

Newchip Inc.

Balance Sheet

	As of Dec 31, 2019	As of Dec 31, 2018
ASSETS		
Current Assets		
Cash	\$ 6,280.12	\$ 148,181.62
Accounts Receivable	\$ -	\$ -
Other Current Assets	\$ 172,782.34	\$ 4,322.76
Total Current Assets	\$ 179,062.46	\$ 152,504.38
Non-Current Assets		
Property and Equipment, Net	\$ 26,874.44	\$ 13,973.48
Investments	\$ -	\$ 60,000.00
TOTAL ASSETS	\$ 205,936.90	\$ 226,477.86
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts Payable	\$ 154,495.26	\$ 78,545.29
Accrued Expenses	\$ 13,062.41	\$ 10,004.36
Other Current Liabilities	\$ 174,739.36	\$ 40,497.16
Total Current Liabilities	\$ 342,297.03	\$ 129,046.81
Non-Current Liabilities		
Notes Payable	\$ 3,715,750.30	\$ 3,045,294.30
Total Liabilities	\$ 4,058,047.33	\$ 3,174,341.11
Shareholders' Equity		
Total Shareholders' Equity	\$ (3,852,110.43)	\$ (2,947,863.25)
TOTAL LIABILITIES AND EQUITY	\$ 205,936.90	\$ 226,477.86

Newchip Inc.

Income Statement

	Jan - Dec 2019	Jan - Dec 2018
Income		
Sales	\$ 752,606.15	\$ 42,879.73
Cost of Sales	\$ 12,964.14	\$ 0.00
Gross Profit	\$ 739,642.01	\$ 42,879.73
Expenses		
GENERAL & ADMINISTRATIVE	\$ 994,966.16	\$ 947,108.24
RESEARCH & DEVELOPMENT	\$ 289,500.12	\$ 455,574.57
SALES & MARKETING	\$ 356,068.27	\$ 620,399.22
Net Operating Income	\$ (900,892.54)	\$ (1,980,202.30)
Other Income (Expense)	\$ 2,067.33	\$ (8.08)
Depreciation and Amortization Expense	\$ 5,421.97	\$ 500.64
Net Income before Provision for Income Tax	\$ (904,247.18)	\$ (1,980,711.02)
Provision for Income Taxes	\$ -	\$ -
Net Income	\$ (904,247.18)	\$ (1,980,711.02)

Newchip Inc.

Statement of Cash Flows

	Jan - Dec 2019	Jan - Dec 2018
OPERATING ACTIVITIES		
Net Income (Loss) For the Period	\$ (904,247.18)	\$ (2,003,095.93)
Change in Payables	\$ 90,709.77	\$ 53,768.83
Change in Taxes Payable	\$ (40,497.16)	\$ 40,497.16
Net Cash Flows from Operating Activities	\$ (854,034.57)	\$ (1,908,829.94)
Cash Flows from Investing Activities		
Purchase or Sale of Software and Equipment	\$ (18,322.93)	\$ (14,474.12)
Change in Investments	\$ 60,000.00	\$ (60,000.00)
Net Cash Flows from Investing Activities	\$ 41,677.07	\$ (74,474.12)
Cash Flows From Financing Activities		
Change in Notes	670,456.00	1,891,054.10
Net cash provided by financing activities	\$ 670,456.00	\$ 1,891,054.10
Cash at beginning of period	148,181.62	240,431.58
Cash at end of period	\$ 6,280.12	\$ 148,181.62