
FYRSTARTER, INC.

FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 AND 2022
(Unaudited)

INDEX TO FINANCIAL STATEMENTS

(UNAUDITED)

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
FYRSTARTER, Inc.
Austin, Texas

We have reviewed the accompanying financial statements of FYRSTARTER, Inc. (the "Company,"), which comprise the balance sheet as of June 30, 2023 and June 30, 2022, and the related statement of operations, statement of shareholders' equity (deficit), and cash flows for the year ending June 30, 2023 and June 30, 2022, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Going Concern

As discussed in Note 9 certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Set Apart FS

August 24, 2023
Los Angeles, California

FYRSTARTER INC.**BALANCE SHEET****(UNAUDITED)**

As of June 30,	2023	2022
(USD \$ in Dollars)		
ASSETS		
Current Assets:		
Cash & Cash Equivalents	\$ 35,333	\$ -
Due from Related Parties	91,247	-
Total Current Assets	126,580	-
Total Assets	\$ 126,580	\$ -
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Due to Related Parties	\$ -	\$ 14,499
Total Current Liabilities	-	14,499
Total Liabilities	-	14,499
STOCKHOLDERS EQUITY		
Common Stock	100	100
Series Seed Preferred Stock	3	-
Additional Paid in Capital	234,897	-
Subscription Receivable	-	(100)
Retained Earnings/(Accumulated Deficit)	(108,420)	(14,499)
Total Stockholders' Equity	126,580	(14,499)
Total Liabilities and Stockholders' Equity	\$ 126,580	\$ -

See accompanying notes to financial statements.

FYRSTARTER INC.
STATEMENTS OF OPERATIONS
(UNAUDITED)

For Fiscal Year Ended June 30,	2023	2022
(USD \$ in Dollars)		
Net Revenue	\$ -	\$ -
Cost of Goods Sold	-	-
Gross profit	-	-
Operating expenses		
General and Administrative	92,963	14,499
Research and Development	959	-
Total operating expenses	93,922	14,499
Operating Income/(Loss)	(93,922)	(14,499)
Interest Expense	-	-
Other Loss/(Income)	-	-
Income/(Loss) before provision for income taxes	(93,922)	(14,499)
Provision/(Benefit) for income taxes	-	-
Net Income/(Net Loss)	\$ (93,922)	\$ (14,499)

See accompanying notes to financial statements.

FYRSTARTER INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

(in, \$US)	Common Stock		Series Seed Preferred Stock		Additional Paid In Capital	Subscription Receivable	Retained earnings/ (Accumulated Deficit)	Total Shareholder Equity
	Shares	Amount	Shares	Amount				
As of Inception- July 20, 2021								
Issuance of Stock	10,000,000	\$ 100				\$ (100)		\$ -
Net income/(loss)							(14,499)	(14,499)
Balance—June 30, 2022	10,000,000	100				\$ (100)	\$ (14,499)	\$ (14,499)
Issuance of Stock	-	-	293,750	3	234,897	100		235,000
Net income/(loss)							(93,922)	(93,922)
Balance—June 30, 2023	10,000,000	\$ 100	293,750	\$ 3	\$ 234,897	\$ -	\$ (108,420)	\$ 126,580

See accompanying notes to financial statements.

FYRSTARTER INC.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

For Fiscal Year Ended June 30,	2023	2022
(USD \$ in Dollars)		
CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(loss)	\$ (93,922)	\$ (14,499)
<i>Adjustments to reconcile net income to net cash provided/(used) by operating activities:</i>		
Changes in operating assets and liabilities:		
Due from Related Parties	(91,247)	-
Due to Related Parties	(14,499)	14,499
Net cash provided/(used) by operating activities	(199,667)	-
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	-	-
Purchases of Intangible Assets	-	-
Net cash provided/(used) in investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Capital Contribution	235,000	-
Net cash provided/(used) by financing activities	235,000	-
Change in Cash	35,333	-
Cash—beginning of year	-	-
Cash—end of year	\$ 35,333	\$ -
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ -	\$ -
Cash paid during the year for income taxes	\$ -	\$ -
OTHER NONCASH INVESTING AND FINANCING ACTIVITIES AND SUPPLEMENTAL DISCLOSURES		
Purchase of property and equipment not yet paid for	\$ -	\$ -
Issuance of equity in return for note	-	
Issuance of equity in return for accrued payroll and other liabilities		

See accompanying notes to financial statements.

FYRSTARTER INC.
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO JUNE 30, 2023 AND JUNE 30, 2022

1. NATURE OF OPERATIONS

FYRSTARTER Inc. was incorporated on July 20, 2021, in the state of Delaware. The financial statements of FYRSTARTER Inc. (Which may be referred to as the “Company”, “we”, “us”, or “our”) are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company’s headquarters are in Austin, Texas.

Fyrstarter Inc. is a live-fire cooking brand and will sell outdoor grilling products including BBQ grill & accessories, fuel and provisions. All sales will be online via their Shopify store. Pre-order of a three-pack of grilling sauces was launched in July 2023 on fyr.com.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (“US GAAP”). The Company has adopted June 30th as its basis of reporting.

Use of Estimates

The preparation of financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks. The Company’s cash is deposited in demand accounts at financial institutions that management believes are creditworthy. The Company’s cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of June 30, 2023 and June 30, 2022, the Company’s cash and cash equivalents did not exceed FDIC insured limits.

Income Taxes

FYRSTARTER, Inc. is a C corporation for income tax purposes. The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the deferred tax asset will not be realized. The Company records interest, net of any applicable related income tax benefit, on potential income tax contingencies as a component of income tax expense. The Company records tax positions taken or expected to be taken in a tax return based upon the amount that is more likely than not to be realized or paid, including in connection with the resolution of any related appeals or other legal processes. Accordingly, the Company recognizes liabilities for certain unrecognized tax benefits based on the amounts

FYRSTARTER INC.
NOTES TO FINANCIAL STATEMENTS
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that are more likely than not to be settled with the relevant taxing authority. The Company recognizes interest and/or penalties related to unrecognized tax benefits as a component of income tax expense.

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America which it believes to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

Revenue Recognition

The Company is currently pre-revenue and will follow the provisions and the disclosure requirements described in ASU 2014-09 also referred to as Topic 606. Revenue recognition, according to Topic 606, is determined using the following steps:

- 1) Identification of the contract, or contracts, with the customer: the Company determines the existence of a contract with a customer when the contract is mutually approved; the rights of each party in relation to the services to be transferred can be identified, the payment terms for the services can be identified, the customer has the capacity and intention to pay, and the contract has commercial substance.
- 2) Identification of performance obligations in the contract: performance obligations consist of a promised in a contract (written or oral) with a customer to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.
- 3) Recognition of revenue when, or how, a performance obligation is met: revenues are recognized when or as control of the promised goods or services is transferred to customers.

The Company will earn revenues from the outdoor grilling products including BBQ grill & accessories.

Research and Development Costs

Costs incurred in the research and development of the Company's products are expensed as incurred.

Fair Value of Financial Instruments

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value due to the short-term nature of such instruments).

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1—Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2—Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

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Level 3—Unobservable inputs reflecting the Company’s assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Subsequent Events

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through August 24, 2023, which is the date the financial statements were issued.

Recently Issued and Adopted Accounting Pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

3. CAPITALIZATION AND EQUITY TRANSACTIONS

Common Stock

The Company is authorized to issue 12,500,000 shares of Common Stock at a par value of \$0.00001. As of June 30, 2023 and June 30, 2022, 10,000,000 shares have been issued and are outstanding.

Series Seed Preferred Stock

The Company is authorized to issue 2,500,000 shares of Series Seed Preferred Stock with a \$0.00001 par value. As of June 30, 2023 and June 30, 2022, 293,750 shares and 0 shares were issued and outstanding, respectively.

4. DEBT

The Company has no debt outstanding as of June 30, 2023.

5. INCOME TAXES

The provision for income taxes for the year ended June 30, 2023 and June 30, 2022 consists of the following:

As of Year Ended June 30,	2023	2022
Net Operating Loss	\$ (19,724)	\$ (3,045)
Valuation Allowance	19,724	3,045
Net Provision for income tax	\$ -	\$ -

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Significant components of the Company's deferred tax assets and liabilities at June 30, 2023 and June 30, 2022 are as follows:

As of Year Ended June 30,	2023	2022
Net Operating Loss	\$ (22,768)	\$ (3,045)
Valuation Allowance	22,768	3,045
Total Deferred Tax Asset	\$ -	\$ -

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of June 30, 2023 and June 30, 2022. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carry-forward period are reduced or increased.

For the fiscal year ending June 30, 2023, the Company had federal cumulative net operating loss ("NOL") carryforwards of \$108,420, and the Company had state net operating loss ("NOL") carryforwards of approximately \$108,420. Utilization of some of the federal and state NOL carryforwards to reduce future income taxes will depend on the Company's ability to generate sufficient taxable income prior to the expiration of the carryforwards. The federal net operating loss carryforward is subject to an 80% limitation on taxable income, does not expire, and will carry on indefinitely.

The Company recognizes the impact of a tax position in the financial statements if that position is more likely than not to be sustained on a tax return upon examination by the relevant taxing authority, based on the technical merits of the position. As of June 30, 2023 and June 30, 2022, the Company had no unrecognized tax benefits.

The Company recognizes interest and penalties related to income tax matters in income tax expense. As of June 30, 2023 and June 30, 2022, the Company had no accrued interest and penalties related to uncertain tax positions.

6. RELATED PARTY

In 2023, the company provided \$91,247 to Midas Brands, Inc., one of the principal shareholders. The funds will be used for financing business operations and allocation for legal, payroll, and other expenses in the future. As of June 30, 2023 and June 30, 2022, the outstanding balance of the amount due from Midas Brands is \$91,247 and \$0, respectively, and it is reported under current assets.

In 2022, the Company has a liability to Midas Brands, Inc., one of the principal shareholders. The liabilities on the balance sheet result from the allocation of financial resources provided by Midas Brands, Inc. intended to meet obligations associated with legal matters, employee compensation, and various miscellaneous expenses. As of June 30, 2023 and June 30, 2022, the outstanding balance of the amount due to Midas Brands is \$0 and \$14,499, respectively, and it is reported under current liabilities.

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NOTES TO FINANCIAL STATEMENTS
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7. COMMITMENTS AND CONTINGENCIES

Contingencies

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

Litigation and Claims

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of June 30, 2023, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

8. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the period from June 30, 2023 through August 24, 2023, which is the date the financial statements were available to be issued.

There have been no other events or transactions during this time which would have a material effect on these financial statements.

9. GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a net operating loss of \$93,922, an operating cash flow loss of \$199,667, and liquid assets in cash of \$35,333, which is less than a year's worth of cash reserves as of June 30, 2023. These factors normally raise a substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results.

Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. During the next twelve months, the Company intends to fund its operations through debt and/or equity financing.

There are no assurances that management will be able to raise capital on terms acceptable to the Company. If it is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its business, financial condition, and operating results. The accompanying financial statements do not include any adjustments that might result from these uncertainties.