

**INTERNATIONAL DALECO CORPORATION
(A CORPORATION)**

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
JUNE 30, 2022 & 2021**

INTERNATIONAL DALECO CORPORATION
CONSOLIDATED BALANCE SHEET
JUNE 30, 2022 & 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 113,904	28,599
Accounts receivable, net	355,913	254,477
Inventories	129,635	134,877
Receivables from affiliates	3,650,748	1,828,852
Total Current Assets	4,250,200	4,809,684
Property and Equipment, Net	100	100
Other Assets		
Notes receivable	3,391,872	2,283,044
Investments	727,269	742,857
Investment in affiliates	5,013,259	2,646,274
Total Other Assets	9,132,400	7,117,117
Total Assets	\$ 13,382,700	\$ 11,926,901
Liabilities and Shareholder's Deficit		
Current Liabilities		
Accounts payable	\$ 143,319	\$ 113,840
Accrued liabilities	1,927,106	2,604,343
Income taxes payable	1,600	1,600
Due to affiliates	2,331,048	-
Unit offering payable	4,510,412	4,367,768
Total Current Liabilities	8,913,485	7,087,551
Long-term liabilities		
Accrued interest payable	3,242,457	4,430,732
Accrued salaries (officers)	14,059,550	13,559,550
Long term debt, net of current maturities	5,529,534	4,501,824
Total Long-Term Liabilities	22,831,541	22,492,106
Total Liabilities	31,745,026	29,579,657
Shareholder's Deficit	(18,362,326)	(17,652,756)
Total Liabilities and Shareholder's Deficit	\$ 13,382,700	\$ 11,926,901

**INTERNATIONAL DALECO CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED JUNE 30, 2022 & 2021**

	2022	2021
Revenue, Net	\$ 2,811,936	\$ 2,248,376
Cost of Revenue	578,548	1,065,534
Gross profit	2,233,388	1,182,842
Operating Expenses	2,459,842	1,714,262
Operating loss	(226,454)	(531,420)
Other Income (Expense)		
Interest income	316,806	53,569
Interest expense	(820,192)	(561,798)
Miscellaneous income	-	69
Net other income	(503,386)	(508,160)
Income before taxes	(729,840)	(1,039,580)
Income Tax Expense	76	49,675
Net Loss	\$ (729,916)	\$ (1,089,255)

INTERNATIONAL DALECO CORPORATION
CONSOLIDATED STATEMENT OF SHAREHOLDER'S EQUITY (DEFICIT)
FOR THE YEARS ENDED JUNE 30, 2022 & 2021

	Common Stock	Preferred Stock	Note Receivable- Common Stock	Additional Paid in Capital	Retained Earnings	Total Shareholder's Equity
Balance, June 30, 2020	\$ 15,672,445	\$ 4,271,460	(12,329,397)	\$ 5,603,900	\$ (29,781,909)	(16,563,501)
Net loss	-	-	-	-	(1,089,255)	(1,089,255)
Balance, June 30, 2021	15,672,445	4,271,460	(12,329,397)	5,603,900	(30,871,164)	(17,652,756)
Prior period adjustment *	-	-	-	-	20,346	20,346
Balance, June 30, 2021, Restated	15,672,445	4,271,460	(12,329,397)	5,603,900	(30,850,818)	(17,632,410)
Net loss	-	-	-	-	(729,916)	(729,916)
Balance, June 30, 2022	<u>\$ 15,672,445</u>	<u>\$ 4,271,460</u>	<u>\$ (12,329,397)</u>	<u>\$ 5,603,900</u>	<u>\$ (31,580,734)</u>	<u>\$ (18,362,326)</u>

* Management has elected to present the out-of-period adjustments in the prior year and take responsibility for the prior year financial statements and associated adjustments, as they were prepared by the prior accountant. Management has analyzed the affect of the prior adjustments and deemed them immaterial to prior year financial statements presented. Disclosures on the adjustments have been omitted at the discretion of management.

INTERNATIONAL DALECO CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022 & 2021

	2022	2021
Cash Flows from Operating Activities		
Net loss	\$ (729,916)	\$ (1,089,255)
Adjustments to reconcile net income to net cash flows from operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(101,436)	155,379
Inventories	5,242	(33,942)
Receivables from affiliates	(85,399)	(144,988)
Accounts payable	29,479	53,206
Accrued liabilities	186,839	614,897
Due to affiliates	(9,600)	-
Accrued interest	256,667	138,032
Accrued salaries (officers)	500,000	-
	51,876	(306,671)
Net cash flows from operating activities		
Cash Flows from (used in) Investing Activities		
Issuance of notes receivable	(501,898)	(219,697)
Investments in affiliates	-	20,349
	(501,898)	(199,348)
Net cash used in investing activities		
Cash Flows from (used in) Financing Activities		
Proceeds from unit offering payable	142,644	117,490
Proceeds from notes payable	392,683	306,274
	535,327	423,764
Net cash flows from financing activities		
Net change in cash and cash equivalents	85,305	(82,255)
Cash and cash equivalents, beginning	28,599	110,854
Cash and cash equivalents, ending	\$ 113,904	\$ 28,599