CMK GAMING INTERNATIONAL, INC.
FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30 AND MARCH 31 2022
AND THE YEAR ENDED DECEMBER 31, 2021

CMK GAMING INTERNATIONAL, INC.
BALANCE SHEET
FOR THE PERIOD

		JUNE 30, 2022		DECEMBER 31, 2021
ASSETS				
CURRENT ASSETS				
Cash	$	103,458	$	-
Prepaid Expenses		56,525		-
Total Current Assets		159,983		-
EQUIPMENT		3,406		3,406
OTHER LONG TERM ASSETS				
Deposits		10,500		-
Patents		80,000		-
Organizational Costs		28,500		-
TOTAL ASSETS	$	282,389	$	3,406
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts Payable	$	-	$	800
Advances from Shareholder		3,130		84,348
		3,130		85,148
STOCKHOLDERS' EQUITY				
Preferred Stock, 50,000,000 Shares Authorized, No Par Value 0 Shares Issued or Outstanding		-		-
Common Stock, $.0001 Par Value, 2,000,000,000 Authorized, 317,009,000 and 31,700,900 Shares Outstanding, Respectively	$	31,700	$	3,170
Additional Paid in Capital		944,880		102,102
Retained Deficit		(697,321)		(187,014)
Stockholders' Deficit		279,259		(81,742)
	$	282,389	$	3,406

See Footnotes to Financial Statements

CMK GAMING INTERNATIONAL, INC.
STATEMENT OF OPERATIONS
FOR THE PERIOD

	FOR THE THREE MONTHS ENDED JUNE 30, 2022	FOR THE THREE MONTHS ENDED JUNE 30, 2021	FOR THE SIX MONTHS ENDED JUNE 30, 2022	FOR THE SIX MONTHS ENDED JUNE 30, 2021
REVENUES	$ -	$ -	$ -	$ -
EXPENSES				
Amortization	1,500	-	1,500	-
General and Administrative	293,998	5,305	508,807	10,315
Total Expenses	295,498	5,305	510,307	10,315
NET INCOME (LOSS) FROM OPERATIONS	(295,498)	$ (5,305)	(510,307)	(10,315)
Taxes	-	-	-	-
NET INCOME (LOSS)	$ (295,498)	$ (5,305)	$ (510,307)	$ (10,315)
EARNINGS (LOSS) PER SHARE	$ (0.0009)	$ (0.0002)	$ (0.0019)	$ (0.0003)
BASIC AVERAGE COMMON SHARES OUTSTANDING	317,009,000	31,700,900	269,457,650	31,700,900

See Footnotes to Financial Statements

CMK GAMING INTERNATIONAL, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD

	FOR THE SIX MONTHS ENDED JUNE 30, 2022	FOR THE SIX MONTHS ENDED JUNE 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	$ (510,307)	$ (10,315)
Depreciation and Amortizaion	1,500	
Adjustments to Reconcile Net Income		
Increase (Decrease) in Current Assets:		
Prepaid Expenses	(56,525)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	(800)	-
Loans from Stockholder	(81,218)	10,315
Net Cash Provided by Operating Activities	(647,350)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in Deposits	(10,500)	-
Investment in Patents	(80,000)	-
Investment in Organization Costs	(30,000)	-
	(120,500)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Stock Sold For Cash	871,308	-
Payoff of Shareholder Loans	-	-
	871,308	-
NET INCREASE (DECREASE) IN CASH	103,458	-
CASH AT BEGINNING OF PERIOD	-	-
CASH AT END OF PERIOD	$ 103,458	$ -
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash Paid During the Period For:		
Interest	$ -	$ -
Income Taxes	$ -	$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
None	$ -	$ -

See Footnotes to Financial Statements

CMK GAMING INTERNATIONAL, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE PERIOD JANUARY 1, 2021 TO JUNE 30, 2022

	COMMON STOCK		ADDITIONAL PAID IN CAPITAL	RETAINED (DEFICIT)
	SHARES	PAR		
BALANCE, JANUARY 1, 2021	31,700,900	$ 3,170	$ 102,102	$ (161,658)
NET LOSS FOR THE YEAR	-	-	-	(25,356)
BALANCE, DECEMBER 31, 2021	31,700,900	$ 3,170	$ 102,102	$ (187,014)
ISSUANCE OF COMMON STOCK FOR PURCHASE OF WHOLLY OWNED SUBSIDIARY	285,308,100	28,530	842,778	-
NET LOSS FOR THE PERIOD	-	-	-	(510,307)
BALANCE, JUNE 30, 2022	317,009,000	$ 31,700	$ 944,880	$ (697,321)

See Footnotes to Financial Statements

CMK GAMING INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2022

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business Operations

CMK Gaming International, Inc. (the Company) was originally incorporated in Colorado in 1987 under the name Brown Disc Products, Inc. The Company changed its name to the Quartz Group, Inc. in 1997 and in 2005 to Tenguy World International, Inc." In 2016, the Company purchased another subsidiary operation based in Taiwan, but the relationship lasted until spring 2017 and was rescinded. This is where the name CMK Gaming International, Inc. originated, and the Company has not changed the name since that time.

In February 2022, the Company acquired all of the stock of Cipher-Core, LTD, a Japanese Corporation located in Tokyo, Japan. Cypher-Core is seeking an exclusive license to software to conduct business applying "Crypto Cash Technology" and then seek to market the services worldwide. Some of the objectives of the technology will be used to:

-Provide an appropriate remote authentication function and a confidential communication environment with cipher technology to protect financial services conducted over the internet,

-Provide a remittance environment with software from Japan to overseas and later, overseas to-to-overseas with enhanced security.

-Provide an environment for the issuance, transfer, and use of digital cash represented by CBCD (Central Bank Digital Currency). In addition to community and local cashes, and later enable the issuance of cash with additional conditions such as user information and expiration dates, etc.

-Provide a beta version of an environment for the issuance, transfer, and use of Crypto Cash with smart contract and so on, such as digital securities and digital insurance, with plans to provide the ability to establish and transfer ownership as well as administrative services such as land and address registration.

Basis of Presentation

The Company prepares its financial statements in conformity with generally accepted accounting principles in the US. In the opinion of management, all adjustments consisting of normal recurring adjustments necessary for a fair statement of the financial position on June 30, 2022, and December 31, 2021, the results of operations and cash flows for the periods then ended as presented in these financial statements.

Use of Estimates

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

Fair Value Measurement

All financial and nonfinancial assets and liabilities were recognized or disclosed at fair value in the financial statements. This value was evaluated on a recurring basis (at least annually). Generally accepted accounting principles in the US define fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The accounting principles also established a fair value hierarchy which require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measure fair value. Three levels of inputs were used to measure fair value.

Level 1: Quotes market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that were corroborated by market data.

Level 3: Unobservable inputs that were not corroborated by market data.

Income Taxes

The Company accounts for income taxes using the liability method. As such, deferred tax assets and liabilities are recorded based on the differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purpose, referred to as temporary differences. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rates applied to taxable income in the periods in which the deferred tax assets and liabilities are expected to be settled or realized.

The Company has not recognized any deferred tax assets in association with losses from ongoing operations in the past due to tax limitations and uncertainties concerning its ability to generate taxable income in future periods. The tax benefit for the periods presented is offset by a valuation allowance (100%) established against deferred tax assets arising from the securities capital losses and other temporary differences, the realization of which could not be considered more likely than not. In future periods, tax benefits and related deferred tax assets will be recognized when management considers realization of such amounts to be more likely than not. The Company has net operating loss carryforwards of approximately $75,000 to $100,000 (US) resulting in a tax benefit of approximately $20,000 but is offset by the uncertainty of such losses being used in the near future. There is no indication that such losses in Japan operations can be used to increase the US losses or be used in any other country for the future.

Earnings Per Share

Basic earnings (loss) per share calculations are determined by dividing net income (loss) by the weighted average number of shares outstanding during the year. Diluted earnings (loss) per share are determined by dividing net income (loss) by the weighted average number of shares. As of March 31, 2022, there were no options outstanding that were considered anti-dilutive. (See preferred stock footnote below for any contingencies on this matter).

Stock Issuances

Besides the issuance of stock for the acquisition of the subsidiary, the only stock issuance in the last few years was an issuance of 1,105,000 shares to the CEO and major shareholder who has been funding the Company for many years. The Company had an outstanding loan balance of over $100,000, and the officer and the Company decided on a reduction of that payable by $110,528 for the issuance of the shares. Those shares were issued in the spring 2017.

With the acquisition of the subsidiary, the cash infused in the Company with that purchase paid off the loan balance with the primary stockholder and CEO except for the balance of cash used for the current quarter which was a temporary loan for current expenses of the first and second quarter 2022. The operations of the US operations are paid by the Japan subsidiary.

Recently Issued Accounting Pronouncements

The Company has adopted the Financial Accounting Standards Board (FASB) Accounting Standards. Codification (ASC) 105-10, Generally Accepted Accounting Principles Overall (ASC 105-10), which was formerly known as SFAS 168, ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with US GAAP. Rules and interpretive releases of the Securities and Exchange (SEC) under authority of federal securities laws are also sources of authoritative US GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of grandfathered, non-SEC accounting literature not included in the Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates (ASUs). The FASB will not consider ASUS as authoritative. ASUS will serve only to update the codification, provide background information about the guidance, and provide the basis of conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

In May 2011, the Financial Accounting Standards Board (FASB) issued authoritative guidance regarding Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IRFSs, which results in common requirements for measuring fair value and for disclosing information.

Preferred Shares

After the creation of the Company in 1987, the board of directors with the consent of the majority of the shareholders, created a Preferred class of shares with the state of Colorado. The shares had several similar attributes of typical rights and privileges of common stock. Most prevalent were the rights of dividends and a conversion feature to common stock (5 shares for every one share of Preferred). The Company has never reported this class of stock for the last 10 years until upon examination, the transfer agent shows 12,613 shares of outstanding class A Preferred stock with no par value.

None of the board of directors knew of this class, nor has the Company or any of the past officers and directors have ever heard from any one of these shareholders. Action is currently being made to identify these individuals and if they have any interest in pursuing any participation, conversion, or claims with the Company. The terms of the conditions of the rights of the Preferred stockholders does not include any preference for dividend distributions, voting rights, or stock conversion rights. Since there have been no dividends paid in the past 10 years (or even before that time from the memory of the current officers and directors), it is doubtful that any claims are outstanding.

If the conversion feature were to be exercised from the outstanding Preferred stock, only 63,065 common shares would be issued. This represents about .02% of the outstanding common shareholders of the Corporation.

It is uncertain what the current or future board of directors will interact or transact business with these Preferred shareholders.

Other Assets

Before the acquisition of the subsidiary, other assets were acquired by Cypher during the start-up phase of operations in Japan. Such assets were organizational costs, patent costs, and deposits and purchase of furniture and equipment for offices in Tokyo. Cypher began operations in late December 2021 through the first quarter 2022 when the acquisition by the Company occurred on February 17, 2022.

The Organization costs are being amortized over 60 months beginning on March 31, 2022. Current amortization expense is $1,500 for the second quarter 2022.