SparkleCOIN, LTD

Fiscal Year 2018 Financials

PRIVATE & CONFIDENTIAL INFORMATION

SparkleCOIN, LTD
Balance Sheet
As of December 31, 2018

Accrual Basis

	Dec 31, 18
ASSETS	
Current Assets	
Checking/Savings	
Cash Operating Acct	2,603,578
Total Checking/Savings	2,603,578
Accounts Receivable	
A/R- Referral Fees	175,000
Total Accounts Receivable	175,000
Total Current Assets	2,778,578
TOTAL ASSETS	**2,778,578**
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Deferred Officer Compensation	376,563
Total Long Term Liabilities	376,563
Total Liabilities	376,563
Equity	
Retained Earnings	11,177,034
Shareholder Equity	2,844,232
Net Income	(11,619,251)
Total Equity	2,402,015
TOTAL LIABILITIES & EQUITY	**2,778,578**

***Unaudited Financial Statement Information: Refer to Financial Statement Footnote**

SparkleCOIN, LTD
Profit & Loss
Accrual Basis — **January through December 2018**

	Jan - Dec 18
Ordinary Income/Expense	
Expense	
Accrued Officer Compensation	113,063
Advertising	210,189
Bad Debt Expense	10,000,000
Bank Service Fees	990
Contract Labor	179,170
Depreciation Expense	24,116
Devaluation of Cryptocurrency	705,351
Insurance	2,495
Meals & Entertainment	2,194
Product Development	134,955
Professional Services	
Legal Services	203,104
Total Professional Services	203,104
Referrals & Commissions	52,232
Rent	17,000
Repairs & Maintenance	6,643
Supplies	425
Telephone	2,304
Travel	9,208
Utilities	1,473
Website Hosting & Maintenance	75,414
Total Expense	11,740,326
Net Ordinary Income	(11,740,326)
Other Income/Expense	
Other Income	
Contingent Referral Fee Refund	175,000
Total Other Income	175,000
Other Expense	
Loss On Sale of Assets	53,925
Total Other Expense	53,925
Net Other Income	121,075
Net Income	**(11,619,251)**

***Unaudited Financial Statement Information: Refer to Financial Statement Footnote**

Financial Statement Footnotes:

General: These financials have been prepared for the President. We have compiled the financial information herein with information provided by the President. We have not performed audit or review procedures in regards to these financial statements. The financial information presented herein does not offer assurance that there are no material modifications needed for the financial statements to be in conformity with U.S. GAAP or IFRS. The financial statements presented herein are the representation of Management. Management is responsible for retaining supporting documents and receipts for all transactions reported herein.

Fixed Assets: Fixed assets noted within have been depreciated using straight-line depreciation. Assets are assumed to have a five-year life. All fixed assets were disposed in 2018.

Bad Debt Expense: Related to an accounts receivable of $10 million U.S.D. from November 2017. Transaction was settled with a repurchase of cryptocurrency for $0.4 million U.S.D. The Buyer had previously purchased $465,815 worth of SparkleCOINs with full payment. Buyer then placed an order for $10M worth of SparkleCOINs with a $3M bonus totaling $13M worth of SparkleCOINs. A picture of a check for $10M was presented to the company but was never received. Payment was delayed for many months and halted the moving forward plans of the company including the launch of VCoinMall, which could not happen with $13M worth of unpaid coins in circulation. In February of 2018, the company was finally able to have the $13M worth of SparkleCOINs returned, but only after the company agreed to buy back $398,461 worth of the $465,815 SparkleCOINs from the first purchase that were not sold or distributed already by the buyer.

Contingent Referral Fee Refund: In 2018 the Company estimated to receive a refund of $0.2 million U.S.D. for referral fees previously paid for the settled bad debt transaction of $10 million U.S.D.

Deferred Officer Compensation: Includes CEO, Controller, COO, and CTO not paid. An outside consultant was brought in to serve as interim CFO who was paid $10K/month in compensation in addition to referral fees now due back as stated in above in reference to the $10M bad debt.

Professional Services Fee Note: A one-time charge of $86,643 for Attorney's Fees was included in regards to a subpoena received by the company from the SEC (U.S. Securities and Exchange Commission). The company's legal counsel facilitated the production and transfer of financial, communication, and other information to the SEC, which resulted in the SEC determining that there was no further action necessary from their agency.