

RAIDAQ, LLC. Financial Statements

For the years ended 2020 and 2021





RaidAQ LLC

Financial Statements

For the years ended 2020 and 2021

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*** *The accompanying notes are an integral part of these financial statements***



Audits LLC

CROWDFUNDING AUDITS AND REVIEWS

June 3, 2022

INDEPENDENT AUDITORS' REPORT

The Board of Directors

RaidAQ LLC dba RAIDatech

485 Notre Dame Blvd, Suite 370-11

Chico CA 95928

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying balance sheets of RaidAQ LLC as of December 31, 2020 and 2021 and the related statements of operations, changes in owner's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with generally accepted auditing standards as accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as



evaluating the overall presentation of the financial statements. Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RaidAQ LLC as of December 31, 2020 and 2021, and the results of operations, changes in owner's equity and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER PARAGRAPH

The accompanying financial statements have been prepared assuming that the company will continue as going concern. As discussed in note 2 the company has operating losses and has accumulated deficit that raises substantial doubt about the company's ability to continue as going concern. Management plans also are explained in note 2. Our opinion is not modified with respect to this matter.

Amjad N I Abu Khamis

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RaidAQ LLC

Balance Sheet Statement

As of 31 December 2020 & 2021

	2020	2021
ASSETS		
Current Assets		
Bank Accounts	327,887.53	171,786.21
Total Current Assets	324,387.53	171,786.21
Fixed Assets		
Office Equipment	9,752.00	9,752.00
(Accumulated Depreciation)	(9,752.00)	(9,752.00)
Net Office Equipment	-	-
Available for Sales Financial Assets		
Digital Assets	345,000.00	621,392.62
Net Available for Sales Financial Assets	345,000.00	621,392.62
Intangible Assets		
Applications from Research & Development	514,962.58	1,077,133.32
Amortization of Intangible Assets	(439,583.00)	(570,619.00)
Net Intangible Assets	748,267.11	506,514.32
Total Fixed Assets	420,379.58	1,127,906.94
TOTAL ASSETS	748,267.11	1,299,693.15
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities	-	
Convertible Bond Loan Payable	27,500.00	527,205.00
Other Liabilities	-	3,767.58
Total Current Liabilities	27,500.00	530,972.58
Total Liabilities	27,500.00	530,972.58
Equity		
Owner's Investment	1,377,463.65	2,045,863.65
Retained Earnings	(656,696.54)	(1,277,143.08)
Total Equity	720,767.11	768,720.57
TOTAL LIABILITIES AND EQUITY	748,267.11	1,299,693.15



RaidAQ LLC

Income Statement

As of 31 December 2020 & 2021

	2020	2021
Revenues	14,445.17	195,762.77
Total Revenues	14,445.17	195,762.77
Operating Expenses		
Contractors and Management Expense	63,007.75	72,450.00
Legal & Professional Services	93,072.00	2,677.00
Business Development Expense	25,000.00	43,509.90
Investment Facilitation Expense	46,836.97	2,544.34
Advertising & Marketing Expense	84,825.92	107,000.27
Utilities Expense	6,398.99	1,124.10
General & Administrative Expense	466,679.13	188,423.68
Taxes & Licenses	52.00	200,000.00
Bank Charges & Fees	4,331.88	5,563.30
Total Operating Expenses	(790,204.64)	(623,292.59)
Operating Income (Loss)	(775,759.47)	(427,529.82)
Non-Operating Gains (Losses)		
Gain (Loss) on Sale of Digital Assets	515,792.22	(192,916.72)
Total Non-Operating Gains (Losses)	515,792.22	(302,746.96)
Net Income (Loss)	(259,967.25)	(620,446.54)



RaidAQ LLC

Statement of Changes in Equity

As of 31 December 2020 & 2021

	Owners Investments	Retained Earnings	Equity Balance
Beginning Balance as of January 1, 2020	717,770.65	(396,729.29)	321,041.36
Owners Contributions (withdrawals) during 2020	659,693.00	-	980,734.36
Net Income (Loss) for 2020	-	(259,967.25)	720,767.11
Equity Ending Balance as of December 31, 2020	1,377,463.65	(656,696.54)	720,767.11
Owners Contributions (withdrawals) during 2021	668,400.00	-	1,389,167.11
Net Income (Loss) for 2021	-	(620,446.54)	768,720.57
Equity Ending Balance as of December 31, 2020	2,045,863.65	(1,277,143.08)	768,720.57



RaidAQ LLC

Statement of Cash Flow

For the years ended 2019 & 2020

	2020	2021
OPERATING ACTIVITIES		
Net Income	(259,967.25)	(620,446.54)
<i>Adjustments to reconcile Net Income to Net Cash provided by operations:</i>		
Research and Development Amortization	392,756.00	155,012.56
Increase in Accounts Payables	-	3,767.58
Net cash from Operating Activities	132,788.75	(461,666.40)
INVESTING ACTIVITIES		
Increase of Digital Assets	(345,000.00)	(276,392.62)
Research and Development	(188,641.41)	(562,170.74)
Net cash from Investing Activities	(533,641.41)	(838,563.36)
FINANCING ACTIVITIES		
Convertible Notes Payable	27,500.00	499,705.00
Owners Contribution	659,693.00	668,400.00
Net cash from financing Activities	687,193.00	1,168,105.00
NET CASH INCREASE FOR PERIOD	286,340.34	(132,124.76)
Cash at beginning of period	41,547.19	327,887.53
CASH AT END OF PERIOD	327,887.53	195,762.77



RaidAQ LLC

Notes to the Financial Statements:

As of 31 December 2021

NOTE 1: DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

RAIDAQ, LLC, (the Company) is a development stage Wyoming LLC. RAIDAQ LLC dba RAIDAtch is a research, technology and Solutions with Services (SwS) company with exclusive license to develop applications for the patented RAIDA technology, a quantum-safe, self-healing, simple, fast and reliable global system for counterfeit detection and authentication, including a post-blockchain protocol for digital currencies.

The Company is developing a wide range of applications for RAIDA technology including secure cloud-based solutions for personal communications, financial services, information technology, business operations, education, healthcare and other fields. The Company is working with leading digital currency exchanges so that RAIDA-based assets are available on those exchanges.

NOTE 2 – BASIS OF PRESENTATION AND GOING CONCERN

Basis of Presentation

The Company has earned no revenues from limited principal operations. Accordingly, the Company's activities have been accounted for as those of a "Development Stage Enterprise" as set forth in Financial Accounting Standards Board Statement No. 7 ("SFAS 7"). Among the disclosures required by SFAS 7 are that the Company's financial statements be identified as those of a development stage company, and that the statements of operations, stockholders' equity (deficit) and cash flows disclose activity since the date of the Company's inception.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Going Concern

The company is a start-up and funding its operational expenses from the financing activities in addition to the operating revenues. Management plans to include plans to raise additional equity financing. However, there can be no assurance that the Company will be successful in obtaining sufficient equity financing on acceptable terms, if at all.

Failure to generate sufficient revenues, achieve planned gross margins, control operating costs or raise sufficient additional financing may require the Company to modify, delay or abandon some of its planned future expenditures, which could have material adverse effect on the company's business, operating results, financial condition and ability to achieve its intended business objectives. These circumstances raise substantial doubt about the Company's ability to continue as going concern for a reasonable period of time.



RaidAQ LLC

Notes to the Financial Statements (continued):

As of 31 December 2021

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and 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. Actual results could differ from those estimates. Management evaluates the estimates and assumptions based on historical experience and believes that those estimates and assumptions are reasonable based upon information available to them.

Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, control has been transferred, the fee is fixed or determinable, and collectability is reasonably assured. In instances where final acceptance of the product is specified by the customer, revenue is deferred until all acceptance criteria have been met. In the event the Company is able to raise enough operational funds, its primary sources of revenue will be its live show ticket and merchandise sales. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its arrangements: (1) Identify the contract with a customer, (2) Identify the performance obligations in the contract, (3) Determine the transaction price, (4) Allocate the transaction price to performance obligations in the contract, and (5) Recognize revenue as the performance obligation is satisfied.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Risks and Uncertainties

Conditions in the U.S. and worldwide along with local, state, and federal governmental policy decisions. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include: all the risks inherent in a new business, unfavorable publicity, infringement claims, unable to introduce new solutions or products on schedule, or consumer perception of their products or any similar products distributed by other companies could have a material adverse effect on their business and financial condition.



RaidAQ LLC

Notes to the Financial Statements (continued):

As of 31 December 2021

NOTE 4 – CASH AND CASH EQUIVALENTS

The Company deposits its cash with financial institutions that the management believes are of high credit quality. The Company's cash balance amounted to \$327,887.53 and \$171,786.21 as of December 31, 2020, and 2021 respectively.

NOTE 5 – Digital Assets

The company's owns digital assets which used as investment, and for payments of its due bills, the gain of digital assets is realized at the time of the redemption., and the losses is realized against the value of the assets as of December 31, 2021.

NOTE 6 – CONVERTIBLE NOTES

Convertible Notes Payable balance is \$621,392.62, which consists of Discounted Commercial Notes with 9% annual interest, that will be transferred into common shares at ownership of the company at \$1 per share. None of those notes due for liquidation or conversion as of the date of this report.