

MOBILETEER INC.

FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2019 and 2018

(unaudited)

Mobileteer, LLC
Balance Sheet
As of December 31, 2019

| | Dec 31, 19 | Dec 31, 18 |
|---------------------------------|------------------|------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| Checking XXX7077 | -1,024.52 | 946.59 |
| Total Checking/Savings | -1,024.52 | 946.59 |
| Other Current Assets | | |
| Due from Redeem | 2,455.00 | 2,455.00 |
| Due from Maguider | 48.26 | 48.26 |
| Total Other Current Assets | 2,503.26 | 2,503.26 |
| Total Current Assets | 1,478.74 | 3,449.85 |
| Fixed Assets | | |
| Fixed Assets--at cost | | |
| Computer Chips | 1,600.00 | 1,600.00 |
| Pod Cases | 3,603.23 | 3,603.23 |
| TV's | 3,916.07 | 3,916.07 |
| Total Fixed Assets--at cost | 9,119.30 | 9,119.30 |
| Accumulated Depreciation | -8,762.00 | -8,449.18 |
| Total Fixed Assets | 357.30 | 670.12 |
| Total Fixed Assets | 357.30 | 670.12 |
| Other Assets | | |
| Software Development | | |
| Software Development--Cost | 48,518.72 | 44,237.72 |
| Accum Amort--Website Dev | -3,234.58 | 0.00 |
| Total Software Development | 45,284.14 | 44,237.72 |
| Total Other Assets | 45,284.14 | 44,237.72 |
| TOTAL ASSETS | 47,120.18 | 48,357.69 |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Credit Cards | | |
| Capital One--Dave Alexander | 1,900.48 | 1,980.30 |
| Credit One | 1,174.92 | 1,039.38 |
| Total Credit Cards | 3,075.40 | 3,019.68 |
| Total Current Liabilities | 3,075.40 | 3,019.68 |
| Long Term Liabilities | | |
| N/P--Ceed | 1,675.46 | 17,750.73 |
| N/P--McDonald | 9,715.57 | 9,715.57 |
| N/P--Davis | 5,000.00 | 5,000.00 |
| Total Long Term Liabilities | 16,391.03 | 32,466.30 |
| Total Liabilities | 19,466.43 | 35,485.98 |
| Equity | | |
| Member Draws/Contribs | | |
| David Alexander Draws/Contribs | 22,632.01 | 0.00 |
| Dave McDonald Draws/Contribs | 20,000.00 | 0.00 |
| Total Member Draws/Contribs | 42,632.01 | 0.00 |
| Member Equity | | |
| Dave Alexander Equity | 5,767.13 | 5,767.13 |
| Dave McDonald Equity | 7,104.58 | 7,104.58 |

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Accrual Basis

Mobileteer, LLC
Balance Sheet
As of December 31, 2019

| | Dec 31, 19 | Dec 31, 18 |
|----------------------------|------------------|------------------|
| Total Member Equity | 12,871.71 | 12,871.71 |
| Retained Earnings | 0.00 | 12,278.83 |
| Net Income | -27,849.97 | -12,278.83 |
| Total Equity | 27,653.75 | 12,871.71 |
| TOTAL LIABILITIES & EQUITY | <u>47,120.18</u> | <u>48,357.69</u> |

Mobileteer, LLC
Profit & Loss
January through December 2019

| | Jan - Dec 19 | Jan - Dec 18 | \$ Change |
|--|--------------|--------------|------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Sales | 17,733.16 | 32,252.42 | -14,519.26 |
| Total Income | 17,733.16 | 32,252.42 | -14,519.26 |
| Cost of Goods Sold | | | |
| Graphic Design | 1,611.24 | 1,327.50 | 283.74 |
| Computer & Internet | 3,619.52 | 4,184.47 | -564.95 |
| Shipping Costs | 184.72 | 118.42 | 66.30 |
| Depreciation | 312.82 | 1,051.77 | -738.95 |
| Cost of Products Sold | 19,077.59 | 10,311.36 | 8,766.23 |
| Total COGS | 24,805.89 | 16,993.52 | 7,812.37 |
| Gross Profit | -7,072.73 | 15,258.90 | -22,331.63 |
| Expense | | | |
| Amort--Website Developm... | 3,234.58 | 0.00 | 3,234.58 |
| Loan Closing Costs | 0.00 | 207.00 | -207.00 |
| interest Expense | 133.53 | 1,024.41 | -890.88 |
| Donations | 185.00 | 525.00 | -340.00 |
| Marketing & Advertising | | | |
| Advertising | 1,973.73 | 748.47 | 1,225.26 |
| Referral Groups | 1,075.00 | 2,755.00 | -1,680.00 |
| Total Marketing & Advertis... | 3,048.73 | 3,503.47 | -454.74 |
| Insurance Expense | 2,292.42 | 5,436.36 | -3,143.94 |
| Life Insurance Expense | 131.62 | 0.00 | 131.62 |
| Taxes | | | |
| Franchise Fee | 50.00 | 145.00 | -95.00 |
| Total Taxes | 50.00 | 145.00 | -95.00 |
| Travel | | | |
| Parking Fees | 0.00 | 7.10 | -7.10 |
| Total Travel | 0.00 | 7.10 | -7.10 |
| Internet Fees | 69.90 | 382.20 | -312.30 |
| General Overhead | | | |
| Uniforms | 45.97 | 0.00 | 45.97 |
| Postage | 15.85 | 0.00 | 15.85 |
| Gifts | 0.00 | 19.08 | -19.08 |
| Office Expenses | 5,311.59 | 1,595.54 | 3,716.05 |
| Bank Fees | 1,429.38 | 1,479.80 | -50.42 |
| Charge Card Processing | 108.53 | 13.95 | 94.58 |
| Total General Overhead | 6,911.32 | 3,108.37 | 3,802.95 |
| Meals & Ent. | 799.97 | 3,839.71 | -3,039.74 |
| Software | 1,939.71 | 1,983.79 | -44.08 |
| Automobile | | | |
| Automobile Maintenance | 352.00 | 243.62 | 108.38 |
| Gasoline | 1,156.07 | 2,353.40 | -1,197.33 |
| Total Automobile | 1,508.07 | 2,597.02 | -1,088.95 |
| Professional Fees | | | |
| Legal | 147.39 | 2,882.50 | -2,735.11 |
| Accounting | 325.00 | 1,585.50 | -1,260.50 |
| Total Professional Fees | 472.39 | 4,468.00 | -3,995.61 |
| Telephone | 0.00 | 310.30 | -310.30 |
| Total Expense | 20,777.24 | 27,537.73 | -6,760.49 |
| Net Ordinary Income | -27,849.97 | -12,278.83 | -15,571.14 |

Mobileteer, LLC
Profit & Loss
January through December 2019

| | Jan - Dec 19 | Jan - Dec 18 | \$ Change |
|------------|--------------|--------------|------------|
| Net Income | -27,849.97 | -12,278.83 | -15,571.14 |

Mobileteer, LLC
Statement of Cash Flows
January through December 2019

| | <u>Jan - Dec ...</u> |
|--|-------------------------|
| OPERATING ACTIVITIES | |
| Net Income | -27,849.97 |
| Adjustments to reconcile Net Income to net cash provided by operations: | |
| Capital One--Dave Alexander | -79.82 |
| Credit One | 135.54 |
| Net cash provided by Operating Activities | -27,794.25 |
| INVESTING ACTIVITIES | |
| Fixed Assets:Accumulated Depreciation | 312.82 |
| Software Development:Software Development--Cost | -4,281.00 |
| Software Development:Accum Amort--Website Dev | 3,234.58 |
| Net cash provided by Investing Activities | -733.60 |
| FINANCING ACTIVITIES | |
| N/P--Ceed | -16,075.27 |
| Member Draws/Contribs:David Alexander Draws/Cont... | 22,632.01 |
| Member Draws/Contribs:Dave McDonald Draws/Cont... | 20,000.00 |
| Net cash provided by Financing Activities | 26,556.74 |
| Net cash increase for period | -1,971.11 |
| Cash at beginning of period | 946.59 |
| Cash at end of period | <u><u>-1,024.52</u></u> |

Mobileteer, LLC
Statement of Cash Flows
January through December 2018

| | <u>Jan - Dec ...</u> |
|--|----------------------|
| OPERATING ACTIVITIES | |
| Net Income | -12,278.83 |
| Adjustments to reconcile Net Income to net cash provided by operations: | |
| Due from Redeem | -2,455.00 |
| Capital One--Dave Alexander | 1,980.30 |
| Credit One | 1,039.38 |
| Net cash provided by Operating Activities | -11,714.15 |
| INVESTING ACTIVITIES | |
| Fixed Assets:Fixed Assets--at cost:TV's | -605.03 |
| Fixed Assets:Accumulated Depreciation | 1,051.77 |
| Software Development:Software Development--... | -13,643.22 |
| Net cash provided by Investing Activities | -13,196.48 |
| FINANCING ACTIVITIES | |
| N/P--Ceed | 17,750.73 |
| Member Equity:Dave Alexander Equity | -5,044.02 |
| Member Equity:Dave McDonald Equity | 855.63 |
| Retained Earnings | 12,278.83 |
| Net cash provided by Financing Activities | 25,841.17 |
| Net cash increase for period | 930.54 |
| Cash at beginning of period | 16.05 |
| Cash at end of period | <u><u>946.59</u></u> |

MOBILETEER INC
Consolidated Statement of Equity

| | COMMON STOCK | | PREFERRED STOCK | | Additional Paid-in Capital | Retained Earnings (Accumulated Deficit) | Total |
|--|--------------|--------|-----------------|--------|-------------------------------|--|----------------|
| | Shares | Amount | Shares | Amount | | | |
| Beginning Balance, July 14, 2014 (Inception) | - | \$ - | - | \$ - | \$ - | \$ - | \$ - |
| Contributions | - | - | 60,000 | 50,000 | 50,000 | | \$ 110,000.00 |
| Other comprehensive gain/(loss) | | | | | | | |
| Net Income | | | | | | \$ (27,849.00) | \$ (27,849.00) |
| Ending Balance, December 31, 2019 | - | - | 60,000 | 50,000 | 50,000 | \$ (27,849.00) | \$ 82,151.00 |

Note: Mobileteer Inc., issued 3,000 shares of common stock in January 2020 for a contribution amount of \$10,000

MOBILETEER INC.

NOTES TO FINANCIAL STATEMENTS

Fiscal years ended December 31, 2019 and 2018

1. Organization and Purpose

Mobileteer Inc. (the “Company”) is a corporation organized under the laws of the State of Michigan. The Company operates a SAAS e-Commerce mobile app platform and derives revenue from purchase transactions through the platform and subscription fees from community partners.

2. Summary of Significant Accounting Policies

A summary of the Company’s significant account policies applied in the preparation of the accompanying financial statements follows:

a) Basis of Accounting

The Company prepares its financial statements on an accrual basis of accounting in conformity with the accounting principles generally accepted in the United States of America (GAAP). Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

b) Fiscal Year

The Company operates on a 52-week fiscal year ending on December 31.

c) Cash Equivalents

Cash and cash equivalents include cash held in domestic financial institutions. For the fiscal years ended December 31, 2019 and December 31, 2018, the Company’s cash positions include its operating bank account.

d) Legal Fees

Legal fees consist of legal services provided for the creation of the Company and equity financing.

e) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. Subsequent Event

The Company has evaluated events and transactions subsequent to the period. No events require recognition in the financial statements or disclosures of the Company per the definitions and the requirements of ASC Section 855-10, Subsequent Events.