued at 4% per annum. The lien with accumulated interest on December 31, 2021 and December 31, 2020, is \$250,000 and \$244,860, respectively.

NOTE 4 – SUBSEQUENT EVENTS

None