

KELYNIAM GLOBAL, INC.
FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2021

KELYNIAM GLOBAL, INC.
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LaQuerreAudi

certified public accountants

Independent Accountant's Compilation Report

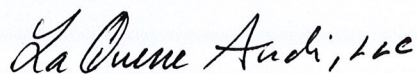
To the Board of Directors
Kelyniam Global, Inc.
Collinsville, CT

Management is responsible for the accompanying financial statements of Kelyniam Global, Inc., (a Corporation), which comprise the balance sheet as of March 31, 2021, and the related statement of income and other comprehensive income, changes in stockholders' equity and cash flows for the three months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements in Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying supplementary information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Respectfully,



LaQuerre Audi, LLC
Certified Public Accountants
Plainville, CT 06062

May 14, 2021

KELYNIAM GLOBAL, INC.
BALANCE SHEET
MARCH 31, 2021

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 135
Accounts receivable	411,936
Inventory	71,422
Investment securities available for sale	29,128
Prepaid taxes	<u>4,086</u>

TOTAL CURRENT ASSETS	<u>516,707</u>
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PROPERTY AND EQUIPMENT

Manufacturing equipment	555,007
Computer equipment	60,820
Furniture and fixtures	8,043
Leasehold improvements	<u>305,632</u>
	929,502

Less: Accumulated depreciation	<u>(505,367)</u>
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TOTAL PROPERTY AND EQUIPMENT	<u>424,135</u>
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OTHER ASSETS

Security deposit	8,000
Deferred income tax asset	<u>448,950</u>

TOTAL OTHER ASSETS	<u>456,950</u>
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TOTAL ASSETS	<u><u>\$ 1,397,792</u></u>
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KELYNIAM GLOBAL, INC.
BALANCE SHEET
MARCH 31, 2021

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Line of credit	\$ 70,804
Accounts payable	237,440
Accrued expenses	215,296
Current portion of note payable	<u>126,437</u>

TOTAL CURRENT LIABILITIES	<u><u>649,977</u></u>
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LONG-TERM LIABILITIES

Officer loan	123,749
Loan payable, paycheck protection program	144,120
Note payable, less current portion	<u>23,883</u>

TOTAL LONG-TERM LIABILITIES	<u><u>291,752</u></u>
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TOTAL LIABILITIES	<u><u>941,729</u></u>
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STOCKHOLDERS' EQUITY

Common stock \$.001 par value, 60,000,000 shares authorized, 27,676,800 shares issued and outstanding	140,727
Additional paid in-capital	2,552,353
Retained earnings (accumulated deficit)	(2,172,475)
Accumulated other comprehensive income	15,458
Treasury stock, at cost (5,217,155 shares)	<u>(80,000)</u>

TOTAL STOCKHOLDERS' EQUITY	<u><u>456,063</u></u>
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TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u><u>\$ 1,397,792</u></u>
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KELYNIAM GLOBAL, INC.
STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED
MARCH 31, 2021

Sales	\$ 664,353
Cost of Sales	<u>159,027</u>
Gross Profit	505,326
General and Administrative Expenses	<u>491,520</u>
Income from operations	13,806
Other Income (Expenses)	
Interest expense	<u>(2,534)</u>
Income Before Provision for Income Taxes	11,272
Provision for Income Tax	<u>19,200</u>
Net Loss	(7,928)
Other Comprehensive Income (Loss)	
Unrealized Loss on Investment Securities	<u>(13,400)</u>
Total Comprehensive Income (Loss)	<u><u>\$ (21,328)</u></u>

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KELYNIAM GLOBAL, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
MARCH 31, 2021

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
Balance, January 1, 2021	\$ 140,727	\$ 2,552,353	\$ (2,164,547)	\$ 28,858	\$ (80,000)	\$ 477,391
Net loss	-	-	(7,928)	-	-	(7,928)
Unrealized loss on investment securities	-	-	-	(13,400)	-	(13,400)
Balance, March 31, 2021	<u>\$ 140,727</u>	<u>\$ 2,552,353</u>	<u>\$ (2,172,475)</u>	<u>\$ 15,458</u>	<u>\$ (80,000)</u>	<u>\$ 456,063</u>

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KELYNIAM GLOBAL, INC.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED
MARCH 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (7,928)
Adjustments needed to reconcile net income to net cash provided by (used in) operating activities:	
Depreciation	10,473
(Increase) Decrease in operating assets	
(Increase) Decrease in accounts receivable	(137,600)
(Increase) Decrease in inventory	11,086
(Increase) Decrease in prepaid taxes	1,530
(Increase) Decrease in deferred income taxes	16,850
Increase (Decrease) in accounts payable	40,087
Increase (Decrease) in accrued expenses	(19,636)
Net Cash Provided By (Used In) Operating Activities	<u>(85,138)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Net repayments on line of credit	(17,404)
Principal payments on note payable	(41,578)
Borrowings on paycheck protection program	144,120
Net Cash Provided by (Used In) Financing Activities	<u>85,138</u>

Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents at Beginning of Period	<u>135</u>
Cash and Cash Equivalents at End of Period	<u><u>\$ 135</u></u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid during the year for	
Interest	<u><u>\$ 2,534</u></u>

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SUPPLEMENTARY INFORMATION

KELYNIAM GLOBAL, INC.
SCHEDULE I - COST OF SALES
FOR THE THREE MONTHS ENDED
MARCH 31, 2021

Depreciation	\$ 6,986
Direct labor	61,692
Payroll taxes	5,705
Raw materials	69,087
Rent	6,119
Shipping, freight and delivery	6,793
Utilities	<u>2,645</u>
Total Cost of Sales	<u><u>\$ 159,027</u></u>

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KELYNIAM GLOBAL, INC.
SCHEDULE II - GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDED
MARCH 31, 2021

Advertising	\$ 3,884
Bank and credit card fees	4,641
Commissions	182,143
Depreciation	3,487
Equipment rental	232
Insurance	82,989
License and registration	8,116
Officer's compensation	53,838
Office expenses	10,356
Payroll service	1,162
Payroll taxes	10,078
Pension expense	1,962
Professional fees	40,991
Property and other taxes	572
Rent expense	6,438
Repairs and maintenance	5,691
Salaries and wages	55,133
Supplies	2,203
Telephone	2,043
Travel and entertainment expenses	1,311
Utilities	2,695
Web services	11,555
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Total General and Administrative Expenses	\$ 491,520
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