

SNM Global Holdings, Inc.

Balance Sheets

(Unaudited)

ASSETS

	December 31, <u>2018</u>	December 31, <u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ -	\$ -
Total current assets	<u>-</u>	<u>-</u>
INVESTMENT IN SUBSIDIARIES	<u>199,044</u>	<u>199,044</u>
Total Assets	<u><u>\$ 199,044</u></u>	<u><u>\$ 199,044</u></u>
STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 102,944	\$ 50,823
Current maturities of notes payable	540,000	540,000
Total current liabilities	<u>642,944</u>	<u>590,823</u>
LONG-TERM NOTES PAYABLE	<u>-</u>	<u>-</u>
Total Liabilities	642,944	590,823
STOCKHOLDERS' EQUITY		
Common stock - par value \$.001 4,000,000,000 shares authorized; 1,244,211,721 shares issued and outstanding respectively	1,279,212	1,279,212
Preferred stock - par value \$.001; 10,000,000 shares authorized; 10,000,000 shares issued and outstanding respectively	10	10
Additional paid-in capital	3,786,783	3,786,783
Retained earnings (deficit)	(5,509,905)	(5,457,784)
Total stockholders' equity	<u>(443,900)</u>	<u>(391,779)</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 199,044</u></u>	<u><u>\$ 199,044</u></u>

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

SNM Global Holdings, Inc.
Statements of Operations
(Unaudited)

	Year Ended December 31, <u>2018</u>	Year Ended December 31, <u>2017</u>
REVENUES	\$ -	\$ -
OPERATING COSTS AND EXPENSES	38,089	189,935
ADMINISTRATIVE COSTS	<u>14,032</u>	<u>84,135</u>
Total Expenses	<u>52,121</u>	<u>274,070</u>
Operating Income (Loss)	(52,121)	(274,070)
OTHER INCOME (EXPENSES)	<u>-</u>	<u>-</u>
Income before income taxes	(52,121)	(274,070)
Provision for income taxes	<u>-</u>	<u>-</u>
NET INCOME (LOSS)	<u><u>\$ (52,121)</u></u>	<u><u>\$ (274,070)</u></u>
Earnings Per Share (see Note 2):		
Basic weighted average number of common shares outstanding	<u>1,244,211,721</u>	<u>1,244,211,721</u>
Basic income (loss) per share	<u>\$ -</u>	<u>\$ -</u>
Diluted weighted average number of common shares outstanding	<u>1,244,211,721</u>	<u>1,244,211,721</u>
Diluted income (loss) per share	<u>\$ -</u>	<u>\$ -</u>

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

SNM Global Holdings, Inc.
Statement of Stockholders' Equity
(Unaudited)

	<u>Common Stock</u>		<u>Preferred Stock</u>		<u>Paid-in Capital</u>	<u>Retained Earnings (Deficit)</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance, December 31, 2016	1,094,211,721	\$ 1,129,212	10,000,000	\$ 10	\$ 3,668,669	\$ (5,183,714)	\$ (385,823)
Issuance of common stock for Reg A conversion	150,000,000	150,000	-	-	118,114	-	268,114
Net income (loss) for period						(274,070)	(274,070)
Balance, December 31, 2017	1,244,211,721	\$ 1,279,212	10,000,000	\$ 10	\$ 3,786,783	\$ (5,457,784)	\$ (391,779)
Net income (loss) for period						(52,121)	(52,121)
Balance, December 31, 2018	1,244,211,721	\$ 1,279,212	10,000,000	\$ 10	\$ 3,786,783	\$ (5,509,905)	\$ (443,900)

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

SNM Global Holdings, Inc.
Statements of Cash Flows
(Unaudited)

	Year Ended December 31, <u>2018</u>	Year Ended December 31, <u>2017</u>
Operating activities:		
Net income (loss)	\$ (52,121)	\$ (274,070)
Adjustments to reconcile net income/loss to net cash used in operating activities:		
Non-cash compensation	-	-
(Increase) decrease in assets:		
Other assets	-	-
Increase (decrease) in liabilities:		
Accounts payable	52,121	-
Accrued expenses	-	-
Total adjustments	<u>52,121</u>	<u>-</u>
Net cash from (used in) operating activities	<u>-</u>	<u>(274,070)</u>
Investing activities:		
Investment in other companies	-	(160,930)
Net cash used in investing activities	<u>-</u>	<u>(160,930)</u>
Financing activities:		
Issuance of stock for cash	-	220,000
Debt conversion	-	215,000
Net cash provided by financing activities	<u>-</u>	<u>435,000</u>
Net increase(decrease) in cash and cash equivalents	\$ -	\$ -
Cash and cash equivalents at beginning of period	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of period	<u>\$ -</u>	<u>\$ -</u>
<u>Supplemental cash flow information:</u>		
Cash paid during the period for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid during the period for income taxes	<u>\$ -</u>	<u>\$ -</u>
<u>Noncash investing and financing activities:</u>		
Acquisition of intellectual property for stock	<u>\$ -</u>	<u>\$ -</u>

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

SNM Global Holdings, Inc.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Unaudited)

NOTE 1 - Organization and Basis of Presentation

SNM Global Holdings, Inc. ("SNM", "the Company", "we" or "us") was the surviving entity of a merger between Cinemaya Media Group and Caltas Fitness Inc. in January, 2007. Since 2015, the Company has focused on building a management team to launch an entertainment and media holding company in the business of acquiring and developing a variety of businesses related to the film, beverages and lifestyle sectors.

In the opinion of management, the accompanying balance sheets and related statements of income, cash flows, and stockholders' equity, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparing financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

NOTE 2 - Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Company considers those short-term, highly liquid investments with original maturities of three months or less as cash and cash equivalents.

Property and Equipment

Provision is made for depreciation of office furniture fixtures and equipment, machinery and equipment, and building. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which are 5 to 10 years.

Impairment of Long-Lived Assets

In accordance with Statement of Financial Accounting Standards ("SFAS") 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" the Company reviews its long-lived assets for impairments. Impairment losses on long-lived assets are

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recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts. No Impairment was recognized for any of the periods presented.

Revenue Recognition

Revenues are recognized when earned.

Earnings Per Share

Basic profit or (loss) per share is calculated by dividing the Company's net profit or loss applicable to common shareholders by the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated by dividing the Company's net income/(loss) available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity.

	For the Year Ended <u>December 31, 2018</u>	For the Year Ended <u>December 31, 2017</u>
Income (Loss)	\$ (52,121)	\$ (274,070)
Basic Average Number of Shares Outstanding	1,244,211,721	1,244,211,721
Basic Earnings (Loss) Per Share	\$ (0.00)	\$ (0.00)
Diluted Average Number of Shares Outstanding	1,244,211,721	1,244,211,721
Diluted Earnings (Loss) Per Share	\$ (0.00)	\$ (0.00)

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Income Taxes

The Company records deferred income taxes using the liability method as prescribed under the provisions of SFAS No. 109. Under the liability method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of the Company's assets and liabilities. An allowance is recorded, based upon currently available information, when it is more likely than not that any or all of the deferred tax assets will not be realized. The provision for income taxes includes taxes currently payable, if any, plus the net change during the year in deferred tax assets and liabilities recorded by the Company.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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 these estimates.

NOTE 3 - Stockholders' Equity

Preferred Stock:

As of December 31, 2018, the Company had 10,000,000 shares of Series A Preferred stock issued and outstanding. The preferred stock represents cumulative voting rights of 50.1% of the Company regardless of any other dilutive issuances of the Company.

Common Stock:

As of December 31, 2018, the Company reflects a total of 1,244,211,721 shares of Common Stock issued and outstanding. Upon consummating the change in control transaction in September, 2015, the Company commenced certain due diligence procedures to determine the validity of stock issuances totaling 2,020,000,000 shares of common stock. As of the current date, the Company has been unable to determine of the existence of these shareholders and accordingly, these shares have not been reflected as issued and outstanding in the accompanying financial statements. In 2017, the Company issued 150,000,000 shares of Common Stock in conjunction with a Regulation A conversion. In February 15, 2017, the Company adopted and approved the rescission and cancellation of 2,035,000,013 shares of common stock after the successful court ruling in the Company's favor.

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At various stages in the Company's development we have issued shares of common stock, valued at fair market value, for services or assets with a corresponding charge to operations or property and equipment. In accordance with SFAS 123, these transactions, except for stock issued to employees, have been recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured.

NOTE 4 - Related Party Transactions

There were no related party transactions in the periods presented.

NOTE 5- Notes Payable

During 2016 and 2017, the Company sold 405,000 of agreements for future equity. Under the terms of these agreement, if there is an equity financing before the determination of the agreement, the Company will automatically issue common stock to the investor. The number of shares issued shall be equal to the purchase price divided by the discount price. For every two shares of stock issued, the investor shall receive a warrant with an exercise price equal to the discount price. If there is a liquidity event prior to the termination of the agreement, the investor, at their option, will receive the purchase amount, or automatically receive the number of shares of stock equal to the purchase price divided by the discount price. The investors' shares are locked up for three months after a public offering and then may be sold subject to the volume limitations of Rule 144.

NOTE 6 - Income Taxes

The Company has adopted FASB 109 to account for income taxes. No provision for income taxes has been recorded in these financial statements based on the net operating loss carry-forward of \$5,509,905 as of December 31, 2018 that will be offset against future taxable income. Due to the uncertainty as to the utilization of net operating loss carry- forwards, an evaluation allowance has been made to the extent of any tax benefit that net operating losses may generate.

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Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and the related valuation account as of the periods presented are as follows:

	December 31, <u>2018</u>	December 31, <u>2017</u>
Deferred tax asset:		
Net operating loss carry-forward	\$ 2,203,962	\$ 2,183,514
Valuation allowance	<u>(2,203,962)</u>	<u>(2,183,514)</u>
	\$ -	\$ -

At December 31, 2018 the Company had net operating loss carry-forwards totaling \$5,509,905 that, if conditions of the Internal Revenue Codes are met, can be carried forward to offset future earnings. These carry-forwards expire in various amounts through 2028.