

AMMOSQUARED

2021 Report

Dear investors,

AmmoSquared's mission is to "Simplify Ammunition Ownership" which we are certainly accomplishing - in a big way. We've completely turned the ammunition industry on its head and built a platform and service that is so different and revolutionary that we frequently have new customers exclaiming, "This is genius!". We have a lot of plans to improve our platform and make the service more intuitive and useful for our current and future customers.

We believe 2022 will continue to be a banner year for us as the market switches gears away from an ammo shortage situation back to something closer to normal. Pockets of shortages both geographically and in certain rounds will continue to attract new customers to our service who might not have sought out our company otherwise. Then the memory of the ammo shortages will retain customers who want to continue to build up a supply of ammunition in the background for the inevitable future ammo shortages.

We need your help!

We can always use help on two fronts: referring AmmoSquared to friends and relatives. Word of mouth is one of our biggest marketing boosts because it doesn't cost the company anything. We just provide a good service worth talking about. The second area is any contacts in the industry you may have: whether they are media, ammo related or even just other companies that would like to partner with us - we're open for anything!

Sincerely,

Danielle Morton

Vice President

Chris Corriveau

CTO

Dan Morton

CEO & Co-Founder

Our Mission

We are targeting \$40M in annual revenue and a solid, reputable brand in the eyes of gun owners. We are currently growing at 15% month over month. Our basic marketing tests have successfully converted 10% of leads to paying customers. In 5 years storing ammunition off-site in a "digital" format will become as commonplace as buying videos on Amazon Prime. Our vision includes a commodity market for ammunition where customers can exchange and trade the "digital" ammo they have purchased.

[See our full profile](#)



How did we do this year?

Report Card

A-



The Good

We've saw positive MRR growth every month in 2021. Growing revenue by 310%.

We had our first profitable year! Net income after taxes of \$238,694 on gross revenue of \$3.2m.

We launched our new custom built web platform that Wefunder investors helped fund.



The Bad

Experienced significant supply and cost constraints in 2021 as many distributors and manufacturers were out of stock on ammo.

We haven't been able to get ahead of our queued ammo and so customers wait months for some calibers to be allocated.

Our margins have been decreasing throughout the year due to buying some hard to find ammo at inflated prices.

2021 At a Glance

January 1 to December 31



\$3,264,129 **+313%**
Revenue



\$238,694
Net Profit



\$617,074 **[28%]**
Short Term Debt



\$0
Raised in 2021



\$118,181
Cash on Hand

INCOME

BALANCE

NARRATIVE

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

AmmoSquared is changing the way gun owners buy ammunition online. We provide customers with a way to accumulate ammo in a novel way that is budget friendly and works with their schedule. Simply put: our customers create and fund an ammo "piggy bank", that is available on demand so they always have ammo there when they want it.

Milestones

AMMOSQUARED, INC. was incorporated in the State of Delaware in July 2019, prior to that AmmoSquared LLC was started in 2015.

Since then, we have:

- Shipped 131+ tons of ammunition nationwide.
- Average \$300K in monthly recurring revenue.
- Strong brand presence. #1 search result on Google for 'ammo subscription'.
- Validated business model - over 6,000 active customers across the nation.

Historical Results of Operations

Revenues & Gross Margin. For the period ended December 31, 2021, the Company had revenues of \$3,264,129 compared to the year ended December 31, 2020, when the Company had revenues of \$790,576. Our gross margin was 33.16% in fiscal year 2021, compared to 25.26% in 2020.

Assets. As of December 31, 2021, the Company had total assets of \$937,600, including \$118,181 in cash. As of December 31, 2020, the Company had \$942,679 in total assets, including \$71,467 in cash.

Net Income. The Company has had net income of \$238,694 in 2021 and net losses the prior year of \$233,592 in 2020.

Liabilities. The Company's liabilities totaled \$619,457 for the fiscal year ended December 31, 2021 and \$863,230 for the fiscal year ended December 31, 2020.

Liquidity & Capital Resources

The company relies on net income to fund operations and growth. No new equity or debt capital was added in 2021.

Runway & Short/Mid Term Expenses

AMMOSQUARED, INC. cash in hand is \$118,181, as of December 2021. Over the last three months, revenues have averaged \$268,044/month, cost of goods sold has averaged \$191,893/month, and operational expenses have averaged \$73,564/month, for an average net margin of \$2,587 per month.

During 2021 we kept operations lean. We added 1 full time employee and moved 1 part-timer to full time. We continue to occupy our current 7,500sf warehouse.

Over the next 3-6 months we expect to continue to grow our revenue 3-6% monthly. Expenses for cost of goods will continue in line with revenue growth as we purchase in larger volume.

Yes we are now profitable for the first time ever. We may look at additional funding for growth.

Since our initial Wefunder/Seed Round we have avoided taking on any new sources of debt or equity to fund the business. The main source of capital for the business is sales revenue.

Net Margin: 7% Gross Margin: 33% Return on Assets: 25% Earnings per Share: \$769.98 Revenue per Employee: \$408,016
Cash to Assets: 13% Revenue to Receivables: ~ Debt Ratio: 66%

 2020_Financial_Statements_-_Ammosquared__Inc.pdf

 2021_Financial_Statements_-_Ammo2.pdf

We ❤️ Our
637 Investors

Thank You For Believing In Us

Tom Balanco
Craig J. Vom Lehn
Marylin Hebert
Edward T Garton
Taylor Henderson
Richard Garza
Richard Gramm
Jerry Baker
Brandon Sampson
Bruce Soland
Paul Washington
Blaine Lewis
Rick Muirhead
Aaron L. Hines

Lance Walley
Kenneth M Laha
Isaac K. Miles
Russell Brandon
Yinkai Feng
Brian Rummery
Julian Pastor
Phillip Martinez
Joe Kirby III
Sellers Smith
Thomas W. Peters III
Rachael Reed
Kevin Culkin
Scott J. Lopez

Marc Lein
Travis Frieri
Nathan Esslinger
Gary Smith
Paul Kuenzle
Maxime Dubreucq
Orlando Kelly
Alex L. Mazariegos
Brandon Spear
Patrick Burk
Justin Keith Reeger
Christopher Smith
Danica Kaldor
Lisa De La Fuente

Taylor W. Bastianelli
Christopher Murray
Nadja Green
Stephen McElroy
Karel Krestan
Cameron Hinkley
Scott Smith
Bryan Saint-Louis
Michelle McGibbon
Jeremy Davies
Jeff Bush
John M Pimental
Tommy Thompkins
David D'Antonio

Evan J Dankert
Derek Spohn
Bern Wegeleben
Shaunya Boddie
David Wolfe
Patrick O'Brien Boling
Derek Fornof
Nancy Ramos
Frank Kotlarsic
David Davis
Maureen Serri
Will Strickland
Cory McKinney
Justin Schneider

Thomas Beck
Tom Olofsson
Gabriel Ugalde
Bruce Soland
Daniel Herrera
Israel Moore
Brad & Tanya Justice
Jordan Antoine
Lyle Notice
Zach Byles
Phillip J. Wiley
Vincent Woodson
Tracey Raditz
D. L. Joseph Shepard

Paul Putnam
Benjamin Paine
Harrison Sowden
Jeremy Foxx
David Carrillo
Susan Mengel-Christ
Marie S Raphael
Ryan Cox
Bern Wegeleben
Aaron Swenson
James McCrory
Bill Holliday
Ralph Mitchell
Larry Wilson

| | | | | | | |
|------------------------------|-------------------------|---------------------|-----------------------------|--------------------------|--------------------------|-------------------------|
| Jason Spitzer | Scott Jason | John De La Torre | David L. Venable | John C. Schreiner | David Joseph Shepard | Lenny Frasier |
| Spartan Knight Investment... | Jeremy Johnson | Lee Sherman | Justin H. Lutz | Jerrell Scott | Jack Brickhouse | Matthew Guerke |
| Madisyn Moorman | Mark Clifford | Ian Dunlap | Rob McMichael | Chad Hill | Francis Taccino | John King |
| LLewellyn Browne | Vincent woodson | William E. Wanless | Dusty Clark | Jason Eskins | Dave Randolph | Doyle Thorn |
| Audrey Lonero | Jelani A Staine | Randy Thomas | Bill Brent | Erick Thomas | Christopher Noebels | Nehemiah Wilcox-Ho |
| Vicki J Goin | Christopher Aragon | Matthew Mysliwiec | Dwayne Favors | Ernie Boling | Yeshua Alexander | Michael Huston |
| Moises Plata | Trent Brickman | Frank Lopez | Clifford Martin IV | Tracy Skrove | Daniel Phillips | Hannah Sillars |
| Todd Smasal | Frank Wyatt | Michael Uchmanowicz | Chris Tefner | Gabriel Fancher | Kenneth T. Hanes | James Karayanis |
| Jason Pati | Jevon Cox | Jake Johnson | Michael Cabral Poubel Ba... | Chekereha Dean | William Ryan | Robin Arruda |
| Jovan Guy | Jarvis Rutherford | Kyle Blivins | Shaun Tenberg | David Ross | Casey Wunsch | Franklin Johnson |
| Danica Kaldor | William T Zaccardi | Joseph Short | Michael Curiel | Oliver Ray Reed | Steven Ontaneda | Nathan Richardson |
| David Montross | Willie White | S R | Christopher Loren Jenks | Channa Obeyesekere | Heidi Hecht | Charlie Johnson |
| Don Colt | Stephen Sams | Matthew Williams | Jonathan Arndt | Anthony H Yeh | Ethan P Niedermeyer | Patricia Armatis |
| Timothy Bernier | Jeffrey McKinney | Avery Yeary | Douglas D Walker | Dillon Keenan | Zackery Martinez | Clyde Greene |
| Sara Dixon | Pascal Corbinand | RAYMOND BARTLE | Vincent Jones | David Nootz | Dan Wingert | John Gallion |
| William Roark | Franklin E. Powers, Jr. | Aaron OHare | Jacobus Dirk Spreuwen... | Jeremy Deal | Todd Rogers | Zachary Morand |
| Daniel Scott | Duane Cathey | Augusto Iturriaga | Paul Luna | Drew Watson | Dave Holmes | Scott L Kensinger |
| Randall Lieberman | James Costigliola | Brian Kelch | Gene E. Richert | Ulpy Ruiz | Dennis R Disney | Ramon Cuellar |
| Jack Belcher | Jaime Sanchez Jr | Trey Bowman | Thomas W Clark | John Viacrucis | Nicolai Vladimir Gibanov | Vivek Parthiban |
| Daniel Polanco | Michael Reed | Cory Ranczka | Marc Williams | Israela Vershun Perneli | Chris Byrd | Henry Dafler |
| Travis J Baldwin | Sean Garrett | Gregory Garner | Benjamin Levi Smith | Christopher Menapace | Joshua Stafford | Tom Harald Ekroll |
| Jesse Megura | Mark O. Salisbury | Rodney Corder | John Celoria | Lynn Sebert | Albert Perez | Blake Pennington |
| Grant D Schmidt | Antonio Thomas | Menum Lor | Adrian Saldana | James Smith | Aj Mann | John L Bailey |
| Jeffrey Juchau | Shane Shobar | Matt Manriquez | Jeffrey Goodman | Raymond Knight | Gary M. Forbes | Noel Hammill |
| Boe Green | Jonathan Lockhart | Talon Taylor | Dawn Weis | Jerald Donald Konkell | Michael Fink | David Welter |
| Justin Christian | Maurice Rigaud | Tymothy A Waddell | Walter Rowntree | John MacLauchlan | Karen Callis | Hsin Hua Lin |
| Marcus Mangum | Nicholas Finn | James R Weed | Ethan Adams | Christopher Minturn | David Atherton | Vincent Sandre |
| Jeffrey Oppenheim | Cecil D. Marrs | Jerry Tilley | Ryan Jahnke | Mark Clark | Eric Johnson | David Smith |
| Thomas HULL | Michael Berish | Jeremy Patches | Douglas Wigandt | Scotty Mswain Davis | Rudy Mendoza | Christian Deroba |
| William Turner | Ralph Knaub | William Basara | Howard Weekley | Frank Porfido III | Chris Daniels | Michael Gaglione |
| James Ford | Tyler Graham | Curtis Brown | Chris Memmott | Robert W Middleton III | Rebecca Cain | Deviprasad Mulluru |
| James Collins | Tyler Earman | Wade Shuman | Donald Parker | Matt Pappert | Justin Walton | Cedric Bridgewater |
| Bryan Krass | Granville Hedrick | Timothy Elton | David Belliveau | Kenneth C Bryant | Christopher Ballard | Aaron Cherry |
| Chad E Widup | Frank Pearce | Steve Earle | Anthony Militano | Brannon Gudith | Vikki Appleyard | Jason Stern |
| Charles Ritchie | Frederick C Ackermann | Clyde White | Anthony Miliano | Raymond M Clift | William Ball | William R Andrews |
| Wayne Lytle | Christopher Allen | Ahsby Chavez | Cody Seyler | Samuel Francis Wolf | William Chellis | Kiana Lipman |
| Michael Stevens | Victor Giannini Jr | Timothy J Hudock | Steve Earle | Andrew Farthing | Brett Kulp | Andrew Thompson |
| Michael Leatherman | Raymond W Skwire | Keith Balderston | Anthony Miliano | Jeremy Rehne | Chad Seitzinger | Austin Lord |
| Paul Piatkowski | Brandon Judy | Kevin Avery | Clyde White | Timothy Thompson | John Van Houten | Charles Pollitz |
| Penil Shah | Andrew Shadel | Kevin Avery | Timothy J Hudock | Terral King | Dr. Robert B. Chrest Jr. | Timothy Howell Mangum |
| Thomas E HAUGH | Gabriel Panama | Angel Cardona | Kofi Opoku-Akoto | Mark Moennig | David Bennett | Jeremy Lorenz |
| Steve Theodorou | Anthony Brown | Chris Krieger | Keith Balderston | Very Gonzalez | Rajash G Bhakta | Terrmel SLEDGE |
| Joseph Huston | Victor Ramos | Shawn Morehead | Angel Cardona | Anthony DePalma | Jose Marcelo Giercia | Dwight Valentine |
| Trisha Pletz | John Bridgen | Tyler Eichhorn | Chris Krieger | Jason Wortley | Kevin Welch | Edwin R Gomez |
| Nicolas Edwards | Charles A Clark | Ernesto Rodriguez | Shawn Morehead | Kevin Welch | Anthony Barnett | Kevin Gillis |
| Matt Peason | David Patton | Johnson Oeur | Robert McCandless | Anthony Barnett | Troy Johnson | Aaron McBride |
| Brian C Tange | Joe D. Nugent | Will Lopez | Juan Trujillo | John Van Houten | Mark Arruda | Rafael Martinez |
| John P Fullam | Douglas Gessleman | Brandon Hayden | Mark Monks | Dr. Robert B. Chrest Jr. | Richard C Shenfeld | John Madden |
| Aaron O'Connell | John Stepan | Noe Mares | Russell Larocque | David Bennett | Andrew Frank | Eric Sievers |
| Michael Whitworth | John Stepan | John D Stafford | Robert Leclerc | Rajash G Bhakta | Timothy Taylor | Rory Rodriguez |
| Harry D. Akers | Ronald Reynolds | Michael West | Jeffrey Allan Blackwell | Anthony DePalma | James Donald Broome JR | Jeremy Bailey |
| Charles Bull | Patrick McDonald | Gregory H Guild Jr | Clark Amling | Kevin Welch | Craig L Wright | Donald M. Bell |
| Daniel Ribbentrop | Eric Kollmann | Mark Aras | Marty Ohme | Anthony Barnett | Michael Manfrom | Carol West |
| Joshua Orta | Michael Waters | Michael Rosenfeld | Randy L. Locher | Troy Johnson | Johnny Griffice | Jason Barrier |
| Daryl Scott Burke | Zach S Crisp | Julius R Carver | Ajay Taparua | John Solini | Terry Webster | Vance Lester |
| Neal Andrus | Michael E Dodson | Thierno Diallo | John Bridgen | Richard C Shenfeld | Glen Dively | Joshua Cuevas |
| Jack Wood | Lee Heffelfinger | Richard Goodstein | Russell Larocque | Andrew Frank | Alfonso P. MADRIZ | Walter Atchley |
| Cathy Fahrmeier | James R Walters | Robert Cooper | Robert Leclerc | Timothy Taylor | Michael K Robertson Jr | Scott Hopkins |
| Roderick Ellis | Cedric Owens | Barbara Siler | Jeffrey Allan Blackwell | James Donald Broome JR | Stuart Baits | Keith Stevens |
| James Long | Jonathan Wilson | Kevin Brannock | Clark Amling | Craig L Wright | Marshall Ozbirn | Oswaldo Santos Jr |
| Eric Ross | Marby Jurkovac | Brock Peters | Marty Ohme | Michael Manfrom | Justin Raski | Jonathan Prater |
| Michael Powell | Jeff Wick | Michael Hodgson | Ajay Taparua | Johnny Griffice | Seth Hughes | Adam Reichick |
| Christopher Zitko | Cole Chamberlin | Michael Orapollo | John C Cooper | Terry Webster | Keven Garcia | Sandra Arnold |
| Jonathan Wiseman | John R Henry | Teresa De Loera | Richard W. Van Hoozer | Glen Dively | Ron Brown | Kenneth Cross |
| Seth Michael Szink | Don Bouma Jr | Matthew Villegas | Michael West | Alfonso P. MADRIZ | William Lanier | Rafael Caballero' |
| Steven Chlger | David Crooks | Richard Scott | Gregory H Guild Jr | Michael K Robertson Jr | Robert R Belanger | Greg McDonald |
| Theresa Gilliard | Jeff Wright | Ken Massingale | Mark Aras | Stuart Baits | Juan Gomez | Joseph McDonald |
| Jesus Caballero Chavez | Patrick Learned | Ryan Gagne | Michael Rosenfeld | Marshall Ozbirn | Clifton Wiggins | Jared Boshart |
| Joseph Evans iii | Rafaal Vallejo | Chris Stewart | Julius R Carver | Justin Raski | Brian Imholz | Jon Banfield |
| Brandon Roberts | Marc E OUELLETTE | Steve Brown | Kim F Grubbs | Seth Hughes | John Huey | Yaneth Caballero Chavez |
| Joel Adair | Robert Roman | Chad Schulz | Miguel Pagan | Kenneth C Bryant | Charles Halapin | Billy Lambert |
| Ryan Gagne | Steven Stanley | Sherman Roy Runyon | Ryan Hyndman | Donald M. Bell | Jerry Tilley | Brett Hanson |
| Matthew Mooney | Miguel Agosto Jr | Chad E Widup | Vicente G. Parra | Carol West | David Atherton | Michael Olague |
| Derek Little | Brian Hargett | Michael Berish | Shawn L. Adams | Jason Barrier | | William Basara |
| Curt Tomlinson | Eugene Derfinyak | | Sean Eaton | Vance Lester | | Aaron Cherry |
| Josh Humble | Mark Moennig | | Jaron Ketchum | Joshua Cuevas | | |
| Matt Pappert | | | Victor Lucas | Walter Atchley | | |
| | | | Ronald Sanders | Scott Hopkins | | |
| | | | Quinton Armstrong | Keith Stevens | | |
| | | | Dickie J Seavers | Oswaldo Santos Jr | | |
| | | | Diane R PLUNKETT | Jonathan Prater | | |
| | | | Christopher Moss | Adam Reichick | | |
| | | | Jeremiah Bird | Sandra Arnold | | |
| | | | Ervin Epley | Kenneth Cross | | |
| | | | Raymond M Range | Rafael Caballero' | | |
| | | | Mike Thomas | Greg McDonald | | |
| | | | Benjamin L. Frech | Joseph McDonald | | |
| | | | Nicolas Edwards | Jared Boshart | | |
| | | | Thomas HULL | Jon Banfield | | |
| | | | | Yaneth Caballero Chavez | | |
| | | | | Billy Lambert | | |
| | | | | Brett Hanson | | |
| | | | | Michael Olague | | |
| | | | | William Basara | | |
| | | | | Aaron Cherry | | |

Thank You!

From the AmmoSquared Team



Dan Morton
CEO & Co-Founder



Chris Corriveau
CTO & Co-Founder



Clay Knight
Head of Design



Danielle Morton
Co-Founder

Details

The Board of Directors

| DIRECTOR | OCCUPATION | JOINED |
|---------------------------------|------------------------------|--------|
| Chris Corriveau | CTO @ AmmoSquared Inc. | 2019 |
| Dan Morton | CEO @ AmmoSquared Inc | 2019 |
| Danielle Morton | Developer @ AmmoSquared Inc. | 2019 |

Officers

| OFFICER | TITLE | JOINED |
|---------------------------------|---|--------|
| Chris Corriveau | CTO | 2019 |
| Dan Morton | CEO | 2019 |
| Danielle Morton | Vice President Secretary Vice President | 2019 |

Voting Power [?]

| HOLDER | SECURITIES HELD | VOTING POWER |
|-----------------|------------------------|--------------|
| Danielle Morton | 1,250,000 Common Stock | 30.8% |
| Dan Morton | 1,250,000 Common Stock | 30.8% |

Past Equity Fundraises

| DATE | AMOUNT | SECURITY | EXEMPTION |
|---------|-----------|-----------------|---------------------------|
| 03/2020 | \$304,314 | | 4(a)(6) |
| 06/2020 | \$87,593 | Preferred Stock | Regulation D, Rule 506(c) |

The use of proceeds is to fund general operations.

Outstanding Debts

None.

Related Party Transactions

On July 31, 2019, The Company purchased the assets, customer list, website and marketing items, inventories, and processes from Ammosquared, LLC and took over the existing business operations. Ammosquared, LLC is completely owned, through an S Corporation, by the Company's majority stockholders, Dan and Danielle Morton. As part of the purchase, the Company took title to all assets including trademarks and domain names for the business, recorded goodwill, and assumed debt obligations for customer deposits, two credit cards payable, and a loan from American Express.

Capital Structure

| CLASS OF SECURITY | SECURITIES (OR AMOUNT) AUTHORIZED | SECURITIES (OR AMOUNT) OUTSTANDING | VOTING RIGHTS |
|---|---|--|------------------|
| Common Stock | 10,000,000 | 3,007,812 | Yes |
| Series Seed Preferred | 5,000,000 | 307,012 | No |
| SECURITIES RESERVED FOR ISSUANCE UPON EXERCISE OR CONVERSION | | | |
| Warrants: | 0 | | |
| Options: | 2020 Equity Incentive Plan | | |

Risks

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

There is the potential for litigation for any of the products we sell if they are used in a crime. However, as a retailer we are protected under The Protection of Lawful Commerce in Arms Act for any misuse of the products we sell

Our industry is subject to political pressures not found in other industries. Nationwide laws could be put in place around the sale or shipment of ammunition which could impact our business model.

While we do not manufacture ammunition, some of the ammunition we sell could cause damage to a customer's firearm if improperly manufactured. If that were to happen, we would look to the manufacturer to investigate and settle with the customer.

Description of Securities for Prior Reg CF Raise

Additional issuances of securities. Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured. The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Issuer repurchases of securities. The Company may have authority to repurchase its securities from shareholders, which may serve to decrease any liquidity in the market for such securities, decrease the percentage interests held by other similarly situated investors to the Investor, and create pressure on the Investor to sell its securities to the Company concurrently.

A sale of the issuer or of assets of the issuer. As a minority owner of the Company, the Investor will have limited or no ability to influence a potential sale of the Company or a substantial portion of its assets. Thus, the Investor will rely upon the executive management of the Company and the Board of Directors of the Company to manage the

Company so as to maximize value for shareholders. Accordingly, the success of the Investor's investment in the Company will depend in large part upon the skill and expertise of the executive management of the Company and the Board of Directors of the Company. If the Board Of Directors of the Company authorizes a sale of all or a part of the Company, or a disposition of a substantial portion of the Company's assets, there can be no guarantee that the value received by the Investor, together with the fair market estimate of the value remaining in the Company, will be equal to or exceed the value of the Investor's initial investment in the Company.

Transactions with related parties. The Investor should be aware that there will be occasions when the Company may encounter potential conflicts of interest in its operations. On any issue involving conflicts of interest, the executive management and Board of Directors of the Company will be guided by their good faith judgement as to the Company's best interests. The Company may engage in transactions with affiliates, subsidiaries or other related parties, which may be on terms which are not arm's-length, but will be in all cases consistent with the duties of the management of the Company to its shareholders. By acquiring an interest in the Company, the Investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Minority Ownership

An Investor in the Company will likely hold a minority position in the Company, and thus be limited as to its ability to control or influence the governance and operations of the Company.

The marketability and value of the Investor's interest in the Company will depend upon many factors outside the control of the Investor. The Company will be managed by its officers and be governed in accordance with the strategic direction and decision-making of its Board Of Directors, and the Investor will have no independent right to name or remove an officer or member of the Board Of Directors of the Company.

Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured.

The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Exercise of Rights Held by Principal Shareholders

As holders of a majority-in-interest of voting rights in the Company, the shareholders may make decisions with which the Investor disagrees, or that negatively affect the value of the Investor's securities in the Company, and the Investor will have no recourse to change these decisions. The Investor's interests may conflict with those of other investors, and there is no guarantee that the Company will develop in a way that is optimal for or advantageous to the Investor.

For example, the shareholders may change the terms of the articles of incorporation for the company, change the terms of securities issued by the Company, change the management of the Company, and even force out minority holders of securities. The shareholders may make changes that affect the tax treatment of the Company in ways that are unfavorable to you but favorable to them. They may also vote to engage in new offerings and/or to register certain of the Company's securities in a way that negatively affects the value of the securities the Investor owns. Other holders of securities of the Company may also have access to more information than the Investor, leaving the Investor at a disadvantage with respect to any decisions regarding the securities he or she owns. The shareholders have the right to redeem their securities at any time. Shareholders could decide to force the Company to redeem their securities at a time that is not favorable to the Investor and is damaging to the Company. Investors' exit may affect the value of the Company and/or its viability. In cases where the rights of holders of convertible debt, SAFES, or other outstanding options or warrants are exercised, or if new awards are granted under our equity compensation plans, an Investor's interests in the Company may be diluted. This means that the pro-rata portion of the Company represented by the Investor's securities will decrease, which could also diminish the

investor's voting and/or economic rights. In addition, as discussed above, if a majority-in-interest of holders of securities with voting rights cause the Company to issue additional stock, an Investor's interest will typically also be diluted.

Based on the risks described above, the Investor could lose all or part of his or her investment in the securities in this offering, and may never see positive returns.

Restrictions on Transfer

The securities offered via Regulation Crowdfunding may not be transferred by any purchaser of such securities during the one year period beginning when the securities were issued, unless such securities are transferred:

- to the issuer;
- to an accredited investor^⑦;
- as part of an offering registered with the U.S. Securities and Exchange Commission; or
- to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

Valuation Methodology for Prior Reg CF Raise

The offering price for the securities offered pursuant to this Form C has been determined arbitrarily by the Company, and does not necessarily bear any relationship to the Company's book value, assets, earnings or other generally accepted valuation criteria. In determining the offering price, the Company did not employ investment banking firms or other outside organizations to make an independent appraisal or evaluation. Accordingly, the offering price should not be considered to be indicative of the actual value of the securities offered hereby. In the future, we will perform valuations of our common stock that take into account factors such as the following:

- unrelated third party valuations of our common stock;
- the price at which we sell other securities, such as convertible debt or preferred stock, in light of the rights, preferences and privileges of our those securities relative to those of our common stock;
- our results of operations, financial position and capital resources;
- current business conditions and projections;
- the lack of marketability of our common stock;
- the hiring of key personnel and the experience of our management;
- the introduction of new products;
- the risk inherent in the development and expansion of our products;
- our stage of development and material risks related to our business;
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given the prevailing market conditions and the nature and history of our business;
- industry trends and competitive environment;
- trends in consumer spending, including consumer confidence;
- overall economic indicators, including gross domestic product, employment, inflation and interest rates; and
- the general economic outlook.

We will analyze factors such as those described above using a combination of financial and market-based methodologies to determine our business enterprise value. For example, we may use methodologies that assume that businesses operating in the same industry will share similar characteristics and that the Company's value will correlate to those characteristics, and/or methodologies that compare transactions in similar securities issued by us that were conducted in the market.

Company

AMMOSQUARED, INC.

- Delaware Corporation
- Organized July 2019
- 8 employees

3630 E Comstock Ave

Nampa ID 83687

<https://ammosquared.com>

Business Description

Refer to the [AmmoSquared](#) profile.

EDGAR Filing

The Securities and Exchange Commission hosts the [official version of this annual report](#) on their EDGAR web site. It looks like it was built in 1989.

Compliance with Prior Annual Reports

AmmoSquared is current with all reporting requirements under Rule 202 of Regulation Crowdfunding.

All prior investor updates

You can refer to the company's [updates page](#) to view all updates to date. Updates are for investors only and will require you to log in to the Wefunder account used to make the investment.