Rhizen Pharmaceuticals Inc.

Financial Statements

March 31, 2022 and March 31, 2021

KNAV P.A.

Certified Public Accountants

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PARTNERS BEYOND BOUNDARIES

Independent Auditor's Report

To the Board of Directors
Rhizen Pharmaceuticals Inc.

Opinion

We have audited the accompanying financial statements of Rhizen Pharmaceuticals Inc. (the "Company"), which comprise of the statement of net assets in liquidation as of March 31, 2022, the balance sheets as of March 31, 2022, and March 31, 2021, and the related statements of stockholder's equity and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, financial statements referred to above present fairly, in all material respects, the financial position of the Company, as of March 31, 2022 and March 31, 2021 and the cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America applied on the basis described below.

Emphasis of Matter – Basis of Accounting

As discussed in Note C to the financial statements, the Board of the Parent Company approved a plan of liquidation on March 21, 2022, and the Company determined that liquidation is imminent. As a result, the Company, using a convenience date, changed its basis of accounting on March 31, 2022 from the going concern basis to liquidation basis. Our opinion is not modified with respect to this matter.

Basis for opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

KNAV P.A.

Atlanta, Georgia
April 28, 2022

Financial Statements

Statement of Net Assets (Liquidation basis)

(All amounts are stated in United States Dollars, unless otherwise stated)

	As at March 31, 2022
Cash and cash equivalents	16,357
Advance from Parent Company	(3,857)
Other current liabilities	(2,500)
Net assets in liquidation	**10,000**

(The accompanying notes are an integral part of these financial statements)

Balance sheets (Going concern basis)

(All amounts are stated in United States Dollars, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	16,357	23,466
Total assets	**16,357**	**23,466**
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities		
Advance from parent company	3,857	11,966
Other current liabilities	2,500	1,500
Total liabilities	**6,357**	**13,466**
Stockholder's equity		
Common stock	-	-
(*Authorized, 10,000 common shares, $1 par value; Nil shares issued*)		
Additional paid in capital	10,000	10,000
Total stockholder's equity	**10,000**	**10,000**
Total liabilities and stockholder's equity	**16,357**	**23,466**

(The accompanying notes are an integral part of these financial statements)

Statements of stockholder's equity (Going concern basis)

For the years ended March 31, 2022 and March 31, 2021

(All amounts are stated in United States Dollars, except number of shares)

Particulars	Authorized common stock Shares	Authorized common stock Value ($)	Additional paid in capital	Total stockholder's equity
Balance as at April 01, 2020	10,000	10,000	10,000	10,000
Balance as at March 31, 2021	**10,000**	**10,000**	**10,000**	**10,000**
Balance as at April 01, 2021	10,000	10,000	10,000	10,000
Balance as at March 31, 2022	**10,000**	**10,000**	**10,000**	**10,000**

(The accompanying notes are an integral part of these financial statements)

Statements of cash flows (Going concern basis)

(All amounts are stated in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2022	**March 31, 2021**
Cash flows from operating activities		
Net income	-	-
Changes in assets and liabilities		
Other current assets	-	1,905
Advance from parent company	(8,109)	(46,322)
Accounts payable	-	(4,254)
Other current liabilities	1,000	-
Net cash used in operating activities	**(7,109)**	**(48,671)**
Net decrease in cash and cash equivalents	**(7,109)**	**(48,671)**
Cash and cash equivalents at the beginning	23,466	72,137
Cash and cash equivalents at the end	**16,357**	**23,466**

(The accompanying notes are an integral part of these financial statements)

Notes to Financial Statements

NOTE A - NATURE OF OPERATIONS

Prior to the liquidation, Rhizen Pharmaceuticals Inc. ('the Company'), was a Delaware corporation, a wholly owned subsidiary of Rhizen Pharmaceuticals S.A, ('the Parent Company'). The Company was incorporated in 2015. The Company carried out research and development in the field of pharmaceuticals and biotechnology products, manufacturing, marketing and all related operations, including in the field of patents and other rights of intellectual property on behalf of the Parent Company on a cost re-imbursement basis.

In accordance with the Company's Plan of Complete Liquidation, Dissolution and Winding Up (the "Plan of Dissolution"), the Company filed a certificate of dissolution with the Delaware Secretary of State on April 28, 2022.

In accordance with the General Corporation Law of the State of Delaware, the Company's sole purpose is winding up the business affairs of the Company in accordance with the Plan of Dissolution.

NOTE B - PLAN OF DISSOLUTION

On March 21, 2022, the Board of the Parent Company decided to liquidate Rhizen Pharmaceuticals Inc.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles in United States of America. The significant accounting policies are detailed below:

Basis of preparation
As a result of the approval of the Plan of Dissolution, the Company adopted the Liquidation Basis of Accounting, effective March 31, 2022. This basis of accounting is considered appropriate when, among other things, liquidation of the Company is imminent, as defined in ASC 205-30 "Presentation of Financial Statements – Liquidation Basis of Accounting". Under the Liquidation Basis of Accounting the following financial statements are no longer presented (except for periods prior to the adoption of the Liquidation Basis of Accounting): a balance sheet, a statement of stockholder's equity and a statement of cash flows. The statement of net assets and the statement of changes in net assets in liquidation are the principal financial statements presented under the Liquidation Basis of Accounting. Although the Plan of Dissolution was approved by the stockholders on March 21, 2022, the Company is using the liquidation basis of accounting effective March 31, 2022, as a convenience date. Any activity between March 21, 2022 and March 31, 2022 would not be materially different under the going concern basis. A statement of changes in net assets in liquidation was not required due to the adoption of the Liquidation Basis of Accounting using a convenience date of March 31, 2022.

Under the Liquidation Basis of Accounting, all of the Company's assets have been stated at their estimated net realizable value and are based on current contracts, estimates and other indications of sales value net of estimated selling costs. All liabilities of the Company have been stated at contractual amounts and estimated liabilities are at their estimated settlement amounts, including those estimated costs associated with implementing the Plan of Dissolution. These amounts are presented in the accompanying statement of net assets. These estimates will be periodically reviewed and adjusted as appropriate. There can be no assurance that these estimated values will be realized. Such amounts should not be taken as an indication of the timing or amount of future distributions or our actual dissolution. The valuation of assets at their net realizable value and liabilities at their anticipated settlement amount represent estimates, based on present facts and circumstances, of the net realizable value of the assets and the costs associated with carrying out the Plan of

Dissolution. The actual values and costs associated with carrying out the Plan of Dissolution are expected to differ from amounts reflected in the accompanying financial statements because of the plan's inherent uncertainty. These differences may be material. In particular, the estimates of our costs will vary with the length of time necessary to complete the Plan of Dissolution. Accordingly, it is not possible to predict with certainty the timing or aggregate amount which may ultimately be distributed to stockholders and no assurance can be given that the distributions will equal or exceed the estimate presented in the accompanying consolidated condensed statement of net assets.

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 disclosure of contingent assets and liabilities at the date of the financial statements. The management's estimates of accruals at the balance sheet date represent certain of these particularly sensitive estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

Cash and cash equivalents
The Company considers all highly liquid investments and deposits with an original maturity of ninety days or less to be cash equivalents. Cash and cash equivalents comprise of balances in bank accounts and cash in hand. Cash balances in bank accounts are insured by the Federal Deposit Insurance Corporation up to $ 250,000 for each insured bank for each account per depositor.

Concentrations of credit risk
The Company maintains deposit balances at times in excess of federally insured amounts.

Fair value measurements and financial instruments
The Company applies fair value measurements to certain assets, liabilities and transactions that are periodically measured at fair value.

Assets and liabilities recorded at fair value in the financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 – unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

Commitments and contingencies
Liabilities for loss contingencies arising from claims, assessments, litigations, fines, penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

NOTE D - RELATED PARTY TRANSACTIONS

The Company has conducted research and development activities on behalf of its Parent Company on a cost reimbursement basis. The amount received in advance as at March 31, 2022 is $ 3,857 (March 31, 2021: $ 11,966). The amount incurred on behalf of the Parent Company, on a full reimbursement basis, during the year ended March 31, 2022, is $ 8,110 (March 31, 2021: $ 995,821).

NOTE E - COMMON STOCK

Common stock authorized as at March 31, 2022 and March 31, 2021 was 10,000 shares of $ 1 par value each.

NOTE F - SUBSEQUENT EVENTS

In accordance with the Company's Plan of Dissolution, the Company filed a certificate of dissolution with the Delaware Secretary of State on April 28, 2022. The Company evaluated all events and transactions that occurred after March 31, 2022, through the date the financial statements are available to be issued. Based on the evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the financial statements.