

GIFA, INC.

**CONSOLIDATED
FINANCIAL STATEMENTS**

December 31, 2021 and 2020



BERMAN HOPKINS
— CPAs & ASSOCIATES, LLP —

255 South Orange Ave #1200
Orlando, FL 32801

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Gifa, Inc.

CONSOLIDATED BALANCE SHEETS

For the years ended December 31,

	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 7,580,197	\$ 55,060
Other receivables	162,896	162,896
Receivables from shareholders, current	815,560	815,569
Value added tax recoverable	85,344	85,344
	<u>8,643,997</u>	<u>1,118,869</u>
Non-current assets		
Property, plant and equipment, net	353,980	331,268
Intangible assets, net	37,005	45,717
Receivables from related entities	1,078,960	2,514,794
Receivables from shareholders, less current portion	1,301,163	1,301,163
Construction in progress	11,738,050	11,738,050
Value added tax recoverable	-	-
	<u>14,509,158</u>	<u>15,930,992</u>
Total assets	<u><u>\$ 23,153,155</u></u>	<u><u>\$ 17,049,861</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and other liabilities	\$ 604,559	\$ 278,559
Corporation tax liability	-	-
	<u>604,559</u>	<u>278,559</u>
Non-current liabilities		
Payables to related entity	<u>7,472,900</u>	<u>7,472,900</u>
Total liabilities	<u>8,077,459</u>	<u>7,751,459</u>
Commitments and contingencies	<u>-</u>	<u>-</u>
Stockholders' equity		
Gifa, Inc. stockholders' equity		
Common stock \$.001 par value-		
160,931,844 shares issued and outstanding		
(March 31, 2021 and June 30, 2021)	-	-
160,931,844 shares issued and 69,931,844		
outstanding (September 30, 2021)	160,932	160,932
Treasury shares - 91,000,000	-	-
Accumulated other comprehensive loss	(1,825,424)	(1,825,424)
Additional paid-in-capital	11,517,833	8,517,833
Retained earnings	5,222,355	2,445,061
Total stockholders' equity	<u>15,075,696</u>	<u>9,298,402</u>
Total liabilities and stockholders' equity	<u><u>\$ 23,153,155</u></u>	<u><u>\$ 17,049,861</u></u>

We do not provide any assurance on these financial statements.

Gifa, Inc.

CONSOLIDATED STATEMENT OF INCOME

For the years ended December 31,

	2021	2020
Revenue		
Income from third parties	\$ 4,096,379	\$ 159,662
Cost of services	147,300	-
Gross profit	3,949,079	159,662
Expenses		
General and administrative expenses	1,432,987	146,538
Depreciation and amortization expenses	39,098	-
Advertising expenses	32,000	-
	1,504,085	146,538
Operating income	2,592,294	13,124
Other income (expense)		
Foreign currency exchange gain/(loss), net	-	(1,453,708)
Prior period expense	-	119
Other income	185,000	-
Interest income	-	-
	185,000	(1,453,589)
Income before corporation tax	2,777,294	(1,440,465)
Corporation tax expense	-	-
Net Income	<u>\$ 2,777,294</u>	<u>\$ (1,440,465)</u>
Net income (loss) per share basic and diluted:		
Net income attributable to stockholders per share (US Dollars)	<u>\$ 0.020</u>	<u>\$ (0.010)</u>
Weighted average shares outstanding:		
Basic and diluted	<u>137,246,912</u>	<u>160,931,844</u>

We do not provide any assurance on these financial statements.

Gifa, Inc.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND STATEMENTS OF STOCKHOLDERS' EQUITY

For the years ended December 31,

Consolidated Statements of Stockholders' Equity

	Common stock Shares	Common stock Amount	Treasury stock Shares	Treasury stock Amount	Additional Paid-in-Capital	Accumulated other comprehensive loss	Retained earnings	Total stockholders' equity
Balance at January 1, 2020	\$ 160,931,844	\$ 160,932	\$ -	\$ -	\$ 408,048	\$ (2,249,572)	\$ 3,885,526	\$ 2,204,934
Net income (loss)	-	-	-	-	-	-	(1,440,465)	(1,440,465)
Capital contributions	-	-	-	-	8,109,785	-	-	8,109,785
Cumulative translation adjustment	-	-	-	-	-	424,148	-	424,148
Balance at December 31, 2020	160,931,844	160,932	-	-	8,517,833	(1,825,424)	2,445,061	9,298,402
Net income (loss)	-	-	-	-	-	-	2,777,294	2,777,294
Capital contributions	-	-	-	-	3,000,000	-	-	3,000,000
Treasury stock acquisition	-	-	91,000,000	-	-	-	-	91,000,000
Balance at December 31, 2021	<u>\$ 160,931,844</u>	<u>\$ 160,932</u>	<u>\$ 91,000,000</u>	<u>\$ -</u>	<u>\$ 11,517,833</u>	<u>\$ (1,825,424)</u>	<u>\$ 5,222,355</u>	<u>\$ 106,075,696</u>

We do not provide any assurance on these financial statements.

Gifa, Inc.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 2,777,294	\$ (1,440,465)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,098	136,977
Effect of exchange rate changes on cash and cash equivalents	-	350,430
Changes in operating assets and liabilities		
(Increase)/decrease in current assets	9	(38,890)
Increase/(decrease) in accounts payable and other liabilities	326,000	122,352
Increase in current corporation tax payable	-	-
Net cash provided by operating activities	<u>3,142,401</u>	<u>(869,596)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchases of property, plant and equipment	<u>(53,098)</u>	<u>(3,585)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Increase)/decrease in receivables from related entities	1,435,834	2,166,892
Capital contributions	3,000,000	(1,301,163)
(Increase)/decrease in other long-term assets	-	-
Net cash provided by financing activities	<u>4,435,834</u>	<u>865,729</u>
Net increase in cash and cash equivalents	7,525,137	(7,452)
Cash and cash equivalents at beginning of period	<u>55,060</u>	<u>62,512</u>
Cash and cash equivalents at end of period	<u><u>\$ 7,580,197</u></u>	<u><u>\$ 55,060</u></u>

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE A - BACKGROUND

Gifa, Inc. (SYMBOL: "GIFX") is a Nevada corporation incorporated on April 29, 2008 (the "Company"). On September 30, 2018, Gifa, Inc. acquired nearly all of the outstanding capital stock of the Gifa Holding Limited, a limited liability registered in the Turkish Republic of Northern Cyprus. The acquisition was accomplished via the Company's issuance of certain shares of its newly designated Series A Voting Preferred Stock in exchange for nearly all of the outstanding common stock of Gifa Holding Limited in a tax-free acquisition. As a result of the acquisition, the Gifa Holding Limited became the operating entity of the Company, and the business of the Gifa Holding Limited became the business of the Company going forward.

Gifa Holding Limited, together with its consolidated subsidiaries, is a diversified organization engaged in a wide variety of business activities and intends to provide various types of products and services on a global basis.

Gifa Holding Limited is a Turkish Republic of Northern Cyprus ("TRNC") limited liability company in accordance with the Companies Law Cap 113 of the TRNC. Gifa Holding Limited was originally established as a limited liability company on April 24, 2014 under registration number MS 016778 and the name Gifa Trading Limited. However, as Gifa Holding Limited commenced acquiring subsidiaries, on June 4, 2014, it obtained a special approval from the Council of Ministers and changed its name to Gifa Holding Limited to more accurately reflect its business objectives.

Gifa Holding Limited and its subsidiaries' main operations are in the Middle East and are subject to the legislative requirements of the state and regional authorities, where necessary.

Gifa Holding Limited's consolidated subsidiaries, each of which is located in TRNC, are:

- Gifa Consulting Limited: The principal business activity of this company is to assist its clients in the preparation of their business plans in support of their financing applications.
- Gifaland Theme Park Limited: The objective of this company is to construct and manage a theme park. Currently the Company is completing the construction of the Company's headquarters.
- Gifa Retirement Homes Limited: This company is currently involved in two major projects: (i) A complex aimed at constructing and managing a complex with medical facilities for advanced aged living (ii) A children's hospital (pediatrics).
- Gifa Nektar Import & Export Limited: This Company is currently negotiating with a manufacturer of citrus fruit juice producer with the intent of exporting the products.
- Grandex Finance Ltd. ("Grandex") is a 99% subsidiary of Gifa Holding Ltd. Accordingly, Gifa Holding holds 1,980 shares of the 2,000 issued share capital of Grandex. Accordingly, Grandex is a subsidiary of Gifa Inc.
- Yeni Bakis Ltd. was incorporated in TRNC on November 4, 2014 for the purpose of producing the "Yeni Bakis" daily newspaper.

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE A - BACKGROUND (continued)

Gifa Holding Limited's consolidated subsidiaries, each of which is located in TRNC, are (continued):

- Gifa Air Ltd. was incorporated in TRNC on December 15, 2014 for the purpose of providing travel agency services.
- Gifa Green Islands Finance Ltd. is a dormant entity.

In these Notes to the Consolidated Financial Statements of Gifa, Inc., unless the context indicates otherwise, the terms "we," "our," "ours," "us," or "the Company" refer to each of Gifa, Inc., Gifa Holding Limited, and each of the subsidiaries of Gifa Holding Limited on a consolidated basis.

NOTE B - BASIS OF CONSOLIDATED FINANCIAL STATEMENTS PREPARATION

1. Basis of presentation

The Company maintains its accounting records in accordance with the legislative requirements of TRNC. The accompanying consolidated financial statements have been prepared from those accounting records and adjusted as necessary to comply, in all material respects, with the requirements of accounting principles generally accepted in the United States of America ("US GAAP").

2. Functional and reporting currency

In accordance with the laws of the TRNC, the accounting records of the Company and each of its subsidiary companies, and their statutory financial statements for its Stockholders are prepared, in Turkish Lira.

Functional currency of the Company entities is considered to be the Turkish Lira. The Company typically calculates exchange rate variances on an annual basis. The accompanying consolidated financial statements have been prepared using the US dollar as the Company's reporting currency, utilizing prior year-end exchange rates for assets and liabilities, corresponding period yearly average exchange rates for consolidated statement of income accounts and historic rates for equity accounts in accordance with the relevant provisions of ASC No. 830, Foreign currency matters. The Company has determined that no significant change to the income statement would be posted for the year December 31, 2021 had such calculation been made. The Company calculated and posted a translation adjustment of \$424,148 for the year ended December 31, 2020.

These consolidated financial statements include all majority-owned and controlled subsidiaries of the Company. All significant intercompany accounts and transactions have been eliminated.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE C - SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied in the preparation of the consolidated financial statements. These accounting policies have been consistently applied by the Company from one reporting period to another with the exception of newly adopted accounting pronouncements.

1. Use of estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the periods reported.

Estimates are used when accounting for certain items such as allowances for doubtful accounts; employee compensation programs; depreciation and amortization lives; asset retirement obligations; legal and tax contingencies; inventory values; valuations of investments and determining when investment impairments are other than temporary; goodwill; assets and liabilities assumed in a purchase business combinations and deferred tax assets, including valuation allowances. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results may differ from those estimates under different assumptions or conditions.

2. Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash on current accounts with banks, bank deposits and other highly liquid short-term investments with original maturities of less than three months.

3. Accounts receivable and loans issued

Receivables and loans issued are stated at cost less an allowance for doubtful debts. Management quantifies this allowance based on current information regarding the customers' and borrowers' ability to repay their obligations. Amounts previously written off which are subsequently collected is recognized as income. As of December 31, 2021 and 2020 there were no allowance for doubtful debts.

4. Value added tax (VAT)

Output value added tax related to sales of goods (work performance, services provision) is payable to the tax authorities upon delivery of the goods (work, services) or property rights to customers. Input VAT on goods and services purchased (received) is generally recoverable against output VAT. VAT related to sales/purchases and services provision/receipt which has not been settled at the balance sheet date (VAT deferred) is recognized in the balance sheet on a gross basis and disclosed separately within current assets and current liabilities.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE C - SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Value added tax (VAT) (continued)

Where a doubtful debt provision has been made, a loss is recorded for the gross amount of the debt, including VAT. As of December 31, 2021 and 2020 there were no allowance for doubtful debt provisions.

5. Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at acquisition cost less accumulated depreciation and adjustments for impairment losses. The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate portion of production overheads directly related to construction of assets. Property, plant and equipment also include assets under construction and plant and equipment awaiting installation.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent expenditures

Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, are capitalized with the carrying amount of the component subject to depreciation. Other subsequent expenditures are capitalized only when they increase the future economic benefits embodied in an item of property, plant and equipment. All other expenditures are recognized as expenses in the consolidated statement of income as incurred.

Capitalized interest

Interest costs are capitalized against qualifying assets as part of property, plant and equipment. Such interest costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction is interrupted for an extended period or when the asset is substantially complete. Further interest costs are charged to the statement of income.

Where funds are borrowed specifically for the purpose of acquiring or constructing a qualifying asset, the amount of interest costs eligible for capitalization on that asset is the actual interest cost incurred on the borrowing during the period.

Where funds are made available from general borrowings and used for the purpose of acquiring or constructing qualifying assets, the amount of interest costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on these assets.

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE C - SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Property, plant and equipment (continued)

Depreciation and amortization

Depreciation is charged on a straight-line basis over the estimated remaining useful lives of the individual assets. Plant and equipment under capital leases and subsequent capitalized expenses are depreciated on a straight-line basis over the estimated remaining useful lives of the individual assets. Depreciation commences from the time an asset is put into operation. Depreciation is not charged on assets to be disposed of and land. For ease of reporting the Company has decided to calculate depreciation expense only on an annual basis. The range of the estimated useful lives, in years, is as follows:

Fixtures, fittings and equipment	5 - 10
Computers	3 - 5
Improvements	10 - 15

6. Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired. Under ASC No. 350, Intangibles - Goodwill and Other, ("ASC No. 350") goodwill is first assessed with regard to qualitative factors to determine whether it is necessary to perform the two-step quantitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. It is required to calculate the fair value of a reporting unit only if a qualitative assessment indicates that it is more likely than not that its carrying amount is more than its fair value.

The impairment test under ASC No. 350 includes a two-step approach. Under the first step, management compares fair value of a "reporting unit" to its carrying value. A reporting unit is the level at which goodwill impairment is measured and it is defined as an operating segment or one level below it if certain conditions are met. If the fair value of the reporting unit is less than its carrying value, step two is required to determine if goodwill is impaired.

Under step two, the amount of goodwill impairment is measured by the amount, if any, that the reporting unit's goodwill carrying value exceeds its "implied" fair value of goodwill. The implied fair value of goodwill is determined by deducting the fair value of all tangible and intangible net assets of the reporting unit (both recognized and unrecognized) from the fair value of the reporting unit (as determined in the first step).

The excess of the fair value of net assets acquired over acquisition cost represents negative goodwill (or "bargain purchase") which is recognized as a gain in the consolidated statement of income on the date of the acquisition.

Intangible assets that have limited useful lives are amortized on a straight-line basis over the shorter of their useful or legal lives. For ease of reporting the Company has decided to calculate amortization expense only on an annual basis.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE C - SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Impairment of long-lived assets

The Company performs tests for impairment of assets where an impairment trigger has been identified. In accordance with the requirements of US GAAP, management first compares the carrying amount with the undiscounted cash flows. If the carrying amount is lower than the undiscounted cash flows, no impairment loss is recognized. If the carrying amount is higher than the undiscounted cash flows, an impairment loss is measured as the difference between the carrying amount and fair value.

For the purposes of impairment testing, a long-lived asset or asset group represents the lowest level for which management can separately identify cash flows that are largely independent of the cash flows of other assets and liabilities. Management combines the assets of different entities which operate together performing different stages of the production of finished goods.

8. Social insurance and provident fund benefits

The Company follows the Social Insurance and Provident Fund legislations of the TRNC where the Company operates. Contributions to the TRNC Social Insurance Scheme by the employer are calculated as a percentage of current gross salaries and to the provident Fund at 5% of the gross salaries. Such contributions are expensed as incurred.

9. Borrowing activities

The Company's general-purpose funding is principally obtained from short-term and long-term borrowings. Borrowings are carried at the principal amount borrowed, not of unamortized discounts or premiums.

10. Commitments and contingencies

Contingent liabilities, arising from claims, assessments, litigation, fines, penalties and other sources are recorded when it is probable that a liability can be assessed and the amount of the assessment and/or remediation can be reasonably estimated.

11. Income tax

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the 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 income in the period when a different tax rate is enacted.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE C - SIGNIFICANT ACCOUNTING POLICIES (continued)

11. Income tax (continued)

Pursuant to the provisions of ASC No. 740, Income Taxes, the Company provides valuation allowances for deferred tax assets for which it does not consider realization of such assets to be more likely than not. 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 historical taxable income generation, projected future taxable income, the reversal of existing deferred tax liabilities and tax planning strategies in making this assessment.

The Company does not calculate deferred taxes in respect of temporary differences associated with investments in subsidiaries and associates.

The Company accounts for uncertain tax positions and reflects liabilities for unrecognized income tax benefits together with corresponding interest and penalties in the consolidated statement of income as income tax expense.

12. Dividends

Dividends are recognized as a liability in the period in which they are declared.

13. Revenue recognition

Goods sold and services rendered

Revenue is recognized in accordance with the Financial Accounting Standards Board issued ASU 2014-09 (*Revenue from Contracts with Customers (Topic 606)*). The sale of goods and services rendered are recognized in the consolidated statement of income when there is a firm arrangement, the price is fixed and determinable, delivery has occurred and services have been rendered, and collectability is reasonably assured.

14. Recently issued accounting pronouncements

In February 2016, the Financial Accounting Standards Board issued ASU 2016-02 (*Leases (Topic 842)*), which requires an entity to recognize a liability and corresponding asset for leases that meet certain criteria. With respect to nonpublic entities, this update is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years, beginning after December 15, 2022, and early adoption is permitted. The effect of this guidance on the financial statements of the Company has not been determined.

15. Interest Income

Interest income is recognized in the consolidated statement of income as it is earned.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**For the years ended December 31, 2021 and 2020****NOTE C - SIGNIFICANT ACCOUNTING POLICIES (continued)****16. Interest expense**

All interest and other costs incurred in connection with borrowings are expensed as incurred as part of interest expense, except for interest which is incurred on construction projects and capitalized.

17. Non-cash transactions

Non-cash settlements represent offset transactions between customers and suppliers, when exchange equivalents are defined and goods are shipped between the parties without exchange of cash. The related sales and purchases are recorded in the same manner as cash transactions. The fair market value for such transactions is based on the value of similar transactions in which monetary consideration is exchanged with a third party. Purchases of property, plant and equipment under capital lease arrangements are also recognized as non-cash transactions. There were no non-cash transactions for the years December 31, 2021 and 2020.

18. Segment reporting

According to ASC No.280, Segment reporting, segment reporting follows the internal organizational and reporting structure of the Company. The Company's organization comprises four reportable segments.

NOTE D - CASH AND CASH EQUIVALENTS

	2021	2020
Cash Reserves	\$ 3,000,000	\$ -
Cash - Turkish Lira	1,617,203	361
Cash - Euro	933,106	-
Cash - Sterling	831,198	-
Cash - USD	1,111,777	-
Deposits - Turkish Lira	32,217	3
Deposits - Sterling	1,223	1,223
Deposits - Euro	5,666	5,666
Deposits - US Dollars	24,113	24,113
Bitcoin	23,694	23,694
	<u>\$ 7,580,197</u>	<u>\$ 55,060</u>

NOTE E - VALUE ADDED TAX

Value Added Tax ("VAT") represents excess of input tax (tax on acquisition of assets and expenses) over output tax (tax on income). General rate of VAT in TRNC is 10%, however, on fee income and most expenses the rate is 16%.

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE F - PROPERTY, PLANT AND EQUIPMENT

	<u>2021</u>	<u>2020</u>
Office equipment and computers	\$ 479,940	\$ 426,842
Accumulated depreciation	<u>(125,960)</u>	<u>(95,574)</u>
	<u>\$ 353,980</u>	<u>\$ 331,268</u>

NOTE G - INTANGIBLE ASSETS

	<u>2021</u>	<u>2020</u>
Improvements to rented property	\$ 87,120	\$ 87,120
Accumulated amortization	<u>(50,115)</u>	<u>(41,403)</u>
	<u>\$ 37,005</u>	<u>\$ 45,717</u>

NOTE H - RECEIVABLES FROM RELATED ENTITIES

	<u>2021</u>	<u>2020</u>
Gifa, Inc.	\$ 9,800	\$ 310,308
Gifa Holding, Inc.	76,777	-
Yeni Bakis Ltd.	155,555	588,516
Grandex Finance Ltd.	123,999	(12,881)
Gifa Air Ltd.	34,843	65,897
HSB Corporation Consultants Ltd.	654,752	1,532,085
Gifa Green Island Finance Ltd.	-	4,497
Gifa Rent A Car	-	1,637
Other Receivables	<u>23,234</u>	<u>24,735</u>
	<u>\$ 1,078,960</u>	<u>\$ 2,514,794</u>

- Yeni Bakis Ltd. was incorporated in TRNC on October 4, 2014 for the purpose of producing the "Yeni Bakis" daily newspaper.
- Gifa Air Ltd. was incorporated in TRNC on December 15, 2014 for the purpose of providing travel agency services.
- Gifa Green Island Finance Ltd. is a dormant entity.
- Gifa, Inc. is incorporated in the USA and certain number of its stock was purchased/financed by Gifa Holding Ltd.
- Grandex Finance Ltd. ("Grandex") is 99% subsidiary of Gifa Holding Ltd. Accordingly, Gifa Holding holds 1,980 shares of the 2,000 issued share capital of Grandex. Accordingly, Grandex is a subsidiary of Gifa, Inc.
- Yeni Bakis Ltd. was incorporated in TRNC on November 4, 2014 for the purpose of producing the "Yeni Bakis" daily newspaper.
- Gifa Air Ltd. was incorporated in TRNC on December 15, 2014 for the purpose of providing travel agency services.
- Gifa Green Island Finance Ltd. is a dormant entity.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE I - CONSTRUCTION IN PROGRESS

On October 21, 2017, the Company entered into a Sale Agreement to purchase land and buildings on approximately 2,025 square meters located in Hamitkoy, Lefkosa, for the purchase price of £2,000,000 . During 2017, £100,000 deposit was paid. However, because the subject matter real estate is mortgaged by the seller, the case is referred to the local courts and a decision was made for the mortgage to be paid at the latest by June 7, 2018 and that the Company is to pay for the purchase £2,030,000 (\$2,743,501 U.S. Dollars) including interest.

As of December 31, 2021 and 2020 the mortgage on the subject property still remains outstanding and the 'Seller' is in the process of selling another property to settle all outstanding debts. Once settled, the title deeds of the said property shall be transferred to the name of the Company. At present, the Company's right of ownership is by way of an 'Official Sale Purchase Agreement'.

As of December 31, 2021 and 2020 the breakdown of expenditure on real estate was as follows:

	2021	2020
Purchase price	\$ 2,555,876	\$ 2,555,876
Capitalized interest	175,692	175,692
Construction cost	9,006,482	9,006,482
	<u>\$ 11,738,050</u>	<u>\$ 11,738,050</u>

NOTE J - ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2021	2020
Trade accounts payable	\$ 27,135	\$ 27,135
Payroll taxes	164,819	164,819
Social security contributions	40,075	40,075
Prior period taxes	46,530	46,530
Other payables	326,000	-
	<u>\$ 604,559</u>	<u>\$ 278,559</u>

NOTE K - CORPORATION TAX

In TRNC the corporate profit tax rate is 10%. In addition to the Corporation Tax liability, corporations that are specified under the Corporations Tax Law have to withhold income tax at source at a standard rate of 15% on the net chargeable income after corporation tax is deducted. The effective composite tax rate becomes 23.5%.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE L - COMMITMENTS AND CONTINGENCIES

1. Litigation

The Company, in the ordinary course of business, is not subject of, or party to any pending or threatened legal action

2. Environmental matters

The Company periodically evaluates its obligations under environmental regulation. As obligations are determined, they are recognized immediately.

3. Taxation

In accordance with tax regulations in TRNC, the Company's annual financial statements were to be submitted to the tax office at the latest by December 31, 2021. These financial statements were submitted on time for each of the subsidiary entity. Upon submission, the Company is undergoing tax investigation, the outcome of which cannot be ascertained at the date of this report. However, the directors are of the opinion that the tax provision made in these consolidated financial statements is sufficient.

NOTE M - STOCKHOLDERS' EQUITY

1. Stock

As at December 31, 2021 and 2020, the Company's share capital consisted of 160,931,844 issued and fully paid common stock, with \$.001 par value. During the 3 months ended December 31, 2021, the company acquired 91,000,000 shares of treasury stock at \$0 cost. For each common share held, the stockholder has the right to one vote at the stockholders' meetings.

2. Dividends

Dividends are paid on common stock at the recommendation of the Board of Directors and approval at a General Stockholders' Meeting. Profits available for distribution to stockholders in respect of any reporting period are determined by reference to the statutory financial statements of the Company.

As the Company is in its development stage, no dividends were declared for the periods ended December 31, 2021 and 2020.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE N - EARNINGS PER SHARE

	<u>2021</u>	<u>2020</u>
Weighted average number of shares	137,246,912	160,931,844
Net income (period ended)	<u>\$ 2,777,294</u>	<u>\$ (1,440,465)</u>
Basic and diluted net earnings per share	<u>\$ 0.02</u>	<u>\$ (0.01)</u>

Basic net earnings per share of common stock is calculated by dividing net income by the weighted average number of shares of common stock outstanding during the reporting period. The Company does not have potentially dilutive shares outstanding.

The Board of Directors also resolved to adopt and approve the transfer of 90,000,000 (Ninety million) in shares of the company's stock from ILKSEN YESILADA to GIFA INC and redeem 1,000,000 (One million) shares of the company stock from HULYA SONMEZ to GIFA INC.

The reason for the redeeming of the shares and introduction of \$3,000,000 capital at the start of 2021 were to facilitate the diversification into the new ventures, such as investing in the pharmaceutical sector, the retirement sector and third age tourism, and so on.

NOTE O - FINANCIAL INSTRUMENTS

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The Company's management believes that the carrying values of cash, trade and other receivables, trade and other payables and short-term loans approximate to a reasonable estimate of their fair value due to their short-term maturities.

NOTE P - RISKS AND UNCERTAINTIES

1. Operating environment of the Company

TRNC's economy continues to display characteristics of a small island economy. These characteristics include relatively high inflation. The legal, tax and regulatory frameworks continue to develop and are subject to varying interpretations.

The future economic direction of the TRNC is largely dependent upon the effectiveness of economic, financial and monetary measures undertaken by the Government, together with tax, legal, regulatory and political developments. Management believes it is taking all the necessary measures to support the sustainability and growth of the Company's business.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE P - RISKS AND UNCERTAINTIES (continued)

1. Operating environment of the Company (continued)

The political and economic turmoil witnessed in the region, including the developments in the Middle East and Africa where the Company's income is substantially from, may have a negative impact on the Middle Eastern economy. In the case of TRNC, the dead lock between the Turkish and Greek communities and no agreement reached in line with United Nations parameters continue the international isolation applied to TRNC.

However, the TRNC economy continues to attract foreign investment in tourism and university sectors with a growing foreign workers arriving into the island under work permits. These and other events may have a significant impact on the Company's operations and financial position, the effect of which is difficult to predict.

The major financial risks inherent to the Company's operations are those related to market risk, credit risk and liquidity risk. The objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within acceptable limits.

2. COVID-19

COVID-19 continues to be at the top of the agenda in our country as in the rest of the world. It is possible to say that this deadly epidemic has had and will continue to have very important consequences not only for individuals but also for companies. Although sectors such as tourism, public transportation and air transportation have been affected severely by the epidemic, we see that there is an uncertainty in the whole business world. In this uncertainty environment caused by COVID-19, which the World Health Organization declared as a pandemic, that is, a wide spread epidemic, the importance of the boards of directors which can undertake crisis management is once again understood. It is critical that business continuity is not adversely affected due to the direct effects of COVID-19 and the measures to be taken due to COVID-19. In this context, we wanted to bring attention to the main issues that are important in our Company management in order to minimize the effects of COVID- 19 on our Company, other companies and society.

We are closely following the Statements of Competent Authorities regarding the Coronavirus (COVID-19).

This epidemic disease, which can infect others without showing its symptoms, differs from other diseases in terms of its rate of spread. As a result, the measures and practices that have/should be taken against the virus, both nationally and internationally, are constantly renewed.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE P - RISKS AND UNCERTAINTIES (continued)

2. COVID-19 (continued)

It is of great importance that the statements of the competent authorities are closely followed so that our Company's board of directors can be informed of the latest developments regarding the disease as soon as possible, and that we can take into account our own business lines, organizations and infrastructures in accordance with these developments and take action as soon as possible.

3. We take necessary precautions in the workplace

The respiratory secretion of COVID-19 requires companies to make some important changes in their workplaces. In this process, the essential steps regarding our workplace are as follows:

- We make sure that managers responsible for employees have enough information about COVID-19 symptoms to identify risk groups.
- We provide adequate information to employees about the disease and keep disinfectants at easy-to-access points so that employees can disinfect their hands.
- We postpone the planned business trips as much as possible. Video conference method is preferred whenever possible.
- In order to prevent the spread of the disease among employees, we switched to home-office, if possible, and we are sure that the Company has the necessary infrastructure system for working from home, despite the continuity of business and information security risks.

4. Our Board of Directors takes decisions by remote meetings

In order to maintain our business continuity, it is of great importance that our board of directors meet regularly and take the necessary decisions in this process. During the period that COVID-19 continues to affect, our board of directors prefers to meet electronically instead of meeting physically in order to make the decisions we need.

5. Financial planning of the Company is under review

The economic recession, which will be felt more with the increase of the impact of COVID 19, may lead to significant disruptions in the supply chain and cause cash flows to remain below the expected levels. For this reason, our Company reviews the budgets foreseen for 2021 in the pre-epidemic period and sets targets in accordance with the epidemic conditions.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE P - RISKS AND UNCERTAINTIES (continued)

5. Financial planning of the Company is under review (continued)

In this process, due to the uncertainty of the cash flow during the period during which the effect of COVID-19 continues, large investment projects that may aggravate the liabilities of the Company have been postponed and we are focused on short-term goals.

6. We receive professional legal support in terms of non-executable debts

Due to the adverse effects of the COVID-19 epidemic, it is likely that we will have difficulties in fulfilling the debts arising from the contracts our Company has made. At this point, the important issue is whether the epidemic is in the nature of force majeure, difficulty in performance or impossibility of performance in terms of contracts.

7. Other identified risks

a) Market risk

Market risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, foreign currency risk and commodity price risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk of changes in market interest rates relates primarily to long-term debt obligations with floating interest rates. However, as of December 31, 2021 and 2020, the Company has no long-term debt obligations.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The operations of the Company in TRNC in Turkish Lira and its fee income from Middle East operations in Euros are exposed to currency risks when reporting currency is in US Dollars

To minimize foreign currency risks, in its Euro contracts the Company controls the balance of currency positions: payments in Euros are settled with Euro revenues.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE P - RISKS AND UNCERTAINTIES (continued)

7. Other identified risks (continued)

a) Market risk (continued)

(iii) Commodity price risk

Commodity price risk is a risk arising from possible changes in price of raw materials and metal products, and their impact on the Company's future performance and the Company's operational results.

As of December 31, 2021 and 2020 the Company had no production activities.

b) Credit risk

Credit risk is the risk when counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

The Company structures the levels of credit risk it undertakes by assessing the degree of risk for each counterparty or groups of parties. Such risks are monitored on a revolving basis and are subject to a quarterly, or more frequent, review.

The Company's management reviews ageing analysis of outstanding trade receivables and follows up on past due balances.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily calls on its available cash resources.

The Company monitors its risk to a short age of funds using a regular cash flow forecast. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. To provide for sufficient cash balances required for settlement of its obligations in time the Company uses cash flow forecasting instruments.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE Q - RELATED PARTY TRANSACTIONS

Related parties relationships are determined with reference to ASC No. 850, Related Party Disclosures. Balances as of December 31, 2021 and 2020 and transactions for the years ended December 31, 2021 and 2020 with related parties of the Company consist of the following:

(a) Sales to and purchases from related parties

(i) Income

There was no Income from related parties for the years ended December 31, 2021 and 2020.

(ii) Advances

Advances given to related parties equaled \$1,078,960 and \$2,514,794 as of December 31, 2021 and 2020, respectfully.

Advances received from related parties equaled \$7,472,900 as of December 31, 2021 and 2020.

(b) Financial transactions

Loans, provided to certain subsidiaries of the Company by the stockholder and accounted for under non-current liabilities, amounted to \$1,301,163 as of December 31, 2021 and 2020.

NOTE R - DEVELOPMENT OF GIFA TOKEN (GIFX) PROJECT

Mr. Kisa has been financing, and developing the GIFA Token Project (GIFX), a virtual currency Token, since September 2020, under the management and guidance of GIFA Holding Ltd. Mr. Kisa is the 100% owner of GIFX at this time. Neither the Company nor GIFA Holding Ltd. has any ownership whatsoever in GIFX at this time. Once fully developed and considered a viable business venture, GIFX is intended to be assigned by Mr. Kisa to a special purpose vehicle, that has not yet been formed and that is intended to own GIFX 100%. After formation, it is planned that the special purpose vehicle will be acquired by, and become a subsidiary of GIFA Holding Ltd.

Mr. Kisa has also been financing, and developing the GIFA Exchange Platform, which is intended to serve as a trading platform for the GIFA Token, as a fungible and tradable digital asset, under the management and guidance of GIFA Holding Ltd. Mr. Kisa is the 100% owner of the GIFA Exchange Platform at this time. Neither the Company nor GIFA Holding Ltd. has any ownership whatsoever in the GIFA Exchange Platform at this time. The GIFA Exchange Platform is intended to be assigned by Mr. Kisa to a special purpose vehicle, that has yet to be formed and that is intended to own the GIFA Exchange Platform 100%. After formation, it is planned that the special purpose vehicle will be acquired by, and become a subsidiary of GIFA Holding Ltd.

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE R - DEVELOPMENT OF GIFA TOKEN (GIFX) PROJECT (continued)

After the intended acquisition of GIFX and the GIFA Exchange Platform, it is intended that the Company will reimburse Mr. Kisa for all amounts spent by him for the development of GIFX and the GIFA Exchange Platform.

Additionally, after the intended acquisition of GIFX and the GIFA Exchange Platform, we intend to use the GIFA Token in order to help finance and crowdfund real estate projects. Mr. Kisa, with the assistance of GIFA Holding Ltd., has been working with third-party developers, Crypto Marketing and PR Agencies, in order to create, distribute, sell and circulate the GIFA Token through an initial coin offering (ICO) process, which involves a crowdfunding exercise to fund project development and future projects. This has not yet occurred, and is only in the developmental stages.

At this time, no revenue has been generated by either GIFX or the GIFA Exchange Program. However, there is one protocol in place that has been signed at this time.

The protocol process involved reserving a pre-determined number of GIFA Tokens, allocated to a particular real estate project owner, on the basis of the needs of their particular real estate project. We believe that this can enable the real estate project owner to crowdfund the real estate transaction or purpose (eg. construction finance), using GIFA Tokens. In other words, it is intended that people can purchase the GIFA Tokens from the real estate owner in exchange for a stake in the real estate project itself. Once an individual or entity purchases a certain sum of GIFA Tokens from the real estate project owner, the sum of tokens can be transferred to a pre-registered digital GIFA wallet of the purchaser ('Crowdfunder'). The proceeds from the sale are then intended to be transferred to the real estate project owner to finance the construction of their real estate project, with a percentage of the sum received allotted to the GIFA Token Project. The percentage has not yet been decided.

Thus far, Mr. Kisa, under the guidance of GIFA Holding Ltd., has arranged for a 'Protocol Agreement' between GIFA Token (Party 1) AND Stone Arch Retirement Villages Ltd. (Party 2), whereby we have allocated (blocked) 85 million GIFA Tokens. We believe this would enable Party 2, Stone Arch Retirement Villages Ltd., to be able to use the reserved number of pre-agreed GIFA Tokens to raise funding for their project.

Although Protocol (1) has been signed, the real estate project owners of the Project Stone Arch Retirement Villages are yet to complete each stage of their own planning process. However, it is anticipated that the project should be ready for launch in the final quarter of 2022. Until the project is build ready (i.e. the necessary planning requirements are met and clear construction timelines are set), the 'crowdsale' of the GIFA Tokens cannot commence and no funds can be transferred. Notwithstanding, the 85 million GIFA Tokens allocated under Protocol (1) remain on reserve at this time.

Proceeds from such potential sales, if any, are planned to be reflected fully in the future financials of the Company once the GIFA Token Project is operational and fully integrated into the overall GIFA Holding Ltd. group structure as further described above.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE R - DEVELOPMENT OF GIFA TOKEN (GIFX) PROJECT (continued)

The White Paper, together with our business plan and marketing strategy, has been prepared by private crypto consultants and blockchain development experts and we believe that it demonstrates how we plan on achieving optimal results once the GIFA Token Project is fully developed and ready for launch.

The GIFA Exchange Platform is intended to offer users (located in jurisdictions where the platform may legally operate) Crypto exchange and trading services, for the GIFA Token, as well as other Crypto tokens and Crypto coins. We believe that users will benefit from such tools as with trade portfolios, risk management, market analytics and reporting tools. We believe it can be ready and fully operational by early August 2022.

Each user and subscriber to the GIFA Token and GIFA Exchange Platform must satisfy know-your-customer ("KYC") and anti-money laundering ("AML") requirements. Considering the ever-changing regulatory reality facing the digital currency space, our company will seek to ensure that necessary compliance measures and protocols are accounted for and implemented prior to launch.

Once fully developed, it is planned that the GIFA Exchange Platform will only be made available in jurisdictions, which satisfy a full review of legal and regulatory regimes, on a country and state level (as applicable). In the United States, for example, we have considered the legal and regulatory framework for digital currencies overseen by the U.S. Securities and Exchange Commission (SEC), the U.S. Commodity Futures Trading Commission (CFTC), the Financial Crimes Enforcement Network (FinCEN), the Office of Foreign Asset Control (OFAC) of the U.S. Treasury Department, as well as federal banking regulators.

We are continuously observing and learning how different nations approach token, coin and exchange regulations, and staying up-to-date on any upcoming legislations which could alter our compliance obligations in each prospective jurisdiction. On March 9, 2022, President Biden signed an executive order on cryptocurrencies entitled "Ensuring Responsible Development of Digital Assets" and issued with an accompanying fact sheet, regarding the U.S. government's strategy for digital assets, defined to include cryptocurrencies and other forms of exchange that are recorded on the blockchain. Citing the need for the federal government to address the role of digital assets in the financial system, the executive order represents the first whole-of-government approach to the benefits and risks of digital assets. It is a general policy statement that reflects the views of the administration, as opposed to a specific proposal for regulation. While the executive order did not mandate any specific regulations, it instructs various federal agencies to consider potential regulatory measures, including the evaluation of the creation of a U.S. Central Bank digital currency. Accordingly, depending on the rules, regulations and laws stemming from this executive order, it may have a substantive effect on our current and planned operations. Digital assets currently face an uncertain regulatory landscape in not only the United States, but also abroad. Future changes to existing regulations or entirely new regulations may affect our business in ways it is not presently possible for us to predict with any reasonable degree of reliability, but such change could be substantial and adverse to us.

We do not provide any assurance on these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE R - DEVELOPMENT OF GIFA TOKEN (GIFX) PROJECT (continued)

There can be no assurance that the foregoing plans regarding GIFX or the GIFA Exchange Program can be completed as planned or at all.

NOTE S - SUBSEQUENT EVENTS

On July 9, 2021, Gifa Holding Director Yusuf Kisa was arrested by TRNC Police within the scope of the investigation launched under the Law on the Prevention of Credit Cards and Banking Law, Fraudulent Money Supply, Financial Leasing Factoring and Financing Companies and the Prevention of Usury. As a result, Mr. Kisa was requested to attend a court hearing on July 12, 2021 and was ordered to be released upon provision of surety bond.

The court order was for the correction of the matters stated in the letter of the Central Bank of Northern Cyprus dated May 27, 2021 and numbered MBA.00-754/02-21/E.101, where the activities of companies Gifa Holding Ltd and Grandex Finance constitute a violation of the laws numbered 43/2020 and 62/2017. A court order has been given to make all the applications required for this purpose within 45 days at the latest, and to suspend only the activities stated to be inconsistent until the corrections are completed, otherwise the activities of the two companies in question will be temporarily suspended until all the necessary corrections are completed. It is our understanding that the Company will conform to the changes requested and therefore, there will not be any suspension of its activities.

The Court had ordered the name of Grandex Finance Ltd. to be changed so that the change conforms to the above mentioned laws. Accordingly, the Company held a special resolution dated July 29, 2021 for the name to be changed to Grandex Consulting Ltd. and an application was made to the Companies' Registrar.

Furthermore, as a result of changes to Turkish Republic of Northern Cyprus legislation, under the 'Law on the Prevention of Credit Cards and Banking Law' and the 'Fraudulent Money Supply, Financial Leasing Factoring and Financing Companies and the Prevention of Usury', the Company has taken the decision to relocate its financial services (offering equity and debt products to businesses, including convertible debentures, mezzanine, subordinated, and securitized debt, as well as term loans, allowing large businesses from different continents to borrow and raise capital, financing acquisitions, business expansions, financing of supply and demand chain activities and much more) and the associated subsidiaries to the United Kingdom.

Following this legislative changes and the COVID-19 pandemic, the Company has decided to diversify its' business activities and as such has applied for and waiting approval for license to enter into the pharmaceutical manufacturing sector to establish itself as a regional pharma business providing 'Third Party/Contract Manufacturing', 'Loan License Manufacturing' and 'Pharmaceuticals products', Pharmaceutical Raw material manufacturing and more.

We do not provide any assurance on these financial statements.

Gifa, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

NOTE S - SUBSEQUENT EVENTS (continued)

As well as focusing primarily on diversifying its business activities to include the pharmaceutical sector, the Company is also taking steps to consolidate and develop its position further within the 3rd Age Tourism (Retirement Sectors) sector.

Management has evaluated subsequent events through the date of the financial statements, the date that the consolidated financial statements were available to be issued and has determined that aside from the issues noted above, no additional material transactions have occurred that would warrant disclosure in the consolidated financial statements.

We do not provide any assurance on these financial statements.