



Doselva, Inc. (the “Company”) a Delaware Public Benefit Corporation

Financial Statements (unaudited) and
Independent Accountant’s Review Report

Years ended December 31, 2018 & 2019



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Management
Doselva, Inc.

We have reviewed the accompanying financial statements of the company which comprise the statement of financial position as of December 31, 2018 & 2019 and the related statements of operations, statement of changes in shareholder equity, and statement of cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Going Concern

As discussed in Note 9, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs.

Vince Mongio, CPA, CIA, CFE, MACC
October 31st, 2020

Vincenzo Mongio

Statement of Financial Position
Amounts in US Dollars

	Year Ended December 31,	
	2018	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	17,802	41,772
Accounts receivable, net	-	1,332
Inventory	39,716	57,802
Loans receivable - related party	13,070	15,915
Prepaid expenses and other current assets	-	4,795
TOTAL CURRENT ASSETS	70,588	121,616
PROPERTY AND EQUIPMENT		
Property and Equipment, net	64,788	66,607
Leasehold Improvement	-	6,426
TOTAL PROPERTY AND EQUIPMENT	64,788	73,033
TOTAL ASSETS	135,375	194,648
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	1,765	1,253
Tax payable	410	806
Accrued expenses	5,151	10,249
Accrued interest	10,625	600
TOTAL CURRENT LIABILITIES	17,951	12,907
LONG TERM LIABILITIES		
Long term loans (See Note 3)	152,574	260,687
Other long term liability	402	7,429
TOTAL LONG TERM LIABILITIES	152,977	268,117
TOTAL LIABILITIES	170,928	281,024
EQUITY		
Opening balance equity	112,412	112,412
Contra-equity	(47,708)	(42,025)
Accumulated Other Comprehensive Income	(411)	(7,630)
Translation adjustment	(6,512)	(7,935)
Accumulated results	(20,541)	(94,973)
Net Income	(72,792)	(46,224)
TOTAL EQUITY	(35,552)	(86,376)
TOTAL LIABILITIES & EQUITY	135,375	194,648

Consolidated Statement of Operations
Amounts in US Dollars

	Year Ended December 31,	
	2018	2019
REVENUE	285	227,686
COST OF GOODS SOLD		
Raw materials	285	87,522
Processing Cost	-	69,982
TOTAL COST OF GOODS SOLD	285	157,503
GROSS PROFIT (LOSS)	-	70,182
OPERATING EXPENSES		
Selling, General & Administrative	61,945	104,586
Depreciation & Amortization	-	923
TOTAL OPERATING EXPENSES	61,945	105,509
OPERATING PROFIT (LOSS)	(61,945)	(35,327)
OTHER INCOME/EXPENSES		
Interest Expenses	(11,317)	(12,936)
Other income	469	2,038
TOTAL OTHER INCOMES/EXPENSES	(10,848)	(10,897)
NET OPERATING INCOME	(72,792)	(46,224)
OTHER COMPREHENSIVE INCOME	(411)	(7,630)
TOTAL COMPREHENSIVE INCOME	(73,203)	(53,854)

Consolidated Statement of Cash Flows

Amounts in US Dollars

	Year Ended December 31,	
	2018	2019
OPERATING ACTIVITIES		
Net Income	(72,792)	(46,224)
Adjustments to reconcile Net Income to Net Cash provided by operations:		
Account receivables	-	(1,332)
Accrued expenses	5,151	5,098
Accrued interest	10,625	(10,025)
Accounts payable	(3,506)	(512)
Loans receivable - related party	54,695	(2,845)
Prepaid expenses and other current assets	868	(11,221)
Inventory	(14,601)	(18,086)
Tax payable	331	395
Deposit for equipment	(12,518)	12,518
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	41,046	(26,010)
Net Cash provided by Operating Activities	(31,747)	(72,234)
INVESTING ACTIVITIES		
Cash used for fixed assets	(52,270)	(14,337)
Net Cash provided by Investing Activities	(52,270)	(14,337)
FINANCING ACTIVITIES		
Long term Loans	152,977	115,140
Equity contributions	(47,708)	5,683
Accumulated results	(3,450)	(10,282)
Net Cash provided by Financing Activities	101,819	110,541
Cash at the beginning of period	-	17,802
Net Cash increase for period	17,802	23,970
Cash at end of period	17,802	41,772

Consolidated Statement Changes in Shareholder Equity

	Common Stock - Non Voting A (Par Value \$.0001)		Common Stock - Voting B (Par Value \$.0001)		Additional Paid in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Contra-Equity	Prior Period Adjustments	Total Owners' Equity
	# of Shares	\$ Amount	# of Shares	\$ Amount						
Beginning Balance at 1/1/2018	440	9,922	4,545	102,490		(20,541)				91,871
Net Loss						(72,792)				(72,792)
Other comprehensive income							(411)			(411)
Foreign Currency Adjustments							(6,512)			(6,512)
Contra Equity (related party contribution receivable)								(47,708)		(47,708)
Ending Balance 12/31/2018	440	9,922	4,545	102,490	-	(93,333)	(6,923)	(47,708)		(35,552)
Beginning Balance 1/1/2019	440	9,922	4,545	102,490	-	(93,333)	(6,923)	(47,708)		(35,552)
Net Loss							(46,224)			(46,224)
Other Comprehensive Income							(7,630)			(7,630)
Foreign Currency Adjustments							(1,423)			(1,423)
Contra Equity (related party contribution receivable)								5,683		5,683
Prior Period Adjustments									(1,230)	(1,230)
Ending Balance 12/31/2019	440	9,922	4,545	102,490	-	(93,333)	(62,200)	(42,025)	(1,230)	(86,376)

Doselva, Inc.
Notes to Financial Statements

Note 1 – Organization and Nature of Activities

Doselva, Inc. (“the Company”) was formed on February 13th 2020 under the laws of the State of Delaware. The Company earns revenue through the production, distribution, and sales of agricultural products.

The Company will conduct an equity crowdfunding offering during the fourth quarter of 2020 for the purposes of raising operating capital.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our fiscal year ends on December 31. The financials herein represent the results of operations and financial position of our 100% wholly owned subsidiary, Doselva SA. Doselva SA is a Nicaraguan Corporation.

Use of Estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities. These judgements, estimates, and assumptions also affect the revenues, expenses and provisions and may not culminate in actual performance.

Foreign Currency

The functional currencies of the Company’s international subsidiary are is the local currency of Nicaragua. Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the consolidated balance sheet date. Results of operations and cash flows are translated using the average exchange rates throughout the period. The effect of exchange rate fluctuations on translation of assets and liabilities is included as a component of shareholders’ equity in accumulated other comprehensive income (loss). Gains and losses from foreign currency transactions, which are included in selling, general and administrative (SG&A) expense, have not been significant.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Advertising Costs

Advertising costs associated with marketing the Company’s products and services are generally expensed as costs are incurred and are presented in SGA.

General and Administrative

General, and administrative expenses consist of expenses for employees and independent

contractors involved in general corporate functions, including accounting, finance, tax, legal, business development, and other miscellaneous expenses.

Income Taxes

The Company is subject to Corporate income and state income taxes in the state it does business. A deferred tax asset as a result of net operating losses (NOL) has not been recognized due to the uncertainty of future positive taxable income to utilize the NOL. Due to the recently enacted Tax Cuts and Jobs Act, any NOLs will be limited to 80% of taxable income generated in future years.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date.

Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable units and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

Observable inputs include inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability. There are three levels of inputs that may be used to measure fair value:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2019. The respective carrying value of certain on balance-sheet financial instruments approximated their fair values.

Note 3 – Debt

Revenue Participation Note

The company has entered into \$50,000 in revenue share agreements. The agreements call for 1.5% of revenues to be paid to the note holder until \$100,000 in repayments have occurred. The holders of these notes have a right to participate in future subsequent funding up to 3 times the company's unpaid obligation.

3rd party Loans

The company has entered into several long-term loan agreements with various 3rd parties. The terms vary and call for interest ranging from 0% - 13%. The amounts are to be repaid in cash.

The company is presently current on all obligations.

Debt Principal Maturities 5 Years Subsequent to 2019

Year	Amount
2020	\$ 81,641
2021	\$ 27,619
2022	\$ 23,669
2023	\$ 19,830
2024	\$ 115,358
Thereafter	\$ 268,117

Note 4 – Contingencies, Compliance Laws, and Regulations

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

Note 5 - Stockholder's Equity

The company has authorized 10,000 shares of common stock. The Common Stock is divided into voting common stock ("Voting Common Stock class B") and non-voting common stock ("Non-Voting Common Stock class A"). Voting Common Stock consists of 8,400 shares with a par value of \$0.0001 per share. Non-voting Common Stock consists of 1,600 shares with a par value of \$0.0001 per share.

Class A holders do not possess voting rights but are entitled to Dividends at the discretion of the board of directors.

Class B holders have voting rights and are entitled to Dividends at the discretion of the board of directors.

Note 6 - Related Party Transactions

None

Note 7 - Subsequent Events

The Company has evaluated events subsequent to December 31, 2019 to assess the need for potential recognition or disclosure in this report. Such events were evaluated through November 1, 2020, the date these financial statements were available to be issued. No events were determined to require disclosure or recognition.

Note 8 - Risks and Uncertainties

Like all businesses, the company is subject to risks and uncertainties, some of which are described as follows:

COVID-19

Since December 31, 2019 the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans,

quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses remains unclear currently. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

We are an emerging growth company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our common stock less attractive to investors.

We are an emerging growth company, and, for as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to “emerging growth companies,” including: not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act; reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and exemptions from the requirements of holding nonbinding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved. We can continue to be an emerging growth company, as defined in the JOBS Act, for up to five years following our IPO.

Note 9 – Going Concern

The accompanying balance sheet has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The entity has not commenced principal operations and realized losses every year since inception and may continue to generate losses.

The Company’s ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time if they cannot raise the necessary funds until revenue is generated. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities.