

**HOUND INC**

**FINANCIAL STATEMENTS**

*For the fiscal year January 01, 2021 to December 31, 2021*

*(Unaudited)*

**HOUND INC**  
**BALANCE SHEET**

	As of December 31, 2020	As of December 31, 2021
<b>Current Assets</b>		
Cash	\$ -	\$ 79,456
Prepaid expenses	\$ -	\$ 3,153
Accounts receivables	\$ -	
<b>Total Current Assets</b>	\$ -	\$ 82,609
<b>Fixed Assets</b>		
Depreciable Assets	\$ 4,186	\$ -
Accumulated Depreciation	\$ (4,186)	\$ -
<b>Total Fixed Assets</b>	\$ -	\$ -
<b>Other Assets</b>		
Intangible Assets	\$ 3,127	\$ 3,127
Accumulated Amortization	\$ (104)	\$ (313)
<b>Total Other Assets</b>	\$ 3,023	\$ 2,814
<b>Total Assets</b>	\$ 3,023	\$ 85,423
<b>Current Liabilities</b>		
Account payable	\$ -	\$ -
Credit Card Payable	\$ 2,362	\$ 6,386
<b>Total Current Liabilities</b>	\$ 2,362	\$ 6,386
<b>Longer Term Liabilities</b>		
SAFE - 2341436 Ontario Inc.	\$ -	\$ 50,000
SAFE - Badger CPA Inc.	\$ -	\$ 50,000
SAFE - Chad Malpass	\$ -	\$ 25,000
SAFE - Kathryn Sarpong	\$ -	\$ 30,000
SAFE - Kitrina Journell	\$ -	\$ 25,000
SAFE - Mackenzie Reddin	\$ -	\$ 2,500
SAFE - Nicholas Vaughan	\$ -	\$ 50,000
SAFE - Philipp Hubertus Mohr	\$ -	\$ 85,000
<b>Total Long Term Liabilities</b>	\$ -	\$ 317,500
<b>Total Liabilities</b>	\$ 2,362	\$ 323,886
<b>Shareholders' Equity</b>		
Common Stock	\$ 100	\$ 100
APIC	\$ 17,906	\$ 92,653
Retained Earnings	\$ -	\$ (17,345)
Current year net income/loss	\$ (17,345)	\$ (313,871)
<b>Total Equity</b>	\$ 661	\$ (238,463)
<b>Total Liabilities and Shareholders' Equity</b>	\$ 3,023	\$ 85,423

**HOUND INC**  
**STATEMENT OF OPERATIONS**

<b>Operating Income</b>	<u>2020</u>		<u>2021</u>
Revenue	\$	-	\$ 5,000.00
Cost of Goods Sold	\$	-	\$ 114,648.00
<b>Gross Profit</b>	<b>\$</b>	<b>-</b>	<b>\$ (109,648.00)</b>
<b>Operating Expenses</b>			
Auto Expense		\$	40.00
Bank fee	\$	-	\$ 2,306.00
Compensation of Officer		\$	39,000.00
Salaries and wages		\$	28,000.00
Payroll Taxes		\$	9,321.00
Employee Meals	\$	814.45	\$ 5,761.00
Computer Supplies		\$	5,269.00
Dues and Subscriptions		\$	308.00
Education and Training		\$	1,059.00
Graphic Design	\$	1,000.00	
Internet	\$	12.00	
Office expense		\$	549.00
Legal and professional		\$	10,886.00
Marketing	\$	121.75	\$ 30,979.00
Shipping and postage		\$	2,756.00
Insurance		\$	5,509.00
Membership	\$	595.00	
Subcontractor		\$	29,450.00
Supplies		\$	837.00
Office Rent	\$	250.00	\$ 4,493.00
Shipping	\$	123.15	
Travel	\$	1,614.63	\$ 14,400.00
Design	\$	6,120.17	
Website	\$	1,467.00	
Computer Software		\$	12,718.00
Other deduction	\$	936.52	\$ 373.00
Amortization	\$	104.00	\$ 209.00
Depreciation	\$	4,186.00	
<b>Total Operating Expenses</b>	<b>\$</b>	<b>17,344.67</b>	<b>\$ 204,223.00</b>
<b>Net Income</b>	<b>\$</b>	<b>(17,344.67)</b>	<b>\$ (313,871.00)</b>

**HOUND INC**  
**CONSOLIDATED STATEMENT OF EQUITY**

	<u>Common Stock</u>		<u>Additional</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid in Capital</u>	<u>(Accumulated Deficit)</u>	
<b>Beginning Balance, Aug 20, 2020</b>					
Contributions		\$ -	-	-	-
Other Comprehensive Gain/(Loss)	10,000,000	\$ 100.00	17,906	-	18,006
Net Income		\$ -	-	(17,345)	(17,345)
<b>Ending Balance, December 31, 2020</b>	<b>10,000,000</b>	<b>\$ 100.00</b>	<b>17,906</b>	<b>(17,345)</b>	<b>661</b>
<b>Beginning Balance, January 01, 2021</b>	10,000,000	\$ 100.00	17,906	(17,345)	661
Contributions			74,747	(313,871)	(239,124)
Other Comprehensive Gain/(Loss)					-
Net Income					-
<b>Ending Balance, December 31, 2021</b>	<b>10,000,000</b>	<b>\$ 100.00</b>	<b>92,653</b>	<b>(331,216)</b>	<b>(238,463)</b>

**HOUND INC**  
**STATEMENT OF CASH FLOWS**

	<u>2020</u>	<u>2021</u>
<b>Cash flows from Operating Activities</b>		
Net Earnings	\$ (17,345.00)	\$ (313,871.00)
Increase in Depreciation	\$ 4,186.00	\$ -
Increase in Amortization	\$ 104.00	\$ 209.00
Increase in Credit Card Payable	\$ 2,362.00	\$ 4,024.00
Change in prepaid expenses	\$ -	\$ (3,153.35)
<b>Net Cash Flows from Operating Activities</b>	<u>\$ (10,693.00)</u>	<u>\$ (312,791.35)</u>
 <b>Cash flows from Investing Activities</b>		
Purchase of Property and Equipment	\$ (4,186.00)	\$ -
Purchase of Intangible Assets	\$ (3,127.00)	\$ -
<b>Net Cash flows from Investing Activities</b>	<u>\$ (7,313.00)</u>	<u>\$ -</u>
 <b>Cash flows from Financing Activities</b>		
Capital Contributions	\$ 18,006.00	\$ 74,747.00
Increase in Liabilities	\$ -	\$ 317,500.00
<b>Net Cash flows from Financing Activities</b>	<u>\$ 18,006.00</u>	<u>\$ 392,247.00</u>
 <b>Cash at the Beginning of Period</b>	\$ -	\$ -
Net Increase (Decrease) in Cash	\$ -	\$ 79,456.00
<b>Cash at End of Period</b>	<u>\$ -</u>	<u>\$ 79,456.00</u>

**HOUND INC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Fiscal Year January 01, 2021 to December 31, 2021**

**1. Organization**

HOUND INC (the "Company"), is a corporation organized under the laws of the State of Delaware.

**2. Summary of Significant Accounting Policies**

A summary for the Company's significant accounting policies applied in the preparation of the accompanying financial statements follows:

**a) Basis of Accounting**

The Company prepares its financial statements on a cash basis of accounting. Under the cash basis of accounting, revenues are recorded when cash is received and expenses are recorded at the time expenses are paid.

**b) Fiscal Year**

The Company operates on a fiscal year ending on December 31

**c) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.