

Hibear

Profit and Loss

January - December 2021

| | TOTAL |
|-----------------------------------------|---------------------|
| Income | |
| SALES | |
| Accessories | 3,981.00 |
| Bottle Sales | 154,520.00 |
| Discounts | -5,961.13 |
| Pre-Paid Sales | |
| Pre-Paid Bottles | 113,985.00 |
| Pre-Paid Shipping | 11,894.00 |
| Total Pre-Paid Sales | 125,879.00 |
| Product Refunds | -214.83 |
| Shipping Income | 7,776.07 |
| Soft Goods | 4,197.00 |
| Total SALES | 290,177.11 |
| Uncategorized Income | 0.00 |
| Total Income | \$290,177.11 |
| Cost of Goods Sold | |
| COGS - Shipping | |
| 3PL | 38,495.78 |
| Total COGS - Shipping | 38,495.78 |
| Cost of Goods Sold | |
| Art Development | 682.70 |
| COGS - Accessories | 393.24 |
| COGS - Bottles | 60,493.84 |
| COGS - Soft Goods | 7,008.30 |
| Freight Forwarding (Sea/Air) | 0.00 |
| Packaging | 2,197.00 |
| Total Cost of Goods Sold | 70,775.08 |
| Total Cost of Goods Sold | \$109,270.86 |
| GROSS PROFIT | \$180,906.25 |
| Expenses | |
| Advertising & Marketing | 11,535.69 |
| Advertising Software | 3,490.80 |
| Awards | 3,505.10 |
| Content Production - Crew Meals Expense | 147.59 |
| Content Production - Photo | 2,237.70 |
| Content Production - Video | 3,134.28 |
| Events | 2,427.77 |
| Other Advertising | 4,000.00 |
| Paid Ad - Misc | 871.97 |
| Paid PR | 1,244.00 |

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| | TOTAL |
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| Paid Social Posts | 860.00 |
| Printing & Collateral | 80.08 |
| Product Comps - Promo | 4,199.50 |
| Social Media Ads - FB & IG | 900.00 |
| Total Advertising & Marketing | 38,634.48 |
| Bank Charges & Fees | 19.99 |
| CC Fees | 95.00 |
| Total Bank Charges & Fees | 114.99 |
| Car & Truck | |
| Fuel | 85.95 |
| Parking Fees | 20.75 |
| Total Car & Truck | 106.70 |
| Charitable Contributions | 1,510.34 |
| Contractors | 995.00 |
| Insurance | |
| General Liability Insurance | 1,070.17 |
| Life Insurance | 390.00 |
| Worker's Compensation | 333.00 |
| Total Insurance | 1,793.17 |
| Interest Paid | |
| Loan Interest | 7,468.43 |
| Total Interest Paid | 7,468.43 |
| Legal & Professional Services | 400.00 |
| Accounting | 4,629.55 |
| Legal | 2,624.00 |
| Total Legal & Professional Services | 7,653.55 |
| Meals & Entertainment | 557.87 |
| Merchant Processing Fees | |
| Amazon Fees | 210.69 |
| Indiegogo Fees | 91.56 |
| PayPal Fees | 731.06 |
| Shopify Fees | 2,733.22 |
| Stripe Fees | 21.99 |
| Total Merchant Processing Fees | 3,788.52 |
| Office Supplies & Software | |
| Office Expenses | 700.72 |
| Office Supplies | 183.12 |
| Software | 416.16 |
| Total Office Supplies & Software | 1,300.00 |
| Other Business Expenses | 92.11 |

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| Payroll Expenses | |
| Taxes | 5,651.74 |
| Wages | 55,384.46 |
| Total Payroll Expenses | 61,036.20 |
| Postage | 1,436.13 |
| Product Warranty Expense | 1,060.00 |
| Rent & Lease | 1,650.00 |
| Research & Development | 604.28 |
| Retail Shop Expenses | 605.78 |
| Sales Expense | 52.50 |
| Taxes & Licenses | 3,486.00 |
| State Taxes | 746.47 |
| Total Taxes & Licenses | 4,232.47 |
| Uncategorized Expense | 23.80 |
| Utilities | |
| Telephone & Internet | 2,089.62 |
| Total Utilities | 2,089.62 |
| Website Expenses | 3,307.50 |
| Total Expenses | \$140,113.44 |
| NET OPERATING INCOME | \$40,792.81 |
| Other Income | |
| Dividend Income | 1.82 |
| Tax-Exempt Income | 3,398.56 |
| Total Other Income | \$3,400.38 |
| NET OTHER INCOME | \$3,400.38 |
| NET INCOME | \$44,193.19 |

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Balance Sheet

As of December 31, 2021

| | TOTAL |
|-----------------------------------|---------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Amazon | 647.69 |
| Bank Novo | 116,448.32 |
| Facebook/Instagram | 681.64 |
| Fidelity | 3,129.74 |
| PayPal Bank | 2,578.86 |
| Petty Cash | 1,490.60 |
| Stripe | 0.00 |
| Venmo | 275.00 |
| Total Bank Accounts | \$125,251.85 |
| Accounts Receivable | |
| Accounts Receivable (A/R) | 8,029.49 |
| Total Accounts Receivable | \$8,029.49 |
| Other Current Assets | |
| Inventory | |
| Finished Goods-Inventory | 10,910.85 |
| Work In Progress-Inventory | 27,466.05 |
| Total Inventory | 38,376.90 |
| Undeposited Funds | 556.50 |
| Total Other Current Assets | \$38,933.40 |
| Total Current Assets | \$172,214.74 |
| Fixed Assets | |
| Tooling | 34,514.79 |
| Total Fixed Assets | \$34,514.79 |
| Other Assets | |
| Organizational Costs | 3,401.00 |
| Patent | 1,675.80 |
| Start Up Costs | 138,165.36 |
| Trademark | 1,025.60 |
| Total Other Assets | \$144,267.76 |
| TOTAL ASSETS | \$350,997.29 |

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Balance Sheet

As of December 31, 2021

| | TOTAL |
|----------------------------------------|-------------------|
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable (A/P) | 1,910.38 |
| Total Accounts Payable | \$1,910.38 |
| Credit Cards | |
| Credit card (0489) | 5,970.41 |
| Credit card (0497) | 0.00 |
| Total Credit Cards | \$5,970.41 |
| Other Current Liabilities | |
| CA Sales Tax Payable | 348.55 |
| Direct Deposit Payable | 0.00 |
| EIDL Advance | 0.00 |
| Nevada Department of Taxation Payable | 107.40 |
| Payroll Liabilities | |
| CA PIT / SDI | 0.00 |
| Federal Taxes (941/944) | 0.00 |
| Federal Unemployment (940) | 84.00 |
| NV Unemployment Tax | 234.69 |
| Total Payroll Liabilities | 318.69 |
| Total Other Current Liabilities | \$774.64 |
| Total Current Liabilities | \$8,655.43 |
| Long-Term Liabilities | |
| Convertible Notes | |
| Albright & Associates P/S Plan | 10,000.00 |
| Dunseath Family 2017 Trust | 15,000.00 |
| Fund I, Reno Seed Advisors LP #1 | 50,000.00 |
| Fund I, Reno Seed Advisors LP #2 | 25,000.00 |
| Fund NV LLC | 30,000.00 |
| Joe Llewellyn | 10,000.00 |
| Newell Family 1999 Trust | 20,000.00 |
| Winfield Family Trust | 10,000.00 |
| Wong Family Revocable Trust | 10,000.00 |
| Total Convertible Notes | 180,000.00 |
| Prepaid Sales | 0.00 |
| Indiegogo Sales | 0.00 |
| Kickstarter Sales | 0.00 |
| Prepaid Shipping | 0.00 |

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Balance Sheet

As of December 31, 2021

| | TOTAL |
|-------------------------------------|---------------------|
| Total Prepaid Sales | 0.00 |
| SBA Loan (UMW) | 117,397.53 |
| Total Long-Term Liabilities | \$297,397.53 |
| Total Liabilities | \$306,052.96 |
| Equity | |
| Common Stock | 728.00 |
| Opening Balance Equity | 0.00 |
| Owner's Investment | 0.00 |
| Owner's Pay & Personal Expenses | 23.14 |
| Retained Earnings | 0.00 |
| Net Income | 44,193.19 |
| Total Equity | \$44,944.33 |
| TOTAL LIABILITIES AND EQUITY | \$350,997.29 |

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Statement of Cash Flows

January - December 2021

| | TOTAL |
|--------------------------------------------------------------------------------------|---------------------|
| OPERATING ACTIVITIES | |
| Net Income | 44,193.19 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Accounts Receivable (A/R) | -8,029.49 |
| Inventory:Finished Goods-Inventory | -10,910.85 |
| Inventory:Work In Progress-Inventory | -2,547.11 |
| Accounts Payable (A/P) | 1,910.38 |
| Credit card (0489) | 5,462.42 |
| Credit card (0497) | 0.00 |
| CA Sales Tax Payable | 348.55 |
| Direct Deposit Payable | 0.00 |
| Nevada Department of Taxation Payable | 107.40 |
| Payroll Liabilities:CA PIT / SDI | 0.00 |
| Payroll Liabilities:Federal Taxes (941/944) | 0.00 |
| Payroll Liabilities:Federal Unemployment (940) | 84.00 |
| Payroll Liabilities:NV Unemployment Tax | 234.69 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -13,340.01 |
| Net cash provided by operating activities | \$30,853.18 |
| FINANCING ACTIVITIES | |
| Convertible Notes:Albright & Associates P/S Plan | 10,000.00 |
| Convertible Notes:Dunseath Family 2017 Trust | 15,000.00 |
| Convertible Notes:Fund I, Reno Seed Advisors LP #2 | 25,000.00 |
| Convertible Notes:Fund NV LLC | 30,000.00 |
| Convertible Notes:Joe Llewellyn | 10,000.00 |
| Convertible Notes:Newell Family 1999 Trust | 20,000.00 |
| Convertible Notes:Winfield Family Trust | 10,000.00 |
| Convertible Notes:Wong Family Revocable Trust | 10,000.00 |
| Prepaid Sales | 0.00 |
| Prepaid Sales:Indiegogo Sales | -2,894.00 |
| Prepaid Sales:Kickstarter Sales | -106,460.05 |
| Prepaid Sales:Prepaid Shipping | -11,894.00 |
| SBA Loan (UMW) | -12,957.32 |
| Owner's Pay & Personal Expenses | 23.14 |
| Net cash provided by financing activities | \$ -4,182.23 |
| NET CASH INCREASE FOR PERIOD | \$26,670.95 |
| Cash at beginning of period | 99,137.40 |
| CASH AT END OF PERIOD | \$125,808.35 |