
YOODLIZE, INC.

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019
(Unaudited)

INDEX TO FINANCIAL STATEMENTS

(UNAUDITED)

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Yoodlize, Inc.
Provo, Utah

We have reviewed the accompanying financial statements of Yoodlize, Inc. (the "Company,"), which comprise the balance sheet as of December 31, 2020 and December 31, 2019, and the related statement of operations, statement of shareholders' equity (deficit), and cash flows for the year ending December 31, 2020 and December 31, 2019, 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 control 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 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 conformity with accounting principles generally accepted in the United States of America.

Set Apart FS

April 2, 2021
Los Angeles, California

Yoodlize, Inc.
BALANCE SHEET
(UNAUDITED)

| As of December 31, | 2020 | 2019 |
|---|-------------------|------------------|
| (USD \$ in Dollars) | | |
| ASSETS | | |
| Current Assets: | | |
| Cash & cash equivalents | \$ 104,430 | \$ 18,052 |
| Prepays and other current assets | 4,943 | 4,943 |
| Total current assets | 109,374 | 22,995 |
| Property and Equipment, net | 9,228 | 12,304 |
| Total assets | \$ 118,602 | \$ 35,299 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current Liabilities: | | |
| Account Payables | \$ 59 | \$ 77 |
| Total current liabilities | 59 | 77 |
| Total liabilities | 59 | 77 |
| STOCKHOLDERS EQUITY | | |
| Common Stock | 10 | 10 |
| Simple Agreement for Future Equity (SAFEs) | 200,000 | 100,000 |
| Retained earnings/(Accumulated Deficit) | (81,467) | (64,787) |
| Total stockholders' equity | 118,543 | 35,222 |
| Total liabilities and stockholders' equity | \$ 118,602 | \$ 35,299 |

See accompanying notes to financial statements.

Yoodlize, Inc.
STATEMENTS OF OPERATIONS
(UNAUDITED)

| For Fiscal Year Ended December 31, | 2020 | 2019 |
|---|--------------------|--------------------|
| (USD \$ in Dollars) | | |
| Net revenue | \$ 18,161 | \$ 2,639 |
| Cost of Revenues | 14,496 | 2,560 |
| Gross profit | 3,665 | 79 |
| Operating expenses | | |
| General and administrative | 16,449 | 32,716 |
| Sales and marketing | 3,896 | 32,150 |
| Total operating expenses | 20,345 | 64,866 |
| Operating income/(loss) | (16,680) | (64,787) |
| Interest expense | - | - |
| Other Loss/(Income) | - | - |
| Income/(Loss) before provision for income taxes | (16,680) | (64,787) |
| Provision/(Benefit) for income taxes | - | - |
| Net income/(Net Loss) | \$ (16,680) | \$ (64,787) |

See accompanying notes to financial statements.

Yoodlize, Inc.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

| (in , \$US) | Common Stock | | Simple Agreement for Future Equity (SAFEs) | Retained earnings/ (Accumulated Deficit) | Total Shareholders' Equity |
|----------------------------------|-------------------|--------------|--|--|----------------------------------|
| | Shares | Amount | | | |
| Balance—December 31, 2018 | - | \$ - | | \$ - | \$ - |
| Issuance of Common Stock | 9,500,000 | 9.5 | | - | 9.5 |
| Issuance of SAFEs | | | 100,000 | | 100,000 |
| Net income/(loss) | - | - | | (64,787) | (64,787) |
| Balance—December 31, 2019 | 9,500,000 | \$ 9.5 | 100,000 | \$ (64,787) | \$ 35,222 |
| Issuance of Common Stock | 500,000 | 0.5 | | - | 1 |
| Issuance of SAFEs | | | 100,000 | | 100,000 |
| Net income/(loss) | - | - | | (16,680) | (16,680) |
| Balance—December 31, 2020 | 10,000,000 | \$ 10 | \$ 200,000 | \$ (81,467) | \$ 118,543 |

See accompanying notes to financial statements.

Yoodlize, Inc.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

| For Fiscal Year Ended December 31, | 2020 | 2019 |
|---|-------------------|------------------|
| <i>(USD \$ in Dollars)</i> | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net income/(loss) | \$ (16,680) | \$ (64,787) |
| <i>Adjustments to reconcile net income to net cash provided/(used) by operating activities:</i> | | |
| Depreciation of property | 3,076 | 3,076 |
| <i>Changes in operating assets and liabilities:</i> | | |
| Prepaid expenses and other current assets | - | (4,943) |
| Account Payables | (18) | 77 |
| Net cash provided/(used) by operating activities | (13,622) | (66,577) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchases of property and equipment | - | (15,381) |
| Net cash provided/(used) in investing activities | - | (15,381) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issuance of Common Stock | 1 | 10 |
| Issuance of SAFE | 100,000 | 100,000 |
| Net cash provided/(used) by financing activities | 100,001 | 100,010 |
| Change in cash | 86,379 | 18,052 |
| Cash—beginning of year | 18,052 | - |
| Cash—end of year | \$ 104,430 | \$ 18,052 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | \$ - | \$ - |
| Cash paid during the year for income taxes | \$ - | \$ - |
| OTHER NONCASH INVESTING AND FINANCING ACTIVITIES AND SUPPLEMENTAL DISCLOSURES | | |
| Purchase of property and equipment not yet paid for | \$ - | \$ - |
| Issuance of equity in return for note | \$ - | \$ - |
| Issuance of equity in return for accrued payroll and other liabilities | \$ - | \$ - |

See accompanying notes to financial statements.

Yoodlize, Inc.
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2020 AND DECEMBER 31, 2019

1. NATURE OF OPERATIONS

Yoodlize, Inc. was originally formed on May 3, 2018 in the state of Utah as Yoodlize, LLC. On January 1, 2019 converted from Yoodlize LLC into Yoodlize, Inc. The financial statements of Yoodlize, Inc.(which may be referred to as the “Company”, “we”, “us”, or “our”) are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company’s headquarters are located in Provo, Utah.

Yoodlize is an online peer-to-peer rental platform. Yoodlize is a website www.yoodlize.com and an app for IOS and Android. Users called “Owners” can list personal property for rent on the platform, then users called “Renters” can rent those items for a fee from the owners using the platform called “Yoodlize” also referred to as “us” or “we”. Yoodlize collects the fee from Renters and then pays Owners for renting out their item.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (“US GAAP”). The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks. The Company’s cash is deposited in demand accounts at financial institutions that management believes are creditworthy. The Company’s cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of December 31, 2020 and December 31, 2019, the Company’s cash and cash equivalents did not exceed FDIC insured limits.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at net realizable value or the amount that the Company expects to collect on gross customer trade receivables. We estimate losses on receivables based on known troubled accounts and historical experience of losses incurred. Receivables are considered impaired and written-off when it is probable that all contractual payments due will not be collected in accordance with the terms of the agreement. As of December 31, 2020 and 2019, the Company determined that no reserve was necessary.

Yoodlize, Inc.
NOTES TO FINANCIAL STATEMENTS
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Property and Equipment

Property and equipment are stated at cost. Normal repairs and maintenance costs are charged to earnings as incurred and additions and major improvements are capitalized. The cost of assets retired or otherwise disposed of and the related depreciation are eliminated from the accounts in the period of disposal and the resulting gain or loss is credited or charged to earnings.

Depreciation is computed over the estimated useful lives of the related asset type or term of the operating lease using the straight-line method for financial statement purposes. The estimated service lives for property and equipment is as follows:

| Category | Useful Life |
|-----------------------|--------------------|
| Computers & Equipment | 5 years |
| Office furniture | 5 years |

Impairment of Long-lived Assets

Long-lived assets, such as property and equipment and identifiable intangibles with finite useful lives, are periodically evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We look for indicators of a trigger event for asset impairment and pay special attention to any adverse change in the extent or manner in which the asset is being used or in its physical condition. Assets are grouped and evaluated for impairment at the lowest level of which there are identifiable cash flows, which is generally at a location level. Assets are reviewed using factors including, but not limited to, our future operating plans and projected cash flows. The determination of whether impairment has occurred is based on an estimate of undiscounted future cash flows directly related to the assets, compared to the carrying value of the assets. If the sum of the undiscounted future cash flows of the assets does not exceed the carrying value of the assets, full or partial impairment may exist. If the asset carrying amount exceeds its fair value, an impairment charge is recognized in the amount by which the carrying amount exceeds the fair value of the asset. Fair value is determined using an income approach, which requires discounting the estimated future cash flows associated with the asset.

Income Taxes

Yoodlize, Inc. is a C corporation for income tax purposes. The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the deferred tax asset will not be realized. The Company records interest, net of any applicable related income tax benefit, on potential income tax contingencies as a component of income tax expense. The Company records tax positions taken or expected to be taken in a tax return based upon the amount that is more likely than not to be realized or paid, including in connection with the resolution of any related appeals or other legal processes. Accordingly, the Company recognizes liabilities for certain unrecognized tax benefits based on the amounts that are more likely than not to be settled with the relevant taxing authority. The Company recognizes interest and/or penalties related to unrecognized tax benefits as a component of income tax expense.

Yoodlize, Inc.
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2020 AND DECEMBER 31, 2019

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America which it believes to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

Revenue Recognition

The Company recognizes revenues in accordance with FASB ASC 606, Revenue From Contracts with Customers, when delivery of goods as delivery is the sole performance obligation in its contracts with customers. The Company typically collects payment upon sale and recognizes the revenue when the item has shipped and has fulfilled their sole performance obligation.

Income is principally comprised of revenues earned by the Company as service fees for facilitating rentals between two parties.

Cost of revenues

Costs of goods sold include the amount of money that the company pay back to the owner for their sale.

Advertising and Promotion

Advertising and promotional costs are expensed as incurred. Advertising and promotional expense for the years ended December 31, 2020 and December 31, 2019 amounted to \$3,896 and \$32,150, which is included in sales and marketing expense.

Fair Value of Financial Instruments

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value due to the short-term nature of such instruments).

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1—Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2—Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

Level 3—Unobservable inputs reflecting the Company's assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Subsequent Events

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require

Yoodlize, Inc.
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additional disclosure. Subsequent events have been evaluated through April 2, 2021, which is the date the financial statements were issued.

Recently Issued and Adopted Accounting Pronouncements

In February 2019, FASB issued ASU No. 2019-02, Leases, that requires organizations that lease assets, referred to as "lessees", to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2019-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

In June 2019, FASB amended ASU No. 2019-07, Compensation – Stock Compensation, to expand the scope of Topic 718, Compensation – Stock Compensation, to include share-based payment transactions for acquiring goods and services from nonemployees. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and early application is permitted. The standard implementation did not have a material impact.

In August 2019, amendments to existing accounting guidance were issued through Accounting Standards Update 2019-15 to clarify the accounting for implementation costs for cloud computing arrangements. The amendments specify that existing guidance for capitalizing implementation costs incurred to develop or obtain internal-use software also applies to implementation costs incurred in a hosting arrangement that is a service contract. The guidance is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. The standard implementation did not have a material impact.

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

3. DETAILS OF CERTAIN ASSETS AND LIABILITIES

Accounts payable consist primarily of trade payables. Prepaids and other current assets consist of the following items:

| As of December 31, | 2020 | 2019 |
|--|-----------------|-----------------|
| Other current assets | \$ 4,943 | \$ 4,943 |
| Total Prepaids and other current assets | \$ 4,943 | \$ 4,943 |

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NOTES TO FINANCIAL STATEMENTS
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4. PROPERTY AND EQUIPMENT

As of December 31, 2020 and December 31, 2019, property and equipment consists of:

| As of Year Ended December 31, | 2020 | 2019 |
|--------------------------------------|-----------------|------------------|
| Office furniture | \$ 8,533 | \$ 8,533 |
| trailers | 6,848 | 6,848 |
| Property and Equipment, at Cost | 15,381 | 15,381 |
| Accumulated depreciation | (6,152) | (3,076) |
| Property and Equipment, Net | \$ 9,228 | \$ 12,304 |

Depreciation expense for property and equipment for the fiscal year ended December 31, 2020 and 2019 was in the amount of \$3,076 and \$3,076 respectively.

5. CAPITALIZATION AND EQUITY TRANSACTIONS

Common Stock

The Company is authorized to issue 10,000,000 shares of common shares with \$0.000001 par value. As of December 31, 2020, and December 31, 2019, 10,000,000 and 9,500,000 have been issued and are outstanding respectively.

6. SIMPLE AGREEMET FOR FUTURE EQUITY

SAFE(s)

The summary of the Company’s Simple Agreements for Future Equity (“SAFE”) and the terms is as follows:

| | SAFE(s) | Borrowing Period | Valuation Cap | Discount | As of Year Ended December 31, | |
|----------------------|----------------|-------------------------|----------------------|-----------------|--------------------------------------|-------------------|
| | | | | | 2020 | 2019 |
| SAFE I | | Fiscal Year 2019 | \$ 4,000,000 | 20% | \$ 100,000 | \$ 100,000 |
| Safe II | | Fiscal Year 2017 | \$ 5,000,000 | 20% | \$ 100,000 | \$ - |
| Total SAFE(s) | | | | | \$ 200,000 | \$ 100,000 |

If there is an Equity Financing before the expiration or termination of this instrument, the SAFEs will automatically convert into the number of shares of Safe Preferred Stock equal to the Purchase Amount divided by the Conversion Price. Conversion price means the either: (1) the Safe Price or (2) the Discount Price, whichever calculation results in a greater number of shares of Safe Preferred Stock.

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If there is a Liquidity Event before the termination of this Safe, this Safe will automatically be entitled to receive a portion of Proceeds, due and payable to the Investor immediately prior to, or concurrent with, the consummation of such Liquidity Event, equal to the greater of (i) the Purchase Amount (the “Cash-Out Amount”) or (ii) the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price (the “Conversion Amount”). If there is a Dissolution Event before the termination of this Safe, the Investor will automatically be entitled to receive a portion of Proceeds equal to the Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event. Since the likelihood of the Company settling in cash is remote, the Company classified SAFEs as equity instruments.

7. INCOME TAXES

The provision for income taxes for the year ended December 31, 2020 and December 31, 2019 consists of the following:

| As of Year Ended December 31, | 2020 | 2019 |
|--------------------------------------|-------------|-------------|
| Net Operating Loss | \$ (4,328) | \$ (19,456) |
| Valuation Allowance | 4,328 | 19,456 |
| Net Provision for income tax | \$ - | \$ - |

Significant components of the Company’s deferred tax assets and liabilities at December 31, 2020, and December 31, 2019 are as follows:

| As of Year Ended December 31, | 2020 | 2019 |
|--------------------------------------|-------------|-------------|
| Net Operating Loss | \$ (23,785) | \$ (19,456) |
| Valuation Allowance | 23,785 | 19,456 |
| Total Deferred Tax Asset | \$ - | \$ - |

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of December 31, 2020 and December 31, 2019. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased.

For the fiscal year ending December 31, 2020, the Company had federal cumulative net operating loss (“NOL”) carryforwards of \$91,656, and the Company had state net operating loss (“NOL”) carryforwards of approximately \$91,656. Utilization of some of the federal and state NOL carryforwards to reduce future income taxes will depend on the Company’s ability to generate sufficient taxable income prior to the expiration of the carryforwards. The federal net operating loss carryforward is subject to an 80% limitation on taxable income, does not expire, and will carry on indefinitely.

Yoodlize, Inc.
NOTES TO FINANCIAL STATEMENTS
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The Company recognizes the impact of a tax position in the financial statements if that position is more likely than not to be sustained on a tax return upon examination by the relevant taxing authority, based on the technical merits of the position. As of December 31, 2020, and December 31, 2019, the Company had no unrecognized tax benefits.

The Company recognizes interest and penalties related to income tax matters in income tax expense. As of December 31, 2020, and December 31, 2019, the Company had no accrued interest and penalties related to uncertain tax positions.

8. RELATED PARTY

During 2021, the company paid \$ 40,000 to Wavelength Dev LLC for the development work on the app. Wavelength Dev LLC is owned and operated by Co-Founder of Yoodlize, Inc. Jeremy Robertson.

9. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company enters various operating leases for facilities. The aggregate minimum annual lease payments under operating leases in effect on December 31, 2020, are as follows:

| Year | Obligation |
|--|-------------------|
| 2021 | \$ 16,190 |
| 2022 | - |
| 2023 | - |
| 2023 | - |
| Thereafter | - |
| Total future minimum operating lease payments | \$ 16,190 |

Rent expense was in the amount of \$ 7,750 and \$ 15,865 as of December 31, 2020 and December 31, 2019, respectively.

Contingencies

The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

Litigation and Claims

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2020, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

10. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the period from December 31, 2020 through April 2, 2021 the date the financial statements were available to be issued.

On January 25 and February 19, 2021, the company signed two contracts with two employees. Compensation includes 25,000 shares (or 0.25% of equity) and shares will be distributed on a monthly basis.

There have been no other events or transactions during this time which would have a material effect on these financial statements.