Messaben Corp.

Audited Financial Statements

For the years ended
December 31, 2021 and 2020

FRUCI & ASSOCIATES II
A Professional Limited Liability Company

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Messaben Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Messaben Corp. ("the Company") as of December 31, 2021 and 2020, and the related consolidated statements of operations, changes in shareholders' equity, and cash flows for the year ending December 31, 2021, and the period from September 27, 2020 (inception) through December 31, 2020, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020 and the results of its operations and its cash flows for the year ending December 31, 2021, and for the period from September 27, 2020 (inception) to December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has no revenue, and negative cash flows from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Accounting for Business Combinations – Refer to Notes 1 and 6 to the financial statements

Critical Audit Matter Description

On December 31, 2021, the Company entered into a merger agreement with Messaben DWC, LLC. Both companies in the merger agreement were under common control and the transaction was considered a reverse merger and recapitalization, as the legal acquirer was an inactive public shell company.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to evaluating the Company's accounting for the business combination included the following, among others:

- Obtaining an understanding of the transaction, reviewing agreements, and performing independent analysis of the reverse merger.
- Reviewing the Company's criteria and analysis in determination of the appropriateness of accounting for the reverse merger and recapitalization.
- Evaluating the completeness and accurate of the Company's presentation of historical operating activity of the accounting acquirer.

Valuation of Investments – Refer to Notes 2 and 5 to the financial statements

Critical Audit Matter Description

On June 26, 2021, the Company obtained 25% ownership share of InFocus Energy Services, Inc. and on July 1, 2021, the Company obtained 25% ownership with InFocus Middle East FZ-LLC. Both investments were recorded using the equity method. Calculations and allocations for the valuation of the investment require management's judgement and analysis for potential impairment.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to evaluating the Company's allocation

- Evaluating the appropriateness and consistency of management's estimate over investment impairment.
- Testing the completeness, accuracy, and relevance of the underlying data related to the investment value and allocated income.

Fruci & Associates II, PLLC

We have served as the Company's auditor since 2022.

Spokane, Washington
August 22, 2022

Messaben Corp and Subsidiary
Consolidated Balance Sheets

		December 31, 2021		December 31, 2020
ASSETS				
CURRENT ASSETS				
Cash	$	1,111,525	$	-
Prepaid assets		308,830		54,976
TOTAL CURRENT ASSETS		1,420,355		54,976
PROPERTY & EQUIPMENT, net		14,276		792
LONG TERM ASSETS				
Lease deposit		225		-
Long term investments		1,626,037		-
TOTAL LONG TERM ASSETS		1,626,262		-
TOTAL ASSETS	$	3,060,893	$	55,768
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable	$	6,068	$	15,000
Accrued expenses		746		-
TOTAL CURRENT LIABILITIES		6,814		15,000
TOTAL LIABILITIES		6,814		15,000
COMMITMENTS AND CONTINGENCIES (see Note 11)				
SHAREHOLDERS' EQUITY				
Preferred stock, $0.0001 par value; 50,000,000 Authorized shares:				
Series A Preferred stock; 3,000,000 authorized, zero shares issued and outstanding;		-		-
Series B Preferred stock; 47,000,000 authorized, 47,000,000 and zero shares issued and outstanding, respectively;		4,700		4,700
Common stock, $0.0001 par value; 1,000,000,000 authorized shares; 516,775,113 and 266,775,113 shares issued and outstanding, respectively		51,678		26,678
Additional paid in capital		4,782,292		45,506
Accumulated other comprehensive income		(680)		-
Accumulated deficit		(1,783,911)		(36,116)
TOTAL SHAREHOLDERS' EQUITY		3,054,079		40,768
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	3,060,893	$	55,768

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Messaben Corp and Subsidiary
Consolidated Statements of Operations

	Year Ended December 31, 2021	Since inception (September 27, 2020) until December 31, 2020
REVENUE	$ -	$ -
TOTAL REVENUE	-	-
COST OF GOODS SOLD	-	-
GROSS PROFIT	-	-
OPERATING EXPENSES		
Salaries and outside services	1,493,039	20,694
Selling, general and administrative expenses	256,595	15,381
Stock based compensation	-	-
Loss on impairment of Goodwill and Intangible Assets		-
Depreciation and amortization	1,475	41
TOTAL OPERATING EXPENSES	1,751,109	36,116
LOSS FROM OPERATIONS BEFORE OTHER INCOME AND TAXES	(1,751,109)	(36,116)
OTHER INCOME (EXPENSE)		
Gain on extinguishment of debt	-	-
Investment income / (loss)	3,314	-
Interest expense	-	-
TOTAL OTHER INCOME (EXPENSE)	3,314	-
LOSS FROM OPERATIONS BEFORE PROVISION FOR TAXES	(1,747,795)	(36,116)
PROVISION (BENEFIT) FOR INCOME TAXES	-	-
NET LOSS	$ (1,747,795)	$ (36,116)
OTHER COMPREHENSIVE INCOME, NET OF TAX		
Foreign currency exchange gain / (loss)	(680)	-
TOTAL OTHER COMPREHENSIVE INCOME	(680)	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (1,748,475)	$ (36,116)
NET LOSS PER SHARE		
BASIC	$ (0.01)	$ (0.00)
DILUTED	$ (0.01)	$ (0.00)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING		
BASIC	121,170,717	16,775,113
DILUTED	121,170,717	16,775,113

Messaben Corp and Subsidiary

Consolidated Statements of Shareholders' Equity

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Year ended December 31, 2020								
Balance, September 27, 2020 (inception)	-	$ -	16,775,113	$ 1,678	$ 45,506	$ -	$ -	$ 47,184
	-	-	-	-	-	-	-	-
Balance, March 31, 2020	-	-	16,775,113	1,678	45,506	-	-	47,184
	-	-	-	-	-	-	-	-
Balance, June 30, 2020	-	-	16,775,113	1,678	45,506	-	-	47,184
Share issuances in merger transaction	47,000,000	4,700	250,000,000	25,000	-	-	-	29,700
Balance, September 30, 2020	47,000,000	4,700	266,775,113	26,678	45,506	-	-	76,884
Net loss	-	-	-	-	-	-	(36,116)	(36,116)
Balance, December 31, 2020	47,000,000	$ 4,700	266,775,113	$ 26,678	$ 45,506	$ -	$ (36,116)	$ 40,768
Year ended December 31, 2021								
Balance, December 31, 2020	47,000,000	$ 4,700	266,775,113	$ 26,678	$ 45,506	$ -	$ (36,116)	$ 40,768
Net loss	-	-	-	-	-	-	(12,097)	(12,097)
Balance, March 31, 2021	47,000,000	4,700	266,775,113	26,678	45,506	-	(48,213)	28,671
Net loss	-	-	-	-	-	-	(66,651)	(66,651)
Balance, June 30, 2021	47,000,000	4,700	266,775,113	26,678	45,506	-	(114,864)	(37,980)
Exchange debt for equity	-	-	250,000,000	25,000	(12,250)	-	-	12,750
Net loss	-	-	-	-	-	-	(1,160,885)	(1,160,885)
Balance, September 30, 2021	47,000,000	4,700	516,775,113	51,678	33,256	-	(1,275,749)	(1,186,115)
Owner contributions	-	-	-	-	4,727,536	-	-	4,727,536
Related party gain	-	-	-	-	21,500	-	-	- 21,500
Net comprehensive loss	-	-	-	-	-	(680)	(508,162)	(508,842)
Balance, December 31, 2021	47,000,000	$ 4,700	516,775,113	$ 51,678	$ 4,782,292	$ (680)	$ (1,783,911)	$ 3,054,079

Messaben Corp and Subsidiary
Consolidated Statements of Cash Flows

	Year Ended December 31, 2021	Since inception (September 27, 2020) until December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (1,747,795)	$ (36,116)
Adjustment to reconcile net loss to net cash (used in) operating activities		
Depreciation and amortization	1,475	41
(Gain) on investments	(3,314)	-
Change in assets and liabilities:		
(Increase) Decrease in:		
Prepaid expenses and other assets	(253,854)	(54,976)
Lease deposit	(225)	-
Increase (Decrease) in:		
Accounts payable	24,638	2,000
Accrued expenses	746	-
NET CASH (USED IN) OPERATING ACTIVITIES	(1,978,329)	(89,051)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for purchase of fixed assets	(14,959)	(833)
Investment in InFocus Canada	(1,424,938)	-
Investment in InFocus Middle East	(200,000)	
Dividends received from InFocus Middle East	2,215	-
NET CASH (USED IN) INVESTING ACTIVITIES	(1,637,682)	(833)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from additional member contributions	4,727,536	-
Proceeds from issuance of member interest	-	89,884
NET CASH PROVIDED BY FINANCING ACTIVITIES	4,727,536	89,884
NET INCREASE / (DECREASE) IN CASH	1,111,525	-
CASH, BEGINNING OF PERIOD	-	-
CASH, END OF PERIOD	$ 1,111,525	$ -
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid	$ -	$ -
Taxes paid	$ -	$ -
Non-cash financing activities:		
Exchange debt for equity	$ 12,750	$ -
Non-cash shareholder contribution	$ 21,500	$ -

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

MESSABEN, CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. ORGANIZATION AND LINE OF BUSINESS

Messaben, Corp. ("Messaben," "we," "us," "our," or the "Company") was incorporated in the State of Nevada on July 9, 2007 under the name Buyonate, Inc. On August 3, 2010, the Company changed its name to China Electronics Holdings, Inc., on December 29, 2014, changed its name to China Crazy Buy Holdings, Inc. and on August 4, 2021, the Company changed its name back to China Electronics Holdings, Inc. On January 25, 2022, the Company changed its name to Messaben Corp., the current name of the Company.

Messaben is an end-to-end technological solutions provider dedicated to water sustainability and produced water treatment & reuse, in the oil and gas industry. Our systems provide our customers with a cost-effective solution to eliminating disposal and transportation of the rejected water. In addition, Messaben will continue to invest in technologies that contribute to global environmental protection and sustainability. Although focused on the oil and gas industry, our technology has application in the manufacturing and mining industries.

On December 31, 2021, the Company entered into a reverse recapitalization transaction ("Merger") with Messaben DWC, LLC, a Dubai, UAE based privately-held company, ("Messaben DWC"), in which Messaben DWC was the legal acquiree (the accounting acquirer) and the Company was the legal acquirer (the accounting acquiree). Messaben DWC was established in Dubai, UAE on September 27, 2020.

To facilitate the Merger, the Company established a subsidiary, Messaben Acquisition Corp, in the state of Nevada, into which Messaben DWC merged, Messaben DWC being the surviving entity, and a wholly owned subsidiary of the Company.

For accounting purposes, Messaben DWC is considered the acquirer of Messaben Corp. based upon the terms of the Merger as well as other factors including; (i) Messaben DWC former shareholders own approximately 97% of the combined Company's outstanding common shares immediately following the closing of the Merger, and (ii) Messaben DWC management hold key management positions of the combined Company. The Merger has therefore recorded as a reverse acquisition.

The figures described in the notes and financial statements are a continuation of the figures of the legal subsidiary or accounting acquirer (Messaben DWC). However, the equity reflects the legal acquirer, or accounting acquiree (the Company) equity structure. The acquisition value is recorded to reflect the par value of the outstanding shares of the Company, including the number of shares issued in the reverse acquisition. Any difference is recognized as an adjustment to the additional paid in capital. The period covered in the financial statements are from inception (September 27, 2020) through December 31, 2021 for Messaben DWC, with the exception of the equity figures, which are from inception (July 9, 2007) through December 31, 2021, which are those of Messaben Corp.

Going Concern

The accompanying Consolidated Financial Statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and liabilities and commitments in the normal course of business. The accompanying Consolidated Financial Statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern. The Company does not generate any revenue, and has immaterial cash flows from operations, which raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern and appropriateness of using the going concern basis is dependent upon, among other things, raising additional capital. The Company will seek to generate working capital from increasing sales from its subsidiary and continue to pursue its business plan and purposes, which includes acquiring additional companies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Messaben is presented to assist in understanding the Company's Consolidated Financial Statements. The Consolidated Financial Statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America ("US GAAP") and have been consistently applied in the preparation of the Consolidated Financial Statements.

Our subsidiary, Messaben DWC records transactions under International Financial Reporting Standards (IFRS). Therefore, Company performed an analysis of the Messaben DWC records to determine which transactions required adjustment to US GAAP, and such adjustments were recorded, if needed. All significant inter-company transactions were eliminated in consolidation of the financial statements.

Accounts Receivable

The Company extends credit to its customers, who are located nationwide. Accounts receivable are customer obligations due under normal trade terms. The Company performs continuing credit evaluations of its customers' financial condition. Management reviews accounts receivable on a regular basis, based on contractual terms and how recently payments have been received to determine if any such amounts will potentially be uncollected. The Company includes any balances that are determined to be uncollectible in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off. The balance of the allowance account at December 31, 2021 and 2020 were both zero.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities, disclosures of contingent 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. Estimates are primarily used in our revenue recognition, the allowance for doubtful account receivable, fair value assumptions in accounting for business combinations and analyzing goodwill, intangible assets and long-lived asset impairments and adjustments, the deferred tax valuation allowance, and the fair value of stock options and warrants.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of year or less to be cash equivalents. As of December 31, 2021, the Company held cash and cash equivalents in the amount of $1,111,525, which was held in the Company's operating bank accounts overseas. No amount was held in a bank account insured by the FDIC.

Property and Equipment

Property and equipment are stated at cost, and are depreciated or amortized using the straight-line method over the following estimated useful lives:

Furniture, fixtures & equipment	3 Years
Computer equipment	3 Years
Computer software	3 - 5 Years
Leasehold improvements	Length of the lease

Depreciation expenses were $1,475 and $41 for the year ended December 31, 2021 and 2020, respectively.

Revenue Recognition

The Company recognizes income in accordance with ASU 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "ASC 606"). Revenues are recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We present revenue, net of customer incentives. We always strive to satisfy our customers by providing superior quality and service. When discrepancies or disagreements arise, we do our best to reconcile them by assessing the situation on a case-by-case basis and determining if any discounts can be given. Historically, we have not granted any significant discounts. For the years ended December 31, 2021 and 2020, the Company did not generated any revenue.

Research and Development

Research and development costs are expensed as incurred. Total research and development costs were zero for the years ended December 31, 2021 and 2020.

Advertising Costs

The Company expenses the cost of advertising and promotional materials when incurred. Total advertising costs were zero for the years ended December 31, 2021 and 2020.

Investments

The Company holds non-controlling interests in two operating companies, which have been evaluated to determine the most reasonable approach for reporting the investments. Due to the fact that we do not have a controlling interest in either company, the investees are corporations, the investment is in common stock, we are able to exercise significant influence over the investee, and the investment are recorded at cost initially, we recorded the investments in accordance with ASC 323 "Investments – Equity Method and Joint Ventures ("ASC 323"), using the equity method of accounting. ASC 323 requires that the Company record investments at cost, adding the value of additional investments and the Company's portion of investee earnings, minus any dividends received.

Stock Based Compensation

The Company accounts for stock option grants issued and vesting to employees and non-employees in accordance with the authoritative guidance of the Financial Accounting Standards Board whereas the value of the stock compensation is based upon the measurement date as determined at either a) the date at which a performance commitment is reached, or b) at the date at which the necessary performance to earn the equity instruments is complete. Non-employee stock-based compensation charges generally are amortized over the vesting period on a straight-line basis. In certain circumstances where there are no future performance requirements by the non-employee, option grants are immediately vested, and the total stock-based compensation charge is recorded in the period of the measurement date. As of December 31, 2021, the Company had no stock options outstanding.

Fair value of financial instruments

The Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

ASC Topic 820 established a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. All balance sheet accounts approximate fair value as of the balance sheet date.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment either annually or whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. To determine recoverability of a long-lived asset, management evaluates whether the estimated future undiscounted net cash flows from the asset are less than its carrying amount. If impairment is indicated, the long-lived asset would be written down to fair value. Fair value is determined by an evaluation of available price information at which assets could be bought or sold, including quoted market prices, if available, or the present value of the estimated future cash flows based on reasonable and supportable assumptions.

Indefinite Lived Intangibles and Goodwill Assets

The Company accounts for business combinations under the acquisition method of accounting in accordance with ASC 805, "Business Combinations," where the total purchase price is allocated to the tangible and identified intangible assets acquired and liabilities assumed based on their estimated fair values. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. The purchase price is allocated using the information currently available, and may be adjusted, up to one year from acquisition date, after obtaining more information regarding, among other things, asset valuations, liabilities assumed and revisions to preliminary estimates. The purchase price in excess of the fair value of the tangible and identified intangible assets acquired less liabilities assumed is recognized as goodwill.

The Company tests for indefinite lived intangibles and goodwill impairment in the fourth quarter of each year and whenever events or circumstances indicate that the carrying amount of the asset exceeds its fair value and may not be recoverable. Since the Company does not currently have any intangible assets, an analysis was not performed at December 31, 2021.

If the impairment test were conducted by the Company, it would include an assessment of whether events occurred that may have resulted in impairment of goodwill and intangible assets. If it is determined that events had occurred which effected the fair value of goodwill and intangible assets, the Company would conduct the two-step approach to determine the fair value and required adjustment. The steps are as follows:

1. Based on the totality of qualitative factors, determine whether the carrying amount of the intangible asset may not be recoverable.

2. Compare the carrying amount of the intangible asset to the fair value.

3. If the carrying amount is greater than the fair value, then the carrying amount is reduced to reflect fair value.

Business Combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair value, at the acquisition date, of assets received, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree. Any costs directly attributable to the business combination are expensed in the period incurred. The acquiree's identifiable assets and liabilities are recognized at their fair values at the acquisition date.

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, which is one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

Concentrations of Business and Credit Risk

The Company markets its services to companies and individuals in many industries and geographic locations. The Company's operations are subject to rapid technological advancement and intense competition. Accounts receivable represent financial instruments with potential credit risk. The Company typically offers its customers credit terms. The Company makes periodic evaluations of the credit worthiness of its enterprise customers and other than obtaining deposits pursuant to its policies, it generally does not require collateral. In the event of nonpayment, the Company has the ability to terminate services. As of December 31, 2021, the Company held cash and cash equivalents in the amount of $1,111,525, which was held in the operating bank accounts overseas. Of this amount, none was held in an account insured by the FDIC.

Basic and Diluted Net Income (Loss) per Share Calculations

Income (Loss) per Share dictates the calculation of basic earnings per share and diluted earnings per share. Basic earnings per share are computed by dividing income available to common shareholders by the weighted-average number of common shares available. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. The shares for employee options, warrants and convertible notes were used in the calculation of the income per share.

For the year ended December 31, 2021, the Company excluded 47,000,000 shares of Series B Preferred stock convertible into 47,000,000 shares of common stock, because their impact on the loss per share is anti-dilutive.

For the year ended December 31, 2020, the Company excluded 47,000,000 shares of Series B Preferred stock convertible into 47,000,000 shares of common stock, because their impact on the loss per share is anti-dilutive.

Dilutive per share amounts are computed using the weighted-average number of common shares outstanding and potentially dilutive securities, using the treasury stock method if their effect would be dilutive.

Fair value of financial instruments

The Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

Off-Balance Sheet Arrangements

None

Recently Adopted Accounting Pronouncements

Management reviewed accounting pronouncements issued during the years ended December 31, 2021 and 2020, and no pronouncements were adopted during the period.

Recently Issued Accounting Pronouncements Not Yet Adopted

In June 2016, the FASB issued Accounting Standards Update No. 2016-13 (ASU 2016-13) "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. ASU 2016-13 is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2022. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In August 2020, the FASB issued Accounting Standards Update (ASU) 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40). The intention of ASU 2020-06 update is to address the complexity of accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. Under ASU 2020-06, the number of accounting models for convertible notes will be reduced and entities that issue convertible debt will be required to use the if-converted method for computing diluted Earnings Per Share. ASU 2020-06 is effective for fiscal years and interim periods beginning after December 15, 2021 and may be adopted through either a modified or fully retrospective transition. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. The measurement of deferred tax assets and liabilities is based on provisions of applicable tax law. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance based on the amount of tax benefits that, based on available evidence, the Company does not expect realize. For the year ended December 31, 2021, we used the federal tax rate of 21% in our determination of the deferred tax assets and liabilities balances.

	For the year ended December 31, 2021	For the period ended December 31, 2020
Current tax provision:		
Federal		
Taxable income	$ -	$ -
Total current tax provision	$ -	$ -
Deferred tax provision:		
Federal		
Loss carryforwards	$ 374,621	$ -
Change in valuation allowance	(374,621)	-
Total deferred tax provision	$ -	$ -

As of December 31, 2021, the Company had approximately $1,783,911 in tax loss carryforwards that can be utilized in future periods to reduce taxable income through 2041. The deferred tax liability balances as of December 31, 2021 and 2020 were zero and zero, respectively.

The Company provided a valuation allowance equal to the deferred income tax assets for the period from January 1, 2020 to December 31, 2021 because it is not presently known whether future taxable income will be sufficient to utilize the tax loss carryforwards.

The Company's subsidiary, Messaben DWC, LLC, is a registered limited liability company in Dubai, UAE, and although Dubai does not impose an income tax upon the Company, we are subject to value added tax (VAT) on goods and services purchased in Dubai. For the years ended December 31, 2021 and 2020 the VAT was $1,266 and $138, respectively, which were included in SG&A expenses.

The Company has no uncertain tax positions.

3. REVENUE RECOGNITION

When the Company has revenue, we will adopt ASU 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "ASC 606"). Revenues are recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

The core principles of revenue recognition under ASC 606 includes the following five criteria:

1. Identify the contract with the customer
Contract with our customers may be oral, written, or implied. A written and signed contract stating the terms and conditions is the preferred method and is consistent with most customers. The terms of a written contract may be contained within the body of an email, during which proposals are made and plans are outlined, or it may be a stand-alone document signed by both parties. Contracts that are oral in nature are consummated in status and pitch meetings and may be later followed up with an email detailing the terms of the arrangement, along with a proposal document. No work is commenced without an understanding between the Company and our customers, that a valid contract exists.

2. Identify the performance obligations in the contract
Our sales and account management teams define the scope of goods and services to be offered, to ensure all parties are in agreement and obligations are being delivered to the customer as promised. The performance obligation may not be fully identified in a mutually signed contract, but may be outlined in email correspondence, face-to-face meetings, additional proposals or scopes of work, or phone conversations.

3. Determine the transaction price
Pricing is discussed and identified by the operations team prior to submitting a proposal to the customer. Based on the obligation presented, third-party service pricing is established, and time and labor are estimated, to determine the most accurate transaction pricing for our customer. Price is subject to change upon agreement of the parties, and could be fixed or variable, milestone focused or time and materials.

4. Allocate the transaction price to the performance obligations in the contract
If a contract involves multiple obligations, the transaction pricing is allocated accordingly, during the performance obligation phase (criteria 2 above).

5. Recognize revenue when (or as) we satisfy a performance obligation
The Company uses several means to satisfy the performance obligations, including milestones, deliverables, and percentage of completion.

During the year ended December 31, 2021 and 2020, the Company did not have any revenue.

4. LIQUIDITY AND OPERATIONS

The Company had a net loss of $1,747,795 for the year ended December 31, 2021 and $36,116 for the year ended December 31, 2020, and net cash used in operating activities of $1,978,329 and $89,051, in the same periods, respectively.

As of December 31, 2021, the Company did not have any short-term borrowing relationship with lenders. As of December 31, 2021, there were no unused sources of liquidity, nor were there any commitments of material capital expenditures.

While the Company expects that its capital needs in the foreseeable future may be met by cash-on-hand and projected positive cash-flow, there is no assurance that the Company will be able to generate enough positive cash flow to finance its growth and business operations in which event, the Company may need to seek outside sources of capital. There can be no assurance that such capital will be available on terms that are favorable to the Company or at all.

5. INVESTMENTS

<u>InFocus Canada</u>

On June 26, 2021, the Company entered into a subscription agreement with InFocus Energy Services, Inc. ("InFocus Canada"), an Edmonton, Alberta, Canada based company focused on developing drilling tools for the oil and gas industry. Under the terms of the subscription agreement, the Company invested approximately

$1,424,938 for a 25% ownership share of InFocus Canada. On October 12, 2021, the Company loaned InFocus Canada approximately $171,000 to pay for inventory. Under the terms of the loan agreement, InFocus Canada would repay the loan in three monthly installments of approximately $57,000 each, beginning January 31, 2022. See further disclosure related to the InFocus Canada loan, see footnote 13. For the year ended December 31, 2021, the Company included a loss of $9,398 from this investment on the Income Statement, as Investment Income (Loss). As of December 31, 2021, the balance of this investment was $1,415,540 Long Term Investments.

InFocus Middle East

On September 2, 2020, InFocus Middle East FZ-LLC ("InFocus ME") entered into a distribution agreement with InFocus Canada. Under the terms of the agreements, InFocus ME would sell and distribute InFocus Canada products within the Middle East, Europe, Russia, and Africa. Effective July 1, 2021, the Company obtained a 25% ownership in InFocus ME as the result of a $200,000 investment. For the year ended December 31, 2021, the Company included a gain of $12,712 from this investment on the Income Statement, as Investment Income (Loss). As of December 31, 2021, the balance of this investment was $210,497 Long Term Investments.

Canada Mining Lease

On May 15, 2021, Messaben DWC entered into an Exclusive Mining Lease Agreement with BiCorp. This agreement gave the Company the exclusive right to mine fourteen staked mining cells (approximately 62 acres) located in the province of Newfoundland, Canada. Under the terms of the lease, the Company will pay BiCorp $120,000 per year and 50% of the net income from the mines. For the year ended December 31, 2021, the Company had not commenced any mining activities under this agreement. For additional disclosures related to payments to BiCorp, see the Related Parties footnote.

Clark Copper Mines

On August 12, 2021, the Company entered into a Payroll Option Agreement with Clark Copper Mines, LLC. Under the terms of the agreement, the Company acquired an option to purchase certain mineral interests located in the Wallapai Mining District, Mohave County, Arizona. As of December 31, 2021, the Company had not exercised this option.

The following table shows the investments balance as of December 31, 2021.

	InFocus Canada	InFocus ME	Other	Total
Beginning balance, Jan. 1, 2021	$ -	$ -	$ -	$ -
+ Additional/Initial investment	1,424,938	200,000	-	1,624,938
+ Share of earnings	(9,398)	12,712	-	3,314
- Dividends received	-	(2,215)	-	(2,215)
Ending balance, Dec. 31, 2021	$ 1,415,540	$ 210,497	$ -	$ 1,626,037

6. BUSINESS COMBINATIONS

Messaben DWC, LLC

On December 31, 2021, the Company completed the acquisition of Messaben DWC, LLC, a Dubai limited liability company ("Messaben DWC"). As of that date, the Company's operating subsidiary, Messaben Acquisition Corp., a Nevada corporation, merged with Messaben DWC and the name of the combined subsidiary was Messaben DWC. The Company recorded this transaction as a reverse merger, in which Messaben DWC was the accounting acquirer and the Company was the accounting acquiree. Under the terms of the merger agreement, the Company issued two hundred fifty million (250,000,000) shares of the Company's common stock and forty-seven million (47,000,000) shares of Series B Convertible Preferred Stock. At the time of the merger, the Company did not have any assets and immaterial liabilities. Therefore, the value of the merger is recorded in equity, as the par value of the common and preferred stock, with the additional amount recorded in additional paid in capital, for a total value of $89,884, or the book value of Messaben DWC's owner's capital. No goodwill or other intangible assets were recognized in this transaction.

7. CAPITAL STOCK

At December 31, 2021, the Company's authorized stock consists of 1,000,000,000 shares of common stock, par value $0.0001 per share, and 50,000,000 shares of preferred stock, par value of $0.0001 per share. The rights, preferences and privileges of the holders of the preferred stock will be determined by the Board of Directors prior to issuance of such shares. The conversion of certain outstanding preferred stock could have a significant impact on our common stockholders. As of the date of this report, the Board has designated Series A and Series B Preferred Stock.

Series B Preferred

The Company has designated 47,000,000 shares of its preferred stock as Series B Preferred Stock. Each share of Series B Preferred Stock has a par value of $0.0001. The Series B Preferred Stock is convertible into shares of the Company's common stock on a one-to-one basis, resulting in 47,000,000 shares of common stock upon conversion. The Series B Preferred Stock has voting rights amounting to twelve votes per share of Series B Preferred stock held. The holders of the Series B Preferred stock are entitled to participate with the holders of common stock in any dividends or distributions on a pro rata basis. As of December 31, 2021, the Company has 47,000,000 shares of Series B Preferred Stock issued and outstanding.

8. STOCK OPTIONS AND WARRANTS

As of December 31, 2021, the Company has not issued any stock options or warrants.

9. RELATED PARTIES

On May 15, 2021, Messaben DWC entered into an Exclusive Mining Lease Agreement with BiCorp. The president of BiCorp is also the Chief General Counsel of the Company, Shadi Bakir. This agreement gave the Company the exclusive right to mine fourteen staked mining cells (approximately 62 acres) located in the province of Newfoundland, Canada. Under the terms of the lease, the Company will pay BiCorp $120,000 per year and 50% of the net income from the mines. For the year ended December 31, 2021, the Company had not commenced any mining activities under this agreement. On July 1, 2021, Messaben DWC entered into a professional services agreement with BiCorp, through which Bicorp would assisting the Company with mergers, acquisitions, and other business development plans. Under the terms of the agreement, the Company is to pay BiCorp for all third party expenses, in addition to a monthly consulting fee of $13,000. During the year ended December 31, 2021, the Messaben DWC paid BiCorp approximately $54,500 related to mining lease rights and approximately $1,250,000 related to professional services. Included in the professional services expense are legal fees and consulting fees paid to third parties, in addition to the $13,000 monthly fee paid to Mr. Bakir. For the year ended December 31, 2021, the Company paid Mr. Bakir $84,500 for his services as the Chief General Counsel of the Company. The Company funds the work of BiCorp through advances to an escrow account which BiCorp charges against when costs are incurred. This escrow account is recorded in prepaid assets on the balance sheet. As of December 31, 2021, the balance in this account was $20,439.

We prepaid the CEO for his service to the Company and include this prepayment on the balance sheet as Prepaid and Other Current Assets. As of December 31, 2021, the balance in this account was $91,439.

10. CONCENTRATIONS

For the years ended December 31, 2021 and 2020, the Company did not have any revenue or accounts receivable, and therefore, does not have any revenue or accounts receivable concentration risks among our customers.

11. COMMITMENTS AND CONTINGENCIES

Leases

In February 2016, the FASB issued ASU 2016-02, "Leases" Topic 842, which amends the guidance in former ASC Topic 840, *Leases*. The new standard increases transparency and comparability most significantly by requiring the recognition by lessees of right-of-use ("ROU") assets and lease liabilities on the balance sheet for all leases longer than 12 months. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. For lessees, leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement, over the expected term on a straight-line basis. Operating leases are recognized on the balance sheet as right-of-use assets, current operating lease liabilities and non-current operating lease liabilities. We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets and operating lease liabilities on our consolidated balance sheets. Finance leases are included in property and equipment, current liabilities, and long-term liabilities on our consolidated balance sheets.

For the years ended December 31, 2021 and 2020, the Company had two active office leases, both with terms of 12 months or less. Therefore, the Company recognized the costs of the leases in operating expenses of the periods, and not as an operating lease or a finance lease. The Company has elected the practical expedient to combine lease and non-lease components as a single component. We did not elect the hindsight practical expedient which permits entities to use hindsight in determining the lease term and assessing impairment. The adoption of the lease standard did not change our previously reported consolidated statements of operations and did not result in a cumulative catch-up adjustment to opening equity.

Legal Matters

The Company may be involved in legal actions and claims arising in the ordinary course of business, from time to time, none of which at this time the Company considers to be material to the Company's business or financial condition.

12. SUPPLEMENTAL STATEMENT OF CASH FLOWS INFORMATION

During the year ended December 31, 2021, there were the following non-cash activities**.**

- Because the Company had no cash prior to the Messaben DWC acquisition, the custodian paid $12,750 in Company expenses, which were later exchanged for 250,000,000 shares of common stock. The custodian determined that the shares issued in exchange for the expenses incurred approximated the risk incurred by the custodian in paying those expenses. These shares and the corresponding par value ($25,000) are included on the statement of stockholders' equity. The custodian considered the expenses paid were a capital investment and thus the net value was recorded in APIC.
- As a result of the reverse merger with Messaben DWC, the Company added a net increase to additional paid in capital of $89,884 related to Messaben Corp to properly reflect the equity opening balances.

During the year ended December 31, 2020, there were no non-cash activities.

13. SUBSEQUENT EVENTS

Management has evaluated subsequent events according to ASC TOPIC 855 as of the date the financial statements were issued and has determined that the following subsequent events are reportable.

- In February 2022, the Company began discussions with InFocus Canada to purchase the remaining 75% of the company. At that time, it was determined that the outstanding balance on the $171,000 loan would not be repaid, but applied against the purchase price. On February 2, 2022, InFocus Canada paid the first installment on the $171,000 loan, which was returned to InFocus Canada on February 11, 2022. The Company is in the process of conducting due diligence of InFocus Canada and does not have an anticipated acquisition date. If the acquisition were to close, the Company would own all InFocus Canada operations. As of December 31 2021, the Company included this loan to InFocus Canada in prepaid assets.
- On March 31, 2022, the Company signed a letter of intent for the acquisition of Themark Corporation ("Themark"), a Texas limited liability company, focused on improving the relationship between drilling and the environment. On May 20, 2022, the Company entered into an interim acquisition and merger agreement with the owner of Themark, Mark Stanley, by which the Company gained control of Themark, including all operations, and intellectual property. Under the terms of the agreement, the Company will pay Mr. Stanley $4,500,000, paid over three years. The first payment of 25% within the first year of the acquisition, 25% within the second year of the acquisition and the remaining 50% within the third year of the acquisition. In addition, the Company

will issue 700,000 shares of common stock to Mr. Stanley. Through this acquisition, the Company also gained control of Themark's wholly owned subsidiary RecyClean Consultancy Services, Inc. ("RecyClean"), a Texas Corporation. Upon the transfer of all Themark assets to the Company, the parties will enter into a final acquisition and merger agreement and consider the transaction closed. We anticipate that the transaction will be closed in 2022.

- On April 1, 2022, the Messaben DWC entered into a Letter of Intent ("LOI") for the 100% acquisition of InFocus Middle East. The Company is in the process of conducting due diligence of InFocus Middle East and does not have an anticipated acquisition date. If the acquisition were to close, the Company would own all InFocus Middle East operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statements

The following Management's Discussion and Analysis should be read in conjunction with our consolidated financial statements and the related notes thereto included elsewhere herein. The Management's Discussion and Analysis contains forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. Any statements that are not statements of historical fact are forward-looking statements. When used, the words "believe," "plan," "intend," "anticipate," "target," "estimate," "expect," and the like, and/or future-tense or conditional constructions ("will," "may," "could," "should," etc.), or similar expressions, identify certain of these forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements in this annual report. Our actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of several factors including, but not limited to, those noted under "Risk Factors" of the reports filed with the Securities and Exchange Commission. We do not undertake any obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this annual report on Form 10-K, except as may be required under applicable law.

On December 31, 2021, the Company entered into a reverse recapitalization transaction ("Merger") with Messaben DWC, LLC, a Dubai, UAE based privately-held company, ("Messaben DWC"), in which Messaben DWC was the legal acquiree (the accounting acquirer) and the Company was the legal acquirer (the accounting acquiree). Messaben DWC was established in Dubai, UAE on September 27, 2020.

To facilitate the Merger, the Company established a subsidiary, Messaben Acquisition Corp, in the state of Nevada, into which Messaben DWC merged, Messaben DWC being the surviving entity, and a wholly owned subsidiary of the Company.

For accounting purposes, Messaben DWC is considered the acquirer of Messaben Corp. based upon the terms of the Merger as well as other factors including; (i) Messaben DWC former shareholders own approximately 97% of the combined Company's outstanding common shares immediately following the closing of the Merger, and (ii) Messaben DWC management hold key management positions of the combined Company. The Merger has therefore recorded as a reverse acquisition.

The figures described in the notes and financial statements are a continuation of the figures of the legal subsidiary or accounting acquirer (Messaben DWC). However, the equity reflects the legal acquirer, or accounting acquiree (the Company) equity structure. The acquisition value is recorded to reflect the par value of the outstanding shares of the Company, including the number of shares issued in the reverse acquisition. Any difference is recognized as an adjustment to the additional paid in capital. The period covered in the financial statements are from inception (September 27, 2020) through December 31, 2021 for Messaben DWC, with the exception of the equity figures, which are from inception (July 9, 2007) through December 31, 2021, which are those of Messaben Corp.

The Company's business may be adversely affected by instability, disruption or destruction in the geographic regions in which it operates, regardless of cause, including war, terrorism, riot, civil insurrection or social unrest, and natural or manmade disasters, including famine, food, fire, earthquake, storm or pandemic events and spread of disease (including the recent outbreak of the coronavirus commonly referred to as "COVID- 19"). Such events may cause customers to suspend their decisions on using the Company's services and otherwise affect their ability to meet their obligations to fund operations, make it impossible to contact our customers and potential customers as well as potential sources of future financing, for our customers to visit our physical locations, and give rise to sudden significant changes in regional and global economic conditions and cycles that could interfere with our existing business as well as our planned expansion. These events also pose significant risks to the Company's personnel and to physical facilities and operations, which could materially adversely affect the Company's financial results.

The ongoing circumstances resulting from the COVID-19 virus outbreak magnify the challenges faced from our continuing efforts to introduce and sell our products and services in a challenging environment and could have an impact on our business and financial results.

Overview

Messaben, Inc. ("Messaben," "we," "us," "our," or the "Company") was incorporated in the State of Nevada on July 9, 2007 under the name Buyonate, Inc. On August 3, 2010, the Company changed its name to China Electronics Holdings, Inc., on December 29, 2014, changed its name to China Crazy Buy Holdings, Inc. and on August 4, 2021, the Company changed its name back to China Electronics Holdings, Inc. On January 25, 2022, the Company changed its name to Messaben Corp., the current name of the Company.

Core Services

Messaben is an end-to-end solutions provider with global presence and experience, focused on offering economical green energy solutions, which contribute to water sustainability and decarbonization to the oil & gas, mining, energy and geothermal sectors. Our markets extends to the energy and industrial sectors, as well. The company intends to operate with three main focuses:

- Deploy cost effective water intervention services through Messaben Water Solutions
- Design and sell advanced drilling tools through InFocus Well Intervention
- Provide specialty chemical formulations through Clearwater Specialty Chemicals

<u>Messaben Water Solutions</u>

Messaben Water Solutions provides low energy mobile systems which saves transport, disposal and discharge cost, by treating and reusing the waste and produced water on site, including frack flow, frack flowback, water injection, and permitted discharge. Our technology is protected by US patents.

<u>InFocus Well Intervention</u>

InFocus Well Intervention develops and engineers innovative all metal power sections, motors used for extreme and high temperature wells, geothermal operations, and oil & gas intervention. Additionally, our high-speed hydraulic reaming shoe is a key assurance for casing landing to target depth. Our technology reduces days of intervention.

<u>Clearwater Specialty Chemicals</u>

Clearwater Specialty Chemicals provides companies with production, processing and drilling operation chemicals, providing solutions that are engineered chemistry, application focused, and technology driven.

Executive Compensation

Compensation Discussion and Analysis

The following Compensation Discussion and Analysis describes the material elements of compensation for our executive officers, and executive officers that we may hire in the future. As more fully described below, our Board of Directors makes all decisions for the total direct compensation of our executive officers. We do not have a compensation committee, so all decisions with respect to management compensation are made by the whole board.

Compensation Program Objectives and Rewards

Our compensation philosophy is based on the premise of attracting, retaining, and motivating exceptional leaders, setting high goals, working toward the common objectives of meeting the expectations of customers and stockholders, and rewarding outstanding performance. Following this philosophy, in determining executive compensation, we consider all relevant factors, such as the competition for talent, our desire to link pay with performance in the future, the use of equity to align executive interests with those of our stockholders, individual contributions, teamwork and performance, and each executive's total compensation package. We strive to accomplish these objectives by compensating all executives with total compensation packages consisting of a combination of competitive base salary and incentive compensation.

To date, we have not applied a formal compensation program to determine the compensation of the executive officers. In the future, as we and our management team expand, our Board of Directors expects to add independent members, form a compensation committee comprised of independent directors, and apply the compensation philosophy and policies.

The primary purpose of the compensation and benefits described below is to attract, retain, and motivate highly talented individuals when we do hire, who will engage in the behaviors necessary to enable us to succeed in our mission while upholding our values in a highly competitive marketplace. Different elements are designed to engender different behaviors, and the actual incentive amounts which may be awarded to each Named Executive Officer are subject to the annual review of the Board of Directors. The following is a brief description of the key elements of our planned executive compensation structure.

- Base salary and benefits are designed to attract and retain employees over time.
- Incentive compensation awards are designed to focus employees on the business objectives for a particular year.
- Equity incentive awards, such as stock options and non-vested stock, focus executives' efforts on the behaviors within the recipients' control that they believe are designed to ensure our long-term success as reflected in increases to our stock prices over a period of several years, growth in our profitability and other elements.
- Severance and change in control plans are designed to facilitate the Company's ability to attract and retain executives as we compete for talented employees in a marketplace where such protections are commonly offered. We currently have not given separation benefits to any of our Name Executive Officers.

During the year ended December 31, 2021, the board approved compensation for our Chief Executive Officer, Rami Bakir, in the amount of $35,000 per month, effective September 1, 2021. No other bonus, equity or incentive compensation was offered. For the year ended December 31, 2021, the Company expensed $140,000 related to Mr. Bakir's salary. For compensation disclosure of our Chief General Counsel, Shadi Bakir, see footnote 9, "Related Parties".

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations, including the discussion on liquidity and capital resources, are based upon our Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of our Consolidated Financial Statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments, particularly those related to the determination of the estimated recoverable amounts of trade accounts receivable, impairment of long-lived assets, revenue recognition, and deferred tax assets. We believe the following critical accounting policies require more significant judgment and estimates used in the preparation of the Consolidated Financial Statements.

Among the significant judgments made by management in the preparation of our Consolidated Financial Statements are the following:

<u>Accounts receivable</u>

The Company extends credit to its customers, who are located nationwide. Accounts receivable are customer obligations due under normal trade terms. The Company performs continuing credit evaluations of its customers' financial condition. Management reviews accounts receivable on a regular basis, based on contractual terms and how recently payments have been received to determine if any such amounts will potentially be uncollected. The Company includes any balances that are determined to be uncollectible in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off. The balance of the allowance account at December 31, 2021 and 2020 were both zero.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities, disclosures of contingent 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. Estimates are primarily used in our revenue recognition, the allowance for doubtful account receivable, fair value assumptions in accounting for business combinations and analyzing goodwill, intangible assets and long-lived asset impairments and adjustments, the deferred tax valuation allowance, and the fair value of stock options and warrants.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of year or less to be cash equivalents. As of December 31, 2021, the Company held cash and cash equivalents in the amount of $1,111,525, which was held in the Company's operating bank accounts overseas. No amount was held in a bank account insured by the FDIC.

Property and Equipment

Property and equipment are stated at cost, and are depreciated or amortized using the straight-line method over the following estimated useful lives:

Furniture, fixtures & equipment	3 Years
Computer equipment	3 Years
Computer software	3 - 5 Years
Leasehold improvements	Length of the lease

Depreciation expenses were $1,475 and $41 for the year ended December 31, 2021 and 2020, respectively.

Revenue Recognition

The Company recognizes income in accordance with ASU 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "ASC 606"). Revenues are recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We present revenue, net of customer incentives. We always strive to satisfy our customers by providing superior quality and service. When discrepancies or disagreements arise, we do our best to reconcile them by assessing the situation on a case-by-case basis and determining if any discounts can be given. Historically, we have not granted any significant discounts. For the years ended December 31, 2021 and 2020, the Company did not generated any revenue.

Research and Development

Research and development costs are expensed as incurred. Total research and development costs were zero for the years ended December 31, 2021 and 2020.

Advertising Costs

The Company expenses the cost of advertising and promotional materials when incurred. Total advertising costs were zero for the years ended December 31, 2021 and 2020.

Investments

The Company holds non-controlling interests in two operating companies, which have been evaluated to determine the most reasonable approach for reporting the investments. Due to the fact that we do not have a controlling interest in either company, the investees are corporations, the investment is in common stock, we are able to exercise significant influence over the investee, and the investment are recorded at cost initially, we recorded the investments in accordance with ASC 323 "Investments – Equity Method and Joint Ventures ("ASC 323"), using the equity method of accounting. ASC 323 requires that the Company record investments at cost, adding the value of additional investments and the Company's portion of investee earnings, minus any dividends received.

Stock Based Compensation

The Company accounts for stock option grants issued and vesting to employees and non-employees in accordance with the authoritative guidance of the Financial Accounting Standards Board whereas the value of the stock compensation is based upon the measurement date as determined at either a) the date at which a performance commitment is reached, or b) at the date at which the necessary performance to earn the equity instruments is complete. Non-employee stock-based compensation charges generally are amortized over the vesting period on a straight-line basis. In certain circumstances where there are no future performance requirements by the non-employee, option grants are immediately vested, and the total stock-based compensation charge is recorded in the period of the measurement date. As of December 31, 2021, the Company had no stock options outstanding.

Fair value of financial instruments

The Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

ASC Topic 820 established a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. All balance sheet accounts approximate fair value as of the balance sheet date.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. To determine recoverability of a long-lived asset, management evaluates whether the estimated future undiscounted net cash flows from the asset are less than its carrying amount. If impairment is indicated, the long-lived asset would be written down to fair value. Fair value is determined by an evaluation of available price information at which assets could be bought or sold, including quoted market prices, if available, or the present value of the estimated future cash flows based on reasonable and supportable assumptions.

Indefinite Lived Intangibles and Goodwill Assets

The Company accounts for business combinations under the acquisition method of accounting in accordance with ASC 805, "Business Combinations," where the total purchase price is allocated to the tangible and identified intangible assets acquired and liabilities assumed based on their estimated fair values. The purchase price is allocated using the information currently available, and may be adjusted, up to one year from acquisition date, after obtaining more information regarding, among other things, asset valuations, liabilities assumed and revisions to preliminary estimates. The purchase price in excess of the fair value of the tangible and identified intangible assets acquired less liabilities assumed is recognized as goodwill.

The Company tests for indefinite lived intangibles and goodwill impairment in the fourth quarter of each year and whenever events or circumstances indicate that the carrying amount of the asset exceeds its fair value and may not be recoverable. Since the Company does not currently have any intangible assets, an analysis was not performed at December 31, 2021.

If the impairment test were conducted by the Company, it would include an assessment of whether events occurred that may have resulted in impairment of goodwill and intangible assets. If it is determined that events had occurred which effected the fair value of goodwill and intangible assets, the Company would conduct the two-step approach to determine the fair value and required adjustment. The steps are as follows:

1. Based on the totality of qualitative factors, determine whether the carrying amount of the intangible asset may not be recoverable.

2. Compare the carrying amount of the intangible asset to the fair value.

3. If the carrying amount is greater than the fair value, then the carrying amount is reduced to reflect fair value.

Business Combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair value, at the acquisition date, of assets received, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree. Any costs directly attributable to the business combination are expensed in the period incurred. The acquiree's identifiable assets and liabilities are recognized at their fair values at the acquisition date.

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, which is one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

Concentrations of Business and Credit Risk

The Company markets its services to companies and individuals in many industries and geographic locations. The Company's operations are subject to rapid technological advancement and intense competition. Accounts receivable represent financial instruments with potential credit risk. The Company typically offers its customers credit terms. The Company makes periodic evaluations of the credit worthiness of its enterprise customers and other than obtaining deposits pursuant to its policies, it generally does not require collateral. In the event of nonpayment, the Company has the ability to terminate services. As of December 31, 2021, the Company held cash and cash equivalents in the amount of $1,111,525, which was held in the operating bank accounts overseas. Of this amount, none was held in an account insured by the FDIC.

Basic and Diluted Net Income (Loss) per Share Calculations

Income (Loss) per Share dictates the calculation of basic earnings per share and diluted earnings per share. Basic earnings per share are computed by dividing income available to common shareholders by the weighted-average number of common shares available. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. The shares for employee options, warrants and convertible notes were used in the calculation of the income per share.

For the year ended December 31, 2021, the Company excluded 47,000,000 shares of Series B Preferred stock convertible into 47,000,000 shares of common stock, because their impact on the loss per share is anti-dilutive.

For the year ended December 31, 2020, the Company excluded 47,000,000 shares of Series B Preferred stock convertible into 47,000,000 shares of common stock, because their impact on the loss per share is anti-dilutive.

Dilutive per share amounts are computed using the weighted-average number of common shares outstanding and potentially dilutive securities, using the treasury stock method if their effect would be dilutive.

Fair value of financial instruments

The Company’s financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price to sell an asset or transfer a liability, between market participants at the measurement date. Fair value measurements assume that the asset or liability is (1) exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Considerable judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

Off-Balance Sheet Arrangements

None

Recently Adopted Accounting Pronouncements

Management reviewed accounting pronouncements issued during the years ended December 31, 2021 and 2020, and no pronouncements were adopted during the period.

Recently Issued Accounting Pronouncements Not Yet Adopted

In June 2016, the FASB issued Accounting Standards Update No. 2016-13 (ASU 2016-13) "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. ASU 2016-13 is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2022. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In August 2020, the FASB issued Accounting Standards Update (ASU) 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40). The intention of ASU 2020-06 update is to address the complexity of accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity’s own equity. Under ASU 2020-06, the number of accounting models for convertible notes will be reduced and entities that issue convertible debt will be required to use the if-converted method for computing diluted Earnings Per Share. ASU 2020-06 is effective for fiscal years and interim periods beginning after December 15, 2021 and may be adopted through either a modified or fully retrospective transition. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. The measurement of deferred tax assets and liabilities is based on provisions of applicable tax law. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance based on the amount of tax benefits that, based on available evidence, the Company does not expect realize. For the year ended December 31, 2021, we used the federal tax rate of 21% in our determination of the deferred tax assets and liabilities balances.

	For the year ended December 31, 2021	For the period ended December 31, 2020
Current tax provision:		
Federal		
Taxable income	$ -	$ -
Total current tax provision	$ -	$ -
Deferred tax provision:		
Federal		
Loss carryforwards	$ 374,621	$ -
Change in valuation allowance	(374,621)	-
Total deferred tax provision	$ -	$ -

As of December 31, 2021, the Company had approximately $1,783,911 in tax loss carryforwards that can be utilized in future periods to reduce taxable income through 2041. The deferred tax liability balances as of December 31, 2021 and 2020 were zero and zero, respectively.

The Company provided a valuation allowance equal to the deferred income tax assets for the period from January 1, 2020 to December 31, 2021 because it is not presently known whether future taxable income will be sufficient to utilize the tax loss carryforwards.

The Company's subsidiary, Messaben DWC, LLC, is a registered limited liability company in Dubai, UAE, and although Dubai does not impose an income tax upon the Company, we are subject to value added tax (VAT) on goods and services purchased in Dubai. For the years ended December 31, 2021 and 2020 the VAT was $1,266 and $138, respectively, which were included in SG&A expenses.

The Company has no uncertain tax positions.

Results of Operations for the year ended December 31, 2021, compared to the year ended December 31, 2020.

REVENUE

The Company had no revenue during the years ended December 31, 2021 or 2020.

COST OF REVENUE

The Company had no cost of revenue during the years ended December 31, 2021 or 2020.

SALARIES AND OUTSIDE SERVICES

Salaries and outside services expense for the year ended December 31, 2021 increased by $1,472,345 to $1,493,039, compared to $20,694 for the year ended December 31, 2020. The increase was primarily due to increases in legal expense related to the acquisition of Messaben DWC.

SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

Selling, general, and administrative ("SG&A") expenses for the year ended December 31, 2021 increased by $241,215 to $256,595 compared to expense of $15,381 for the year ended December 31, 2020. The increase was primarily due to fees paid to the state of Nevada, related to changing the name of the Company and increasing the number of shares of common stock authorized, as well as expenses incurred to identify acquisition targets.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expenses for the year ended December 31, 2021 increased by $1,434 to $1,475 compared to $41 for the year ended December 31, 2020. The increase was primarily due to the addition of fixed assets in the current year.

OTHER INCOME AND EXPENSE

Total other income/expense for the year ended December 31, 2021 increased by $3,314 to net other income of $3,314 compared to zero for the year ended December 31, 2020. The increase in net other income was primarily due to gains on investments in InFocus Middle East, partially offset by investment losses in InFocus Canada made during the year ended December 31, 2021.

NET INCOME/(LOSS)

The net loss for the year ended December 31, 2021 was $1,747,795 compared to the net loss of $36,116 for the year ended December 31, 2020. The increase in net loss for the period is primarily due to the legal and government fees paid to get the Company re-established and acquire Messaben DWC, in addition to expenses incurred while identifying acquisition targets.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a net working capital surplus (i.e. the difference between current assets and current liabilities) of $1,413,541 at December 31, 2021 compared to a net working capital surplus of $39,976 at fiscal year ended December 31, 2020.

Cash flow used in operating activities was $1,978,329 for the year ended December 31, 2021, compared to cash flow used in operating activities of $89,051 for the year ended December 31, 2020. The increase in cash flow used in operating activities of $1,889,278 was primarily due to net loss and increased in prepaids and receivables, partially offset by an increase in accounts payable and accrued expenses.

Cash flow used in investing activities was $1,637,682 for the year ended December 31, 2021, compared to cash flow used in investing activities of $833 for the year ended December 31, 2020. The increase in cash flow used in investing activities of $1,636,849 was primarily due to investments in InFocus Canada and InFocus Middle East.

Cash flow provided by financing activities was $4,727,536 for the year ended December 31, 2021, compared to cash flow provided by financing activities of $89,884 for the year ended December 31, 2020. The increase in cash flow provided by investing activities of $4,637,652 was primarily due to additional member contributions to Messaben DWC during the year ended December 31, 2021.

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. Significant factors in the management of liquidity are funds generated by operations, levels of accounts receivable and accounts payable and capital expenditures.

As of December 31, 2021, the Company did not have any short-term borrowing relationships with lenders. As of December 31, 2021, there were no unused sources of liquidity, nor were there any commitments of material capital expenditures.

The Company's current cash is sufficient to sustain the Company's operations for approximately 180 days without additional borrowings. To satisfy cash needs, the Company must establish various borrowing mechanisms to fund operations and service debt. Although we do not currently have relationships with any lenders, we believe that, through borrowing arrangements, we could have 12 months of cash available.

The Consolidated Financial Statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and liabilities and commitments in the normal course of business. The accompanying Consolidated Financial Statements do not reflect any adjustments that might result if we are unable to continue as a going concern. Our independent auditors, in their report on our audited financial statements for the year ended December 31, 2021 and December 31, 2020 expressed substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon, among other things, raising additional capital. Management believes that the additional cash needed to meet our obligations as they become due, and which will allow the development of our core business operations, will be received through investments in the Company made by our existing shareholders, prospective new investors and future revenue generated by our operations.

Any additional capital we may raise through the sale of equity or equity-backed securities may dilute current stockholders' ownership percentages and could also result in a decrease in the fair market value of our equity securities. The terms of the securities issued by us in future capital transactions may be more favorable to new investors and may include preferences, superior voting rights and the issuance of warrants or other derivative securities which may have a further dilutive effect.

Furthermore, any additional debt or equity or other financing that we may need may not be available on terms favorable to us, or at all. If we are unable to obtain required additional capital, we may have to curtail our growth plans or cut back on existing business. Further, we may not be able to continue operations if we do not generate sufficient revenues from operations.

We may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we issue, such as convertible notes and warrants, which may adversely impact our reported financial results.

Off-Balance Sheet Arrangements

None