

Neighpart International, Corp
Condensed Balance Sheets
(Unaudited)

**For the Twelve-Months Ended
on December 31**

	2024	2023
	(Unaudited)	(Unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,310	\$ 41,196
Accounts receivable	2,060,935	2,224,332
Vendors advanced payments	813,513	905,194
Shareholders receivables	-	-
Inventory	171,713	605,870
Other Assets	76,062	13,336
Total current assets	3,125,534	3,789,928
PROPERTY & EQUIPMENT, NET	-	-
Other Assets	-	-
Total Other Assets	-	-
Total assets	\$ 3,125,534	\$ 3,789,928
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts Payable	480,254	1,232,258
Customers advanced funding	-	-
Deferred revenue	-	-
Total current liabilities	480,254	1,232,258
Long Term Liabilities	-	-
Total Long-Term Liabilities	-	-
Total liabilities	480,254	1,232,258
Commitments and Contingencies		
Shareholders' Loan	2,703,387	2,543,544
Shareholder' equity (deficit)		
Preferred Stock: \$0,001 par value: 20,000,000 authorized shares 1,000,000 issued and outstanding on December 31, 2023, and December 31, 2024, respectively	1,000	1,000
Common Stock: \$0.001 par value: 2,000,000,000 authorized shares; 14,144,000 and 15,744,000 shares issued and outstanding at December 31, 2023, and December 31, 2024, respectively	15,744	14,144
Additional Paid-in-Capital	158,450	-
Net Income (loss)	(197,202)	-
Retained Earnings (loss)	(36,099)	(1,017)
Total shareholders' equity (deficit)	2,645,280	2,557,670
Total liabilities and shareholders' equity (deficit)	\$ 3,125,534	\$ 3,789,928

See accompanying notes to the condensed unaudited financial statements.

Neighpart International, Corp
Condensed Statement of Operations

	For the Twelve-Months Ended on December 31	
	2024	2023
REVENUES	\$ 445,000	\$ 3,802,754
COST OF SALES	434,157	2,602,755
GROSS PROFIT	10,843	1,199,999
General and Administrative expenses	197,740	192,285
Board Member Fees	312	3,749
Total operating expense	198,052	196,034
Profit (Loss) from operations	(187,210)	1,003,965
OTHER INCOME (EXPENSES)		
Write-off	-	-
Interest Income	-	-
Other Operational Income (loss)	(9,993)	35
Management Income	-	-
Total other income (expense)	(9,993)	35
Income (Loss) from continuing operations	(197,202)	1,004,000
NET INCOME (LOSS)	(197,202)	1,004,000
Net income (loss) per share applicable to common stockholders - basic	\$ (0.01)	\$ 0.07
Net income (loss) per share applicable to common stockholders - diluted	\$ (0.01)	\$ 0.05
Weighted average number of common shares outstanding - basic	19,601,421	19,143,500
Weighted average number of common shares outstanding - diluted	19,601,421	19,143,500

See accompanying notes to the condensed unaudited financial statements.

Neighpart International, Corp

Condensed Statements of Shareholders' Equity (Deficit) for the Years ended on December 31, 2020, 2021, 2022, 2023 and the Three-Month & Six-Months ended on March 31, 2024, June 30, 2024, September 30, 2024 and December 31, 2024 respectively

	Common Shares	Common Stock	Preferred Shares	Preferred Stock	Additional Paid in Capital	Members Loans	Accumulated Deficit	Total Shareholders' Deficit
BALANCE, December 31, 2020	141,435	14,144	-	-		\$ 16,000	\$ (62,521)	(32,378)
Members' loan						8,900		8,900
Net Income (loss)							(643,933)	(643,933)
BALANCE, December 31, 2021	141,435	\$ 14,144	-	\$ -	\$ -	\$ 24,900	\$ (706,454)	\$ (667,411)
Members' loan						3,613,351		3,613,351
Net Income (loss)							(298,563)	(298,563)
BALANCE, December 31, 2022	141,435	\$ 14,144	-	\$ -	\$ -	\$ 3,638,251	\$ (1,005,017)	\$ 2,647,377
Members' loan						(1,121,657)		(1,121,657)
Net Income (loss)							(12,655)	(12,655)
BALANCE, March 31, 2023	141,435	\$ 14,144	-	\$ -	\$ -	\$ 2,516,594	\$ (1,017,672)	\$ 1,513,065
Members' loan						26,950		26,950
Net Income (loss)							(72,370)	(72,370)
BALANCE, June 30, 2023	141,435	\$ 14,144	-	\$ -	\$ -	\$ 2,543,544	\$ (1,090,042)	\$ 1,467,645
Issuance of common stock due to change on par value from \$0.10 to \$0.001	14,002,565	-						-
Members' loan								-
Issuance of Preferred Shares par value \$0.001			1,000,000	1,000				1,000

Net Income (loss)							1,132,683	1,132,683
BALANCE, September 30, 2023	14,144,000	\$ 14,144	1,000,000	\$ 1,000	\$ -	\$ 2,543,544	\$ 42,641	\$ 2,601,328
Net Income (loss)							(43,658)	(43,658)
BALANCE, December 31, 2023	14,144,000	\$ 14,144	1,000,000	\$ 1,000	\$ -	\$ 2,543,544	\$ (1,017)	\$ 2,557,670
Members' loan						58,450		58,450
Issuance of common shares	1,600,000	1,600			158,450			160,050
Net Income (loss)							(79,460)	(79,460)
BALANCE, March 31, 2024	15,744,000	\$ 15,744	1,000,000	\$ 1,000	\$ 158,450	\$ 2,601,994	\$ (80,477)	\$ 2,696,710
Members' loan						46,269		46,269
Net Income (loss)							(45,608)	(45,608)
BALANCE, June 30, 2024	15,744,000	\$ 15,744	1,000,000	\$ 1,000	\$ 158,450	\$ 2,648,263	\$ (126,085)	\$ 2,697,371
Members' loan						46,269		46,269
Net Income (loss)							(161,589)	(161,589)
BALANCE, September 30, 2024	15,744,000	\$ 15,744	1,000,000	\$ 1,000	\$ 158,450	\$ 2,694,532	\$ (287,674)	\$ 2,582,051
Members' loan						8,855		8,855
Net Income (loss)							54,373	54,373
BALANCE, December 31, 2024	15,744,000	\$ 15,744	1,000,000	\$ 1,000	\$ 158,450	\$ 2,703,387	\$ (233,301)	\$ 2,645,279

See accompanying notes to the condensed unaudited financial statements.

Neighpart International, Corp
Condensed Statements of Cash-Flows

**For the Twelve-Months Ended on
December 31**

2024 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income (Loss) \$ (197,202) \$ 1,004,000

Adjustment to reconcile net income (loss) to net cash provided operating activities:

Equity Changes (35,083)

Depreciation and amortization expense -

Change in operating assets and liabilities:

Accounts receivable 163,397 (2,224,332)

Customers contract pending -

Inventory 434,157 (529,870)

Other current assets (62,727) (9,000)

Vendors Adv payments 91,681 2,563,039

Accounts payable and accrued expenses (752,004) 1,227,258

Tax Payable -

Customers advanced funding - (911,665)

Deferred revenue -

Net cash provided by operating activities (357,781) 1,119,430

CASH FLOWS FROM INVESTING ACTIVITIES:

Cash paid for assets acquisition - -

Net cash used in investing activities - -

CASH FLOWS FROM FINANCING ACTIVITIES

Preferred Shares - 1,000

Common Stock 160,050

Proceeds from Loans 159,844 (1,094,707)

Adjustment -

Financial Loans Payable -

Net Cash provided by financing activities 319,894 (1,093,707)

NET CHANGE IN CASH (37,886) 25,723

CASH, beginning of period 41,196 15,473

CASH, end of period \$ 3,310 \$ 41,196

NON-CASH INVESTING AND FINANCING ACTIVITIES

Issuance of shares of common stock	\$	-	\$	
Issuance of shares of common stock for conversion of preferred stock	\$	-	\$	-
Cancellation of shares	\$	-	\$	-
Loans issued to acquire fixed assets	\$	-	\$	-
Loan payable paid by related party	\$	-	\$	-
		-		

SUPPLEMENTAL DISCLOSURES:

Cash paid for income taxes	\$	-	\$	-
Cash paid for interest	\$	-	\$	-

See accompanying notes to the condensed unaudited financial statements.

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NEIGHTPART INTERNATIONAL, Corp
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE YEAR ENDED ON DECEMBER 31, 2024

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Neighpart International, Corp (“Neighpart” or the “Company”) is a purchasing agent and marketing company focused on the medical instrument, equipment, and disposables sector.

Company History and Corporate Developments

Formation and Early Changes

On, June 4, 2019: Neighpart International, LLC, was filed with the Division of Corporations in the State of Florida under Document Number L19000147840, establishing its principal place of business at 20301 SW 106th Ave, Miami, FL 33189.

On, September 30, 2021: The Company amended its records with the Florida Department of State, adding Ms. Analia V Caballero as manager.

On, August 22, 2022: The Company converted into a Florida Profit Corporation under the name Neighpart International Corp., under Document Number P22000067984, with 1,000,000 authorized shares of stock.

Capital Structure Amendments

On, September 11, 2023: The Company amended its Articles of Incorporation under Document Number P22000067984, filing 200415490392. Changes included:

- Increasing authorized common stock shares from 1,000,000 to 1,000,000,000, with a par value of \$0.001.
- Authorizing 20,000,000 shares of preferred stock with a par value of \$0.001.

SEC Filings and Market Listings

On, February 29, 2024: The Company filed with the U.S. Securities and Exchange Commission (SEC) to begin listing its shares in the United States under file number 1.333-277502, accession number 0001683168-24-001238. The Form S-1 initial filing proposed issuing 100,000,000 shares of common stock at a market value of \$1.00 per share.

On, March 20, 2024: The Company was assigned the following identifiers:

- **CUSIP Number:** 64016M109
- **ISIN Number:** US64016M1099
- **ISO CFI:** ESVUFR
- **FISN:** Neighpart Intl/SH

On, March 21, 2024: The Company filed an **OTCQB Application**.

Governance and Leadership Updates

On, May 3, 2024: The Company filed an Amended Annual Report with the Florida Department of State, updating its Board of Directors:

- **Claudio Escobar** - President
- **Analia Caballero Ojeda** - Chief Financial Officer (CFO)
- **Sandra Yamil Caballero Ojeda** - Chief Treasury Officer
- **Genesis Maria del Mar Torres Sanchez** - Chief Marketing Officer
- **Alicia Belen Verdun de Butler** - Chief Operating Officer and Board Secretary
- **Christian Ismael Maria, Catella Llano** - Chief Human Resources Officer

On, July 15, 2024: The Company filed an Amended Annual Report with the Florida Department of State, updating its Board of Directors, as follows:

- **Claudio Escobar** – President
- **Genesis Maria del Mar Torres Sanchez** - Chief Marketing Officer (CMO)
- **Giovanni Catella**, Chief Human Resources Officer (CHRO)
- **Alicia Belen Verdun de Butler** - Chief Operating Officer and Board Secretary
- **Sandra Yamil Caballero Ojeda** - Chief Financial Officer (CFO)
- **Minerva Belen, Mendieta Alvarenga** - Chief Legal Officer (CLO)

Recent Corporate Amendments

On, May 21, 2024: The Company filed an **Amendment to the Corporation Articles of Incorporation**. The new narrative is as follows:

ARTICLE FOURTH. Authorized Shares.

4.(i). Classes and Number of Shares. The total number of shares of all classes of capital stock that the Corporation shall have authority to issue is one billion and twenty million (1,020,000,000) shares, consisting of: (i) one billion (1,000,000,000) shares of common stock, par value \$0.001 and one (1) vote per share (the “Common Stock”) and (ii) twenty million (20,000,000) shares of “blank check” preferred stock, par value \$0.001 per share (the “Preferred Stock”), each having the rights set forth in these Articles of Incorporation (including any Certificate of Designation filed with the Secretary of State of the State of Florida establishing the terms of a series of Preferred Stock). The authorized number of shares of any class of capital stock may be increased or decreased (but not below the number of shares then outstanding) by the affirmative vote of the holders of a majority of the shares or capital stock of the Corporation entitled to vote on the matter. Except as may be required by a series of Preferred Stock or by applicable law, no separate vote of such class of capital stock. the authorized number of which is to be increased or decreased, shall be necessary to effect such change.

4.(2). Preferred Stock. The Board of Directors of the Corporation (the “Board”) is hereby authorized, by resolution or resolutions thereof, to provide, out of the unissued shares of Preferred Stock, a series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series, and the designation of such series. the voting and other powers (if any) of the shares of such series, and the preferences and any relative. participating, optional or other special right; and any qualifications. limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, may differ from those of any and all other series of Preferred Stock at any time outstanding. For the avoidance of doubt as of January 10, 2023. there are zero (0) shares of Preferred Stock outstanding. All Certificates of Designation filed with the Secretary of State of the State of Florida establishing the terms of a series of Preferred Stock by the Corporation prior to January 10, 2023, are hereby declared null and void.

4.(2). 1. Voting: Rights

(a). If at least one share of Series A Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time. regardless of their number, shall have voting rights equal to three (3) times the sum of:

- (i). The total number of shares of Common Stock which are issued and outstanding at the time of voting, plus,
- (ii). The total number of votes granted to any preferred stock series which are issued and outstanding at the time of voting.

(b). Each individual share of Series A Preferred Stock shall have the voting right equal to three times the sum of all shares of Common Stock issued and outstanding at the time of voting plus the cumulative voting rights of all preferred stock series issued and outstanding at the time of voting divided by the number of shares of Series A Preferred Stock issued and outstanding at the time of voting.

4.(2).2. Conversion Rights

The Holder of the Series A Preferred Stock shall have the right, from time to time, to convert shares of the Series A Preferred Stock at the conversion ratio of five thousand (5,000) shares of Common Stock for each single (1) share of Series A Preferred Stock. Shares of Series A Preferred Stock are anti-dilutive to reverse splits, and therefore in the case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio herein prior to the reverse split. The conversion rate of the Series A Preferred Stock would increase proportionately in the case of forward splits and may not be diluted by a reverse split following a forward split.

4.(2).3. Dividends

The Holder of Series A Preferred Stock will not be entitled to receive dividends of any kind, including but not limited to dividends paid on Common Stock.

4.(2).4. Liquidation Preference

The Series A Preferred Stock shall have liquidation rights with respect to liquidation preference upon the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary equal to the number of shares of Common Stock as if all Series A Preferred Shares remaining issued and outstanding were converted to Common Stock.

4.(2) 5. Miscellaneous

a. Lost or Stolen Certificates. Upon receipt by the Corporation of (i) evidence of the lost, theft, destruction or mutilation of any Series A Preferred Stock Certificate(s) and (ii) in the case of loss, theft or destruction, indemnity (without and bond or other security) reasonably satisfactory to the Corporation, or in the case of mutilation, the Series A Preferred Stock Certificate(s) (surrendered for cancellation), the Corporation shall execute and deliver new Series A Stock Certificate(s) of like tenor and date. However, the Corporation shall not be obligated to reissue such lost, stolen, destroyed or mutilated Series A Preferred Stock Certificate(s) if the Holder contemporaneously request the Corporation to convert such Series A Preferred Stock.

b. Waiver. Notwithstanding any provision in this Certificate of Designation to the contrary, any provision contained herein and any right of the Holder of Series A Preferred Stock granted hereunder may be waived as to all shares of Series A Preferred Stock (and the Holder thereof) upon the written consent of the Holder.

c. Notices. Any notices required or permitted to be given under the terms hereof shall be sent by certified or registered mail (return receipt requested) or delivered personally, by nationally recognized overnight carrier or by confirmed facsimile transmission or by confirmed email transmission, and shall be effective five days after being placed in the mail, if mailed, or upon receipt or refusal of receipt, if delivered personally or by nationally recognized overnight carrier or confirmed facsimile or email transmission, in each case addressed to party.

d. Severability. If any term of this ARTICLE FOURTH is invalid, unlawful, or incapable of being enforced by reason of any rule of law or public policy, all other terms of this ARTICLE FOURTH as set forth herein which can be given effect without the invalid, unlawful or unenforceable term will, nevertheless, remain in full force and effect, and no term of this ARTICLE FOURTH will be deemed dependent upon any other such term unless so expressed in this ARTICLE FOURTH.

ARTICLE FIFTH.

5.(1).The business and affairs of the Corporation shall be managed by or under the direction of the Board.

5.(2). The number of directors shall be determined from time to time by resolution of the Board of Directors. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

5.(3). The directors of the Corporation need not be elected by written ballot unless the Bylaws so provide.

5.(4). Except as otherwise permitted in this Article FIFTH, only persons who are nominated in accordance with the procedures established in the Bylaws of the Corporation shall be eligible for election as directors.

5.(5). Vacancies and newly created directorships resulting from (i) an increase in the authorized number of directors, (ii) death, (iii) resignation, (iv) retirement, (v) disqualification or (vi) removal from office, may be filled by a majority vote of the remaining directors then in office, although less than a quorum, or by the sole remaining director, and each director so

chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of the class to which he or she has been elected expires and until such director's successor shall have been duly elected and qualified.

ARTICLE SIXTH. In furtherance and not in limitation of the powers conferred by the laws of the State of Florida, the Board of Directors of the Corporation is expressly authorized to make, alter and repeal the Bylaws of the Corporation.

ARTICLE SEVENTH. The Corporation shall indemnify its directors and officers to the fullest extent authorized or permitted by law, as now or hereafter in effect, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification the corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized for consented to by the directors of the Corporation. The right to indemnification conferred by this Article SEVENTH shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition only upon the Corporation's receipt of an undertaking by or on behalf of the director or officer to repay such amounts if it shall be ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article SEVENTH.

The Corporation may, to the extent authorized from time to time by the directors of the Corporation, provide right to indemnification and to the advancement of expenses to other employees and agents of the Corporation similar to those conferred in this Article SEVENTH to directors and officers of the Corporation.

The rights to indemnification and to the advance of expenses conferred in this Article SEVENTH shall not be exclusive of any other right which any person may have or hereafter acquire under these Articles, the Bylaws of the corporation, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Any repeal or modification of this Article SEVENTH shall not adversely affect any rights to indemnification and to the advancement of expenses as; a director or officer of the corporation existing at the time of such repeal or modification with respect to any act; or omission occurring prior to such repeal or modification.

ARTICLE EIGHT. These Articles of Incorporation and the internal affairs of the Corporation shall be governed by and interpreted under the laws of the State of Florida, excluding its conflict of laws principles. Unless the Corporation consents in writing to the selection of an alternative forum, the Circuit Court for Miami-Dade County (or the appropriate Florida federal court) shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer (or affiliate of any of the foregoing) of the Corporation to the Corporation or the Corporation's shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Florida Statutes or the Articles or the Bylaws, or (iv) any other action asserting a claim arising under, in connection with, and governed by the internal affairs doctrine.

On May 31, 2024, the Company signed a binding Memorandum of Understanding with Comitas Telesalud S.A. ("Comitas"), a Spaniard based corporation, which is a qualified vendor for the Kingdom of Spain Army and Navy, along the last several years, of a remote telemedicine system, which was used in certain combat scenarios, like in Afghanistan, Serbia, Ukraine, also used in the Antarctica base of the Spaniard Navy. This binding MOU provides to Neighpart International, Corp., the exclusive distribution and manufacturing of Comitas' equipment in the Republic of Argentina, the Federative Republic of Brazil and the Republic of Paraguay.

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Cautionary Statement on Forward-Looking Statements

All statements, other than statements of current or historical fact, contained in this filing are forward-looking statements. Without limiting the foregoing, forward-looking statements often use words such as "believe," "anticipate," "plan," "expect," "estimate," "intend," "seek," "target," "goal," "may," "will," "would," "could," "should," "can," "continue" and other similar words or expressions (and the negative thereof). Neighpart International Corp., (Neighpart, the Company, our or we) intends such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we are including this statement for purposes of complying with these safe-harbor provisions. In particular, these statements include, without limitation, statements about our future operating or financial performance, market opportunity, growth strategy, competition, expected activities in completed and future acquisitions, and future acquisitions, investments and the adequacy of our available cash resources.

These forward-looking statements reflect our current views with respect to future events and are based on numerous assumptions and assessments made by us in light of our experience and perception of historical trends, current conditions, business strategies, operating environments, future developments and other factors we believe appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties and are subject to change because they relate to events and depend on circumstances that will occur in the future, including economic, regulatory, competitive and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions.

All forward-looking statements included in this Notes are based on information available to us on the date of this release. Except as may be otherwise required by law, we undertake no obligation to update or revise the forward-looking statements included in this document, whether as a result of new information, future events or otherwise, after the date of this filing. You should not place undue reliance on any forward-looking statements, as actual results may differ materially from projections, estimates, or other forward-looking statements due to a variety of important factors, variables and events including, but not limited to:

- The risk that regulatory or other approvals required for certain equipment, disposables may be delayed or not obtained or are obtained subject to conditions that are not anticipated that could require the exertion of management's time and our resources or otherwise have an adverse effect on us.
- The risk that potential litigation in connection with certain equipment, disposables and others may affect the timing or occurrence of future transactions or result in significant costs of defense, indemnification, and liability.
- The inability to retain key personnel.
- Competition.
- Market share and revenue declines or unexpected trends.
- Changes in the health industry practices, new technologies, and advances in therapeutics.
- Increased feedstock costs.
- Changes in economic, political or market conditions.
- Changes in federal or state laws or regulations, including changes with respect to income tax reform or government health industry programs as well as changes with and any regulations enacted thereunder that may result from changing political conditions, the new administration or judicial actions.
- Our ability to adequately price products.
- Tax matters.
- Disasters or major epidemics.
- Changes in expected contract start dates.
- Provider, state, federal, foreign, and other contract changes and timing of regulatory approval of contracts.

- The difficulty of predicting the timing or outcome of pending or future legal and regulatory proceedings or government investigations.
- Challenges to our contract awards.
- Cyber-attacks or other privacy or data security incidents.
- The exertion of management's time and our resources, and other expenses incurred, and business changes required in connection with complying with the undertakings in connection with any regulatory, governmental or third-party consents or approvals for acquisitions.
- Disruption caused by significant completed and pending acquisitions making it more difficult to maintain business and operational relationships.
- The risk that unexpected costs will be incurred in connection with the completion and/or integration of acquisition transactions.
- Changes in expected closing dates, estimated purchase price and accretion for acquisitions.
- The risk that acquired businesses will not be integrated successfully.
- Availability of debt and equity financing, on terms that are favorable to us.
- Inflation; and
- Foreign currency fluctuations.

This list of important factors is not intended to be exhaustive. We discuss certain of these matters more fully, as well as certain other factors that may affect our business operations, financial condition, and results of operations.

Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business for the twelve-month period following the date of these financial statements. The Company has incurred significant operating losses since inception.

Because the Company does not expect that existing operational cash flow will be sufficient to fund presently anticipated operations, this raises substantial doubt about the Company's ability to continue as a going concern. Therefore, the Company will need to raise additional funds and is currently exploring alternative sources of financing. Historically, the Company has relied on funds provided by the majority shareholders as a measure to finance working capital needs. The Company will be required to continue to do so until such time that its consolidated operations become profitable.

Basis of Presentation

In practice, private companies such as the Company elect to provide a "Basis of Presentation" or similarly titled footnote to disclose that the financial statements are presented in accordance with U.S. GAAP, which is the case with the Company.

The Company has prepared the accompanying condensed financial statements in accordance with the rules and regulations and in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In our opinion, these condensed financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the condensed consolidated financial position and results of operations for the periods presented.

Critical Accounting Estimates

The application of U.S. GAAP requires the Company to make estimates and assumptions about certain items and future events that directly affect the Company's reported financial position. We have established detailed policies and control procedures to provide reasonable assurance that the methods used to make estimates and assumptions are well controlled and consistently applied from period to period. The accounting estimates and assumptions discussed in this section are those that the Company considers most critical to its financial statements. An accounting estimate is considered critical when both (a) the nature of the estimate or assumption is significant because of the degree of subjectivity and judgment involved, and (b)

the effect of the estimate or assumption, within a reasonable range of outcomes, is material to the Company's financial position. Management has discussed the development, selection and disclosure of these estimates with the Company's Board of Directors. The Company's significant accounting policies, including recent accounting pronouncements, are described in Note 1 (Summary of Significant Accounting Policies) to the consolidated financial statements included at the beginning of this report.

Quantitative sensitivity analysis is provided when such information is reasonably available, can be reliably estimated and is material to investors. The amounts used in the sensitivity analysis (e.g., 10 percent) are included to enable the readers of this report to understand the general direction, cause and effect of changes in estimates and do not represent management's predictions of variability. For all of these estimates, it should be noted that future events rarely develop exactly as predicted and that estimates require periodic review and adjustment.

Disclosure of accounting policies

ASC 235, Notes to Financial Statements, states the following regarding accounting policy disclosures:

ASC 235-10-50-3: Disclosure of accounting policies shall identify and describe the accounting principles followed by the entity and the methods of applying those principles that materially affect the determination of financials position, cash flows, or results of operations. In general, the disclosure shall encompass important judgments as to appropriateness of principles relation to recognition of revenue and allocation of asset costs to current and future periods; in particular, it shall encompass those accounting principles and methods that involve any of the following:

- I. A selection from existing acceptable alternative.
- II. Principles and methods peculiar to the industry in which the entity operates, even if such principles and methods are predominantly followed in that industry.
- III. Unusual or innovative applications of GAAP.

Reporting entities are required to describe all significant accounting policies in the financial statements. Determining which accounting policies are considered "significant" is a matter of management judgment. Management might consider materiality of the related account, as well as the requirements of users, such as investors, analysts, financial institutions, and other constituents.

Under US GAAP, if there are omitted Cost of Goods Sold (COGS) in a prior year, the Company should correct the error by making a prior-period adjustment. According to ASC 250 (Accounting Changes and Error Corrections), material errors from prior periods must be retrospectively corrected by adjusting the beginning retained earnings of the earliest period presented.

Nature of the Error: During the preparation of the financial statements for the year ended December 31, 2023, management identified an error in the financial statements for the year ended December 31, 2022. The error resulted from the omission of Cost of Goods Sold (COGS) in the amount of \$36,099, which caused an overstatement of net income and retained earnings in the prior period.

ASC 235 permits flexibility in matters of format (including the location) of the policy footnote, as long as it is an integral part of the financial statements.

Revenue Recognition: The Company adopted ASC 606 to identify and record revenues. The core principle of the revenue standard is to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods and services. Significant judgments frequently need to be made when an entity evaluates the appropriate recognition of revenue from contracts with customers. These judgments are often required throughout the revenue standard's five-step process that an entity applies to determine when, and how much, revenue should be recognized.

Step 1: Identify the contract with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocated the transaction price to performance obligations.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Application of the five steps illustrated above requires a critical assessment of the specific facts and circumstances of an entity's arrangement with its customer. Some of the more challenging and judgmental aspects of applying the revenue standard are highlighted below.

Identifying Performance Obligations

A performance obligation is the unit of account for which revenue is recognized, and the identification of performance obligations affects the revenue recognition timing. A performance obligation is a promise that an entity makes to transfer to its customer a "distinct" good or service. Contracts with customers often include multiple promises, and it can be difficult for an entity to (1) identify the activities it is undertaking that qualify as promises to provide goods or services and (2) determine which promises are distinct. An entity should answer two questions to evaluate whether a promised good or service is distinct and, thus, a separate performance obligation:

- Can the customer benefit from the good or service on its own or with other readily available resources (i.e., is the good or service capable of being distinct)?
- Is the entity's promise to transfer the good or service separately identifiable from other promises in the contract (i.e., is the good or service distinct within the context of the contract)?

Only when the answer to each question above is yes for a promised good or service (or bundle of goods or services) is the promised good or service (or bundle of goods or services) distinct and, therefore, a performance obligation. If the two revenue recognition criteria for identifying a distinct good or service are not met, an entity must combine goods or services until it identifies a bundle that is distinct.

Answering the first question can be straightforward but is not always so. If an entity typically sells a good or service on its own, or if the good or service can be used with another good or service that the entity (or another vendor) sells separately, the answer to the first question is likely to be yes. The key is whether a customer can generate some economic benefits from the good or service on its own or with other readily available resources.

Answering the second question is often more challenging. For an entity to assess whether its promise to transfer a good or service is separately identifiable from other goods or services in a contract, the entity should evaluate whether the nature of the promise is to transfer each of those goods or services individually or, instead, to transfer a combined item or items to which the promised goods or services are inputs.

Assessing Whether an Entity Is a Principal or an Agent

It is not uncommon for more than one party to be involved in providing goods or services to a customer. Whenever another party is involved, an entity must evaluate whether its promise is to provide the goods or services itself as a principal or to arrange for another party to provide the goods or services to a customer. Such a determination significantly affects the amount of revenue an entity records. This is because a principal records as revenue the gross amount of consideration from the customer (with a corresponding cost for the amount paid to the other party involved in providing goods or services to the customer) while an agent records the net amount retained from the transaction.

The unit of account for performing the principal-versus-agent assessment is called the "specified" good or service, which is the good or service that an entity determines to be distinct by using the same criteria that apply to the identification of performance obligations. The underlying principle in determining whether an entity is a principal, or an agent is to evaluate whether the entity controls the specified good or service before transferring it to the customer. Control is defined as "the ability to direct the use of, and obtain substantially all of the remaining benefits from, an asset." Determining whether the entity controls the specified good or service before transferring it to the customer — and, therefore, is the principal in the arrangement — may be clear in some circumstances but may require significant judgment in others.

There are three key indicators to help the Company make this assessment:

- The entity is primarily responsible for fulfilling the promise to provide the specified good or service.
- The entity has inventory risk before the specified good or service has been transferred to the customer or after transfer of control to the customer (e.g., if the customer has a right of return).
- The entity has discretion in establishing the price for the specified good or service. However, an agent can have discretion in establishing prices in some cases.

These indicators are intended to support a conclusion that the entity does or does not control the specified good or service before transferring it to the customer and should not be used as a checklist that overrides the underlying principle of control.

The framework for evaluating whether an entity is a principal, or an agent is also relevant to the determination of the party to which control of a specified good or service is transferred (i.e., which party is the entity's customer). This evaluation is particularly relevant when an intermediary (e.g., a distributor or reseller) is involved in reselling the entity's goods or services to an end customer. If an entity determines that control of a specified good or service is transferred to an intermediary, the intermediary is the entity's customer, and the entity records revenue based on the amount that it expects the intermediary to pay. However, if the entity concludes that the intermediary does not obtain control of the specified good or service before the good or service is transferred to the end customer, the amount of revenue that the entity records is based on the consideration (if known) that the entity expects the end customer to pay.

Variable Consideration

Many revenue contracts include variable consideration, including price concessions, rebates, incentives, royalties, and performance-based bonuses or penalties. Generally, the revenue standard requires an entity to estimate variable consideration, with recognition subject to a constraint such that it is probable that a significant reversal of cumulative revenue recognized will not occur. Many entities have had to implement significant changes to their internal controls to develop processes for estimating and constraining variable consideration. There are a few exceptions to the requirement to estimate variable consideration, including sales- or usage-based royalties associated with a license of intellectual property (IP) that is the predominant item. In addition, entities must carefully evaluate whether variable consideration should be allocated to one or more, but not all, performance obligations in a contract (or one or more, but not all, distinct goods or services that are part of a series of distinct goods or services that represent a single performance obligation). For example, some usage-based fees may be allocated to a distinct day of service that is part of a series of services.

Based on the foregoing, the Company recorded revenues of \$445,000 for the twelve-month period ended December 31, 2024, and \$3,802,754 for the twelve-month period ended December 31, 2023. The Company hereby confirms that it is close to completing the merger with the previously disclosed companies, and will then become only a holding company, in other words, the execution of certain agreements will be performed by the subsidiaries, which are the operating entities for the holding companies.

Use of Estimates

The preparation of condensed financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company bases its estimates on historical experience, known or expected trends and various other assumptions that are believed to be reasonable given the quality of information available as of the date of these financial statements. The results of these assumptions provide the basis for making estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

Cash and Cash Equivalents

Pursuant to the FASB Codification Master Glossary, cash includes currency on hand and demand deposits with banks or other financial institutions. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. For purposes of classification in the statement of cash flows, the Master Glossary defines cash equivalents as short-term, highly liquid investments that have both of the following characteristics: (1) they are readily convertible to known amounts of cash, and (2) are so near to maturity that they represent insignificant risk of changes in value due to changes in interest rates. Generally, only investments with *original maturities* of three months or less qualify under that definition.

Cash and cash equivalents are typically included as a current asset in a classified balance sheet, unless they are (1) restricted as to the withdrawal or use for other than current operations, (2) designated for expenditure in the acquisition or construction of non-current assets, or (3) segregated for the liquidation of long-term debts. Note that, even though they have not been set aside in special accounts, funds that are clearly to be used in the near future for the liquidation of long-term debts, payments to sinking funds, or similar purposes should not be included in current assets, unless the funds can offset maturing

debt that has properly been set up as a current liability. A bank overdraft should be classified as a current liability unless it can be offset against free cash balances in the same bank.

Except for the requirement that restricted cash not be classified as a current asset, there are no specific GAAP requirements relating to compensating- balance arrangements.

The Company places its cash with a high credit quality financial institution. The Company's account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000, when located in the United States of America.

On December 31, 2024, the Company did not have bank balances exceeding the FDIC insurance limit. To reduce its risk associated with the failure of such financial institution, the Company evaluates at least annually the rating of the financial institution in which it holds deposits.

Fair Value of Financial Instruments

The Company as of December 31, 2024, has no financial instruments, however if in the future they will be recorded, then the Company will use the market approach to measure fair value for its financial instruments. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The respective carrying value of certain balance sheet financial instruments approximates its fair value. These financial instruments include cash, related party payables, accounts payable, accrued liabilities and short-term borrowings. Fair values were estimated to approximate carrying values for these financial instruments since they are short term in nature, and they are receivable or payable on demand.

Net Income (Loss) per Common Share

Entities with simple capital structures (i.e., those with only common stock and no potential common stock) are required to present on the face of the income statement basic BPS for income from continuing operations and for net income. The caption "income from continuing operations" encompasses income before the cumulative effect of an accounting change when the cumulative effect of an accounting change is present. Entities with complex capital structures (i.e., those with both common stock and potential common stock) must present on the face of the income statement basic and diluted BPS for the same captions. BPS amounts should also be presented, either on the face of the income statement itself or in the notes to the financial statements, for discontinued operations. Whether such BPS amounts are reported before or net-of-tax should be disclosed. Basic BPS, and if applicable, diluted BPS should be shown for each class of common stock outstanding. Disclosure of cash flow per share amounts is prohibited. BPS data are required for all periods for which income statements or summaries of earnings are presented. If diluted BPS is reported for any period, it must also be presented for all periods-even if diluted BPS is the same amount as basic BPS. If basic and diluted BPS are the same for all periods, they may be presented as one line item in the income statement. Note that the terms "basic BPS" and "diluted BPS" may be described differently. The terms such as "earnings per common share" and "earnings per common share-assuming dilution" are acceptable.

The following disclosures are required for each period for which an income statement is presented:

- A reconciliation of the numerators and the denominators of the basic and diluted per share computations for income from continuing operations (or other applicable caption when the cumulative effect of an accounting change is present). The reconciliation should include the individual income and share amount impact of all securities that affect earnings per share.
- The effect that has been given to preferred dividends in arriving at income available to common stockholders in computing basic BPS.
- Securities, including those issuable pursuant to contingent stock agreements, that could potentially dilute basic BPS in the future that were included in the computation of diluted BPS because their effects antidilutive. •

For the latest periods for which an income statement is presented, a description should be provided of any transactions occurring subsequent to the end period but before the financial statements are issued (or available for issue) would have materially changed the number of common shares or potential common shares outstanding, had such transactions taken place before the end of the period. Examples of such transactions include:

- The issuance or acquisition of common shares
- Resolution of a contingency pursuant to a contingent stock agreement
- Conversion or exercise of potential common shares

In the period in which a dropdown transaction occurs, disclosure, in narrative form, should be made by a master limited partnership regarding how the rights to the earnings (losses) of the transferred net assets differ before and the dropdown transaction occurs for purposes of computing earnings per unit under the two-class method. When prior BPS amounts have been restated in compliance with an accounting standard requiring restatement, the per share effect of the restatement should be disclosed. Likewise, if, because of a stock split or dividend; retroactive adjustments to prior BPS amounts are made, that fact should be disclosed.

Note that if an entity that is not otherwise required to present BPS chooses to disclose such amounts, they must (1) be computed in accordance with the guidance in FASB ASC 260, (2) be disclosed *only* in notes to financial statements, and (3) indicate whether the per-share amounts are presented pretax or net of tax.

Sources: FASB ASC 260-10-45 and FASB ASC 260-10-50.

		For the Twelve-Months Ended on December 31	
		2024	2023
Numerator			
Net income (loss) applicable to common shareholders		(197,202)	1,004,000
Denominator			
Weighted average common shares outstanding, basic		14,601,421	14,143,500
Preferred shares, if converted		5,000,000	5,000,000
Weighted average common shares outstanding, diluted		19,601,421	19,143,500
Net Income per share - Basic		\$ (0.01)	\$0.07
Income per shares - Diluted		\$ (0.01)	\$0.05

Share-Based Compensation

ASC 718, *Compensation – Stock Compensation*, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period). As of December 31, 2024, the Company didn't use this type of compensation, other than the issuance to the President & CEO Mr. Claudio A Escobar Brizuela 1,000,000 Preferred Shares, at par value \$0,001 total \$1,000, which was recorded as Board Member Fees.

Income Taxes

The Company accounts for income taxes pursuant to the provisions of ASC 740-10, *Accounting for Income Taxes*, which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities.

A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provisions of the ASC 740-10, *Accounting for Uncertain Income Tax Positions*. When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions will be highly certain of being upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, *Definition of Settlement*, which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion of an examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. Management has filed tax returns for the years ended December 31, 2023, and based on previous tax returns loss carryover Management doesn't expect high taxes accrued for the year ended on December 31, 2024.

Recent Accounting Pronouncements

The Company does not believe that any recently issued effective pronouncements, or pronouncements issued but not yet effective, if adopted, would have a material effect on the accompanying condensed financial statements.

Notwithstanding the foregoing and for further this document readers' knowledge we describe several of those pronouncements.

The FASB Accounting Standards Codification™ ("ASC") is the sole source of authoritative GAAP literature recognized by the FASB and applicable to the Company. Management has reviewed the aforementioned rules and releases and believes any effect will not have a material impact on the Company's present or future financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740)*, which enhances and simplifies various aspects of the income tax accounting guidance, including requirements such as tax basis step-up in goodwill obtained in a transaction that is not a business combination, ownership changes in investments, and interim-period accounting for enacted changes in tax law. The amendment will be effective for public companies with fiscal years beginning after December 15, 2020; early adoption is permitted. The Company is evaluating the impact of this amendment on its consolidated financial statements.

In February 2020, the FASB issued ASU 2020-02, *Financial Instruments-Credit Losses (Topic 326) and Leases (Topic 842) - Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842)*, which amends the effective date of the original pronouncement for smaller reporting companies. ASU 2016-13 and its amendments will be effective for the Company for interim and annual periods in fiscal years beginning after December 15, 2022. The Company believes the adoption will modify the way the Company analyzes financial instruments, but it does not anticipate a material impact on results of operations. The Company is in the process of determining the effects adoption will have on its consolidated financial statements.

On October 2020 the FASB issued ASU- 2020-10, which is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The amendments in Section B of this Update improve the Codification by ensuring that all guidance that requires or provides an option for an entity to provide information in the notes to financial statements is codified in the Disclosure Section of the Codification. That reduces the likelihood that the disclosure

requirement would be missed. The Board does not anticipate that the amendments in Section B will result in any changes to current GAAP.

The amendments in Section C of this Update are varied in nature and may affect the application of the guidance in cases in which the original guidance may have been unclear. The amendments in Section C clarify guidance so that an entity can apply the guidance more consistently.

On September 2020 the FASB issued ASU-2020-09, which was effective on January 4, 2021, but voluntary compliance is permitted in advance of the effective date. This ASU revises certain SEC paragraphs of the FASB's Accounting Standards Codification (ASC) to reflect, as appropriate, the amended financial statement disclosure requirements in SEC Release 33-10762, *Financial Disclosures about Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant's Securities*. Such ASC amendments address the requirements in:

- Regulation S-X Rule 13-01 regarding disclosures about guarantors and issuers of guaranteed securities registered or being registered.
- Regulation S-X Rule 13-02 regarding disclosures about a registrant's affiliates whose securities collateralize any class of securities registered or being registered and the related collateral arrangement.

On March 30, 2021, the FASB issued Accounting Standards Update (ASU) 2021-03, *Intangibles—Goodwill and Other (Topic 350): Accounting Alternative for Evaluating Triggering Events*. The amendments in ASU 2021-03 provide private companies and not-for-profit (NFP) entities with an accounting alternative to perform the goodwill impairment triggering event evaluation as required in FASB Accounting Standards Codification (FASB ASC) 350-20, *Intangibles—Goodwill and Other—Goodwill*, as of the end of the reporting period, whether the reporting period is an interim or annual period. An entity that elects this alternative is not required to monitor for goodwill impairment triggering events during the reporting period but, instead, should evaluate the facts and circumstances as of the end of each reporting period to determine whether a triggering event exists and, if so, whether it is more likely than not that goodwill is impaired.

On January 7, 2021, the FASB issued ASU 2021-01, which refines the scope of ASC 848 and clarifies some of its guidance as part of the Board's monitoring of global reference rate reform activities. The ASU permits entities to elect certain optional expedients and exceptions when accounting for derivative contracts and certain hedging relationships affected by changes in the interest rates used for discounting cash flows, for computing variation margin settlements, and for calculating price alignment interest (PAI) in connection with reference rate reform activities under way in global financial markets (the "discounting transition"). The discounting transition may also affect collateralized bilateral derivative transactions, not all of which are indexed to a rate that will be discontinued as a result of reference rate reform. ASU 2021-01 is intended to reduce diversity in practice related to accounting for (1) modifications to the terms of affected derivatives and (2) existing hedging relationships in which the affected derivatives are designated as hedging instruments.

On March 2022, the FASB issued Financial Instruments—Credit Losses (Topic 326) *Troubled Debt Restructurings and Vintage Disclosures*. Since the issuance of Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, the Board has provided resources to monitor and assist stakeholders with the implementation of Topic 326. Post-Implementation Review (PIR) activities have included forming a Credit Losses Transition Resource Group, conducting outreach with stakeholders of all types, developing educational materials and staff question-and-answer guidance, conducting educational workshops, and performing an archival review of financial reports.

In 2024, the Financial Accounting Standards Board (FASB) issued several Accounting Standards Updates (ASUs) to enhance financial reporting. On March 29, 2024, ASU 2024-02 was released, focusing on codification improvements by removing references to the Concepts Statements within the FASB Codification. Subsequently, on November 4, 2024, ASU 2024-03 was issued to improve disclosures about income statement expenses, aiming to provide more detailed information on the disaggregation of these expenses. Later, on November 26, 2024, FASB released an ASU to enhance accounting guidance for induced conversions of convertible debt instruments, clarifying the accounting treatment for such transactions. Additionally, on October 29, 2024, a proposed ASU was issued to update the guidance on accounting for internal-use software, reflecting the evolving nature of software development and implementation costs. These pronouncements demonstrate FASB's commitment to refining financial reporting standards in response to emerging issues and stakeholder feedback. In any case, none of the aforementioned ASUs had an impact on the financial statements presented here.

Issue 1: Troubled Debt Restructurings by Creditors

The amendments in Update 2016-13 require that an entity measure and record the lifetime expected credit losses on an asset that is within the scope of the Update upon origination or acquisition, and, as a result, credit losses from loans modified as troubled debt restructurings (TDRs) have been incorporated into the allowance for credit losses. Investors and preparers observed that the additional designation of a loan modification as a TDR and the related accounting are unnecessarily complex and no longer provide decision-useful information.

Issue 2: Vintage Disclosures—Gross Write-offs

Stakeholders noted that there is an inconsistency in the requirement for a public business entity to disclose gross write-offs and gross recoveries by class of financing receivable and major security type in the vintage disclosures referenced in paragraph 326-20-50-6 and Example 15 in paragraph 326-20-55-79. Investors and other financial statement users observed that disclosing gross write-offs by year of origination provides important information that allows them to better understand changes in the credit quality of an entity's loan portfolio and underwriting performance.

On June 2022, the FASB issued Fair Value Measurement (Topic 820) *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* to clarify the guidance in Topic 820, Fair Value Measurement, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security, (2) to amend a related illustrative example, and (3) to introduce new disclosure requirements for equity securities subject to contractual sale restrictions that are measured at fair value in accordance with Topic 820.

Stakeholders asserted that the language in the illustrative example resulted in diversity in practice on whether the effects of a contractual restriction that prohibits the sale of an equity security should be considered in measuring that equity security's fair value. Some stakeholders apply a discount to the price of an equity security subject to a contractual sale restriction, whereas other stakeholders consider the application of a discount to be inappropriate under the principles of Topic 820.

The amendments in this Update affect all entities that have investments in equity securities measured at fair value that are subject to a contractual sale restriction.

Accounting Standards Update No. 2014-01, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Qualified Affordable Housing Projects*, which amended Subtopic 323-740, Investments—Equity Method and Joint Ventures—Income Taxes, introduced the option to apply the proportional amortization method to account for investments made primarily for the purpose of receiving income tax credits and other income tax benefits when certain requirements are met; however, the amendments in that Update limited the proportional amortization method to investments in low-income-housing tax credit (LIHTC) structures. The proportional amortization method results in the cost of the investment being amortized in proportion to the income tax credits and other income tax benefits received, with the amortization of the investment and the income tax credits being presented net in the income statement as a component of income tax expense (benefit). Equity investments in other tax credit structures are typically accounted for using the equity method or Topic 321, Investments—Equity Securities, which results in investment income, gains and losses, and tax credits being presented gross on the income statement in their respective line items.

On March 2023, the FASB issued ASU N° 2023-01 – Leases (Topic 842) *Common Control Arrangements*. Since the issuance of Accounting Standards Update No 2016-02 Leases (Topic 842) the Board has prioritized monitoring and assisting stakeholders with the implementation of topic 842 through its Post-Implementation Review (PIR) process. PIR activities include, but are not limited to, responding to technical accounting inquiries, and proactively seeking feedback on issues arising from applying Topic 842. The amendments in this Update respond to private company stakeholders' concerns about applying Topic 842 to related party arrangements between entities under common control.

On March 2023, the FASB issued ASU N° 2023-02– Investment – Equity Method and Joint Ventures (Topic 323) to consistently account for equity investments made primarily for the purpose of receiving income tax credits and other income tax benefits.

On July 2023, the FASB issued ASU N° 2023-03 - Presentation of Financial Statements (Topic 205), Income Statement—Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation—Stock Compensation (Topic 718).

On August 2023 the FASB issued ASU N° 2023-04 – Liabilities (Topic 405) The interpretations in this SAB express views of the staff regarding the accounting for entities that have obligations to safeguard crypto-assets held for their platform users.FN1 In recent years, the staff has observed an increase in the number of entities that provide platform users with the ability to transact in crypto-assets. In connection with these services, these entities and/or their agents may safeguard the platform user's crypto-asset(s) and also maintain the cryptographic key information necessary to access the crypto-asset. The obligations associated with these arrangements involve unique risks and uncertainties do not present in arrangements to safeguard assets that are not crypto-assets, including technological, legal, and regulatory risks and uncertainties.

On August 2023 the FASB issued ASU N° 2023-05 – Business Combinations – Joint Venture Formations (Subtopic 805-60) The amendments in this Update address the accounting for contributions made to a joint venture, upon formation, in a joint venture's separate financial statements. The objectives of the amendments are to (1) provide decision-useful information to investors and other allocators of capital (collectively, investors) in a joint venture's financial statements and (2) reduce diversity in practice.

Generally accepted accounting principles (GAAP) do not provide specific authoritative guidance on how a joint venture, upon formation, should recognize and initially measure assets contributed and liabilities assumed (including the assets and liabilities of businesses contributed). Rather, GAAP explicitly provides that transactions between a corporate joint venture and its owners are outside the scope of Topic 845, Nonmonetary Transactions, and that the formation of a joint venture is outside the scope of Topic 805, Business Combinations. In the absence of specific guidance, practice has been influenced by various sources, including speeches given by the U.S. Securities and Exchange Commission (SEC) staff. As a result, there is diversity in practice in how a joint venture accounts for the contributions it receives upon formation—some joint ventures initially measure their net assets at fair value at the formation date, while other joint ventures initially measure their net assets at the venturers' carrying amounts.

On October 2023 the FASB issued ASU N° 2023-06 – Disclosure Improvements. In U.S. Securities and Exchange Commission (SEC) Release No. 33-10532, *Disclosure Update and Simplification*, issued August 17, 2018, the SEC referred certain of its disclosure requirements that overlap with, but require incremental information to, generally accepted accounting principles (GAAP) to the FASB for potential incorporation into the Codification. The amendments in this Update are the result of the Board's decision to incorporate into the Codification 14 of the 27 disclosures referred by the SEC.

On March 2024, the FASB issued Codification Improvements – Amendments to Remove References to the Concepts Statements – ASU 2024-02. This update contains amendments to the Codification that remove references to various FASB Concepts Statements.

NOTE 2 – GOING CONCERN

The Company's condensed financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating cost and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

The Company had a net loss of \$ 197,202 for the period ended December 31, 2024, and has accumulated earnings (loss) of \$233,301 since inception. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

To continue as a going concern, the Company will need, among other things, additional capital resources. Management's plan to obtain such resources for the Company include, obtaining debt or equity capital from various lenders, institutions, and significant stockholders sufficient to meet its minimal operating expenses. However, management cannot provide any assurance that the Company will be successful in accomplishing any of its plans.

There is no assurance that the Company will be able to obtain sufficient additional funds when needed or that such funds, if available, will be obtainable on terms satisfactory to the Company. In addition, profitability will ultimately depend upon the level of revenues received from business operations. However, there is no assurance that the Company will attain profitability. The accompanying condensed consolidated financial statements do not include any adjustments that might be

necessary if the Company is unable to continue as a going concern.

NOTE 3 – GENERAL BALANCE SHEET CONSIDERATIONS

FASB ASC does not require an entity to present a classified balance sheet or mandate a particular order of balance sheet accounts. However, FASB ASC 210-10-05-4 states that entities usually present a classified balance sheet to facilitate calculation of working capital.

ASC210-10-05-5 indicates that in the statements of manufacturing, trading, and service entities, assets and liabilities are generally classified and segregated. The FASB ASC glossary includes definitions of current assets and current liabilities for when an entity presents a classified balance sheet. FASB ASC 210-10-45 provides additional guidance to determining these classifications.

Cash and Cash Equivalents The Company didn't recognize any restriction on the cash and cash equivalents assets as of December 31, 2024, has \$ 3,310 and \$41,196 as of December 31, 2023.

Current Receivables FASB ASC 310 states that allowance for credit losses should be deducted from the related receivables and appropriately disclosed. FASB ASC 310-10-50-4 requires as applicable, any unearned income, unamortized premiums and discounts, and net unamortized deferred fees and costs to be disclosed in the financial statements. Under FASB ASC 825, fair value disclosure is not required for trade receivables when the carrying amount of the trade receivable is due in one year or less. As of December 31, 2024, and December 31, 2023, the Company had Accounts Receivable of \$2,060,935 and \$2,224,332 respectively.

Notwithstanding the foregoing, and in compliance to ASC 606-10-25-23, which literally says: “...*An entity shall recognize revenue when (or as) satisfies a performance obligation by transferring a promised good or service to a customer...*”, the Company applies the same criteria to vendors and then as of December 31, 2024, and December 31, 2023, the Company had Vendor advanced payments of \$0 and \$0.

Other Current Assets

Reflects the Company payments made on behalf a client and prospect clients, as of December 31, 2024 and December 31, 2023, the Company had Other Assets in the amount of \$76,062 and \$ 13,336

Inventory

FASB ASC 230, Inventory, states that the primary basis of accounting for inventories is cost, but a departure from the cost basis of pricing the inventory is required when the utility of the goods is no longer as great as their cost. FASB ASC 330-20-35-18 states that inventory measured using any method other than LIFO or retail inventory method (for example, inventory measured using first-in, first-out – FIFO – or average cost) shall be measured at the lower of cost and net realizable value. As of December 31, 2024, and December 31, 2023, the Company had \$ 171,713 and \$605,870 inventory, respectively. Inventory's balance reflects merchandise stored at Port Asuncion, Paraguay, and is the whole delivery one company's vendors made, management understood that because client is responsible for custom clearance, those products in the Paraguayan custom are considered part of Company inventory. Normally the Company doesn't hold Inventory because each purchase is allocated to one specific customer.

Marketable Securities

In March 2018, FASB released Accounting Standard Update (ASU) No 2018-04, Investments – Debt Securities (Topic 320) and Regulated Operations (Topic 980). This update supersedes FASB ASC 320-10-S55-1 and 320-10-599-1. FASB ASC 810-10-S00-1 is added along with paragraphs 980-810-S45-1. No additional disclosure requirements are listed.

FASB ASC 320-10-50 includes detailed disclosure requirements for various marketable securities, including matters such as the nature and risks of the securities, cost, fair value, contractual maturities, impairment of securities, and certain transaction information. FASB ASC 321-10-50 provides additional disclosure requirements for marketable securities classified as equity securities.

As of December 31, 2023, and December 31, 2024, the Company had no Marketable Securities, respectively.

Property, Plant and Equipment

Are the long-lived physical assets of the Company acquired for use in the Company's normal business operation and not intended for resale by the Company. FASB ASC 360, Property, Plant and Equipment states that these assets are initially recorded at historical cost, which includes the cost necessarily incurred to bring them to the condition and location necessary for their intended use. FASB ASC 835-20 establishes standards for capitalizing interest cost as part of the historical cost of acquiring assets constructed by the Company for its own use or produced for the Company by others for which deposits or progress payments have been made.

FASB ASC 210-10-45-4 indicates that property, plant, and equipment, should be classified as noncurrent when a classified balance sheet is presented. Under FASB ASC 805-20-55-37, some use rights acquired in a business combination may have characteristics of tangible, rather than intangible assets.

The Company had \$ 0 as of December 31, 2023, and December 31, 2024, respectively, in Property, Plant and Equipment.

NOTE 4– STOCKHOLDERS' EQUITY (DEFICIT)

Common Stock

Based on the Action by Written Consent of Shareholders of Neighpart International Corp, in Lieu of Special Meeting, dated on January 11, 2023, and filed with the Division of Corporation of the Florida State on September 9, 2023, the authorized common stock of the Company consists of 1,000,000,000 shares with a par value \$0.001. As of December 31, 2024, and as of December 31, 2023, the Company had 15,744,000 and 14,144,000 due to the new common stock subscription made on March 19, 2024. These issuances were exempt from registration under rule 144.

Preferred Stock

Based on the Action by Written Consent of Shareholders of Neighpart International Corp, in Lieu of Special Meeting, dated on January 11, 2023, and filed with the Division of Corporation of the Florida State on September 9, 2023, the authorized Preferred shares of the Company consist of 20,000,000 shares with a par value \$0.001. As of December 31, 2024, and as of December 31, 2023, the Company had 1,000,000 and 1,000,000 issued and outstanding, respectively.

NOTE 5 – INCOME TAXES

As of December 31, 2023, the Company had net operating income of \$1,047,659, the Company has a loss carryforward in previously filed tax returns of \$ 1,005,018, therefore the expected tax accrual for the year ended on December 31, 2024, is expected not a significant amount.

Tax net operating loss carryforwards may be limited pursuant to the IRS Section 382 in the event of certain ownership changes.

NOTE 6 – FAIR VALUE MEASUREMENTS

The Company has adopted, when it applies, the guidance under ASC 820, *Fair Value Measurements*, for financial instruments measured on a fair value on a recurring basis. ASC 820 establishes a fair value hierarchy, giving the highest priority to quoted prices in active markets and the lowest priority to unobservable data and requires disclosures for assets and liabilities measured at fair value based on their level in the hierarchy. Further authoritative accounting guidance (ASU No. 2009- 05, *Measuring Liabilities at Fair Value*) under ASC 820, provides clarification that in circumstances in which a quoted price in an active market for the identical liabilities is not available, a reporting entity is required to measure fair value using one or more of the techniques provided for in this update.

The standard describes a fair value hierarchy based on three levels of input, of which the first two are considered observable

and the last unobservable, that may be used to measure fair value, which are the following:

- Level 1 – Quoted prices in active markets for identical assets and liabilities.
- Level 2 – Input other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets of liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The Company shall analyze all financial instruments with features of both liabilities and equity under ASC 480, *Distinguishing Liabilities from Equity* and ASC 815, *Derivatives and Hedging*. Derivative liabilities are operations as adjustments to fair value of derivatives. The effects of interactions between embedded derivatives would be calculated and accounted for in arriving at the over- all fair value of the financial instruments. In addition, the fair value of free-standing derivative instruments such as warrant and option derivatives are valued using the Black-Scholes model adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations.

The Company shall use Level 3 inputs for its valuation methodology for the embedded conversion option liabilities as their fair value were determined by using the Black Scholes option-pricing model based on various assumptions. The Company's derivative liabilities, when existing, would be adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives.

The Company had no liabilities subject to Fair Value Measurements as of June 30, 2024, and December 31, 2022, respectively.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

In the twelve-month period ended on December 31, 2024, the Company received from Shareholders loans in the amount of \$159,844 then the balance for Shareholders' Loans as of December 31, 2024, and December 31, 2023 was \$ 2,703,387 and \$2,543,544 respectively.

NOTE 8 – SUBSEQUENT EVENTS TO DECEMBER 31, 2024

In accordance with FASB ASC 855-10, *Subsequent Events*, the Company has analyzed its operations after December 31, 2024, to the date these condensed financial statements were issued, the Company keep moving toward the approval process for the S-1 filed to the Security Exchange Commission with the goal on getting listed in the OTC Market, Segment OTCQB.

Due to the suspension of Yusufaly & Associates' PCAOB registration, the SEC has informed the Company that the S-1 review process is on hold until the previously audited financial statements are replaced with a PCAOB report from an approved audit firm in good standing.

To address this, the Company has engaged Baker Tilly (Paraguay) to conduct the required audit, including the audit of subsidiaries awaiting merger approval. The replacement PCAOB reports for the SEC-filed periods are expected by the end of May 2025, at which point the S-1 review process should resume as normal.

On March 18, 2025 the Company filed the Annual Report, under which the following is the new Company's Board of Director composition: Claudio Escobar, President, Alicia Belen Verdun de Butler, Chief Operational Officer and Board's secretary, Genesis Maria del Mar Torres Sanchez, Chief Marketing Officer, Sandra Yamil Caballero Ojeda, Chief Financial Officer, Giovanni Catella, Chief Human Resources Officer and Minera Belen, Mendieta Alvarenga, Chief Legal Officer.