

HumanQ Inc (the “Company”) a Delaware Corporation

Financial Statements

For the fiscal year ended January 31, 2022 and 2023

Unaudited

HumanQ
Balance Sheet
As of January 31, 2022

ASSETS

Current Assets

Bank Accounts

| | | |
|----------------------------|-----------|------------------|
| First Republic Checking | \$ | 1,356,348 |
| Total Bank Accounts | \$ | 1,356,348 |

Accounts Receivable

| | | |
|----------------------------------|-----------|----------------|
| Accounts Receivable | \$ | 261,075 |
| Total Accounts Receivable | \$ | 261,075 |

Other Current Assets

| | | |
|-----------------------------------|-----------|---------------|
| Prepaid Expenses | \$ | 6,915 |
| Taxes Receivable | | 1,754 |
| Unbilled Receivable | | 33,300 |
| Vendor Receivable | | 13,192 |
| Total Other Current Assets | \$ | 55,161 |

Total Current Assets

TOTAL ASSETS

| | | |
|-----------------------------|-----------|------------------|
| Total Current Assets | \$ | 1,672,585 |
| TOTAL ASSETS | \$ | 1,672,585 |

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

| | | |
|-------------------------------|-----------|---------------|
| Accounts Payable (A/P) | \$ | 82,899 |
| Total Accounts Payable | \$ | 82,899 |

Credit Cards

| | | |
|---------------------------|-----------|---------------|
| AMEX 1004 | \$ | 18,419 |
| Total Credit Cards | \$ | 18,419 |

Other Current Liabilities

| | | |
|--|-----------|----------------|
| Deferred Revenue | \$ | 309,010 |
| Payroll Taxes Payable | | 143 |
| Total Other Current Liabilities | \$ | 309,153 |
| Total Current Liabilities | \$ | 410,471 |

Long-Term Liabilities

| | | |
|-------------------------|----|-------|
| Interest Payable - Loan | \$ | 2,631 |
|-------------------------|----|-------|

Loans - LT

| | | |
|--------------------------------|----|---------|
| Loans - LT - EIDL | \$ | 104,100 |
| Loans - LT - Loan from Founder | | 62,501 |

| | | |
|--|-----------|------------------|
| Total Loans - LT | \$ | 166,601 |
| Total Long-Term Liabilities | \$ | 169,232 |
| Total Liabilities | \$ | 579,703 |
| Equity | | |
| Common Stock | | 1,599.10 |
| Preferred Stock | | |
| Preferred Stock - Legal Costs | \$ | (52,598.8) |
| Preferred Stock - Series Seed 1 | | 950,000 |
| Preferred Stock - Series Seed 2 | | 1,944,999 |
| Subscribed Preferred Stock-Series Seed | | - |
| Total Preferred Stock | \$ | 2,842,400 |
| Retained Earnings | | (1,713,537) |
| Net Income | | (37,581) |
| Total Equity | \$ | 1,092,881 |
| TOTAL LIABILITIES AND EQUITY | \$ | 1,672,585 |

HumanQ

Balance Sheet

As of January 31, 2023

ASSETS

Current Assets

Bank Accounts

First Republic Checking \$ 219,912

Total Bank Accounts \$ 219,912

Accounts Receivable

Accounts Receivable \$ 133,200

Total Accounts Receivable \$ 133,200

Other Current Assets

Prepaid Expenses \$ 23,935

Prepaid Insurance 1,546

R&D Receivable 5,208

Taxes Receivable 1,754

Unbilled Receivable 7,290

Total Other Current Assets \$ 39,733

Total Current Assets \$ 392,846

Other Assets

Intangible Asset - Domain \$ 20,209

Total Other Assets \$ 20,209

TOTAL ASSETS \$ 413,054

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable (A/P) \$ 4,807

Total Accounts Payable \$ 4,807

Credit Cards

AMEX 1004 \$ 26,463

Total Credit Cards \$ 26,463

Other Current Liabilities

Accrued Expenses \$ 81,702

Deferred Revenue 91,293

Payroll Taxes Payable 249

Total Other Current Liabilities \$ 173,244

Total Current Liabilities \$ 204,514

Long-Term Liabilities

Interest Payable - Loan \$ 443

Loans - LT

Loans - LT - EIDL \$ 104,100

Total Loans - LT \$ 104,100

Total Long-Term Liabilities \$ 104,543

Total Liabilities \$ 309,056

Equity

Common Stock \$ 1,599

Preferred Stock

Preferred Stock - Legal Costs \$ (52,599)

Preferred Stock - Series Seed 1 950,000

Preferred Stock - Series Seed 2 1,999,999

Total Preferred Stock \$ 2,897,400

Retained Earnings (2,844,949)

Net Income 49,947

Total Equity \$ 103,998

TOTAL LIABILITIES AND EQUITY \$ 413,054

HumanQ

Profit and Loss

fiscal year ended January 31, 2022 (February 1, 2021 through January 31, 2022)

Income

Coaching and Platform Fees

Platform Fees \$ 155,037

Coaching Tracks 588,207

Total Coaching and Platform Fees **\$ 743,244**

Coaching Workshops \$ 342

Mind Breaks 7,800

Total Income **\$ 751,386**

Cost of Goods Sold

Coaches \$ 251,225

Hosting and Online Expenses 2,660

Total Cost of Goods Sold **\$ 253,885**

Gross Profit **\$ 497,501**

Gross Profit % 66.2%

Expenses

Advertising, Marketing & Promotional \$ 2,893

Commission Expense 12,850

Computer & Internet

Equipment & Hardware 1,870

Marketing Services 4,736

Sales Tools 4,800

Software & Email Services 21,783

Web Design & Hosting 3,396

Total Computer & Internet **\$ 36,585**

Contracting Services

EA Services \$ 41,360

Team 9,360

Total Contracting Services **\$ 50,720**

Dues, Memberships and Subscriptions 6,621

Gifts 72

Insurance 17,943

Interest 3,342

License and Fees 555

1,288

Office Expenses 383

Payroll Expenses 146,711

Phone / Cell Phone 1,362

| | |
|------------------------------------|---------------------|
| Postage, Shipping & Delivery | 446 |
| Professional Services | |
| Accounting & Tax Prep | 35,982 |
| Full Time Contractors - Core Team | 171,268 |
| Internal Coaching Services | 859 |
| Legal Services | 35,762 |
| Technology | 477,950 |
| Total Professional Services | <u>\$ 721,821</u> |
| Travel | 3,276 |
| Total Expenses | <u>\$ 1,006,869</u> |
| Net Operating Income | <u>\$ (509,368)</u> |
| Other Income | |
| Other Miscellaneous Income | \$ 43,301 |
| Total Other Income | <u>\$ 43,301</u> |
| Other Expenses | |
| Corporate Tax | \$ 1,007 |
| Interest Charge | 4,607 |
| Total Other Expenses | <u>\$ 5,614</u> |
| Net Other Income | <u>\$ 37,687</u> |
| Net Income | <u>\$ (471,681)</u> |

HumanQ

Profit and Loss

fiscal year ended January 31, 2023 (February 1, 2022 through January 31, 2023)

Income

Sales

| | | |
|------------------------------|-----------|------------------|
| Coaching Tracks | \$ | 1,155,889 |
| Admin Fee | | 2,035 |
| Program Design Fee | | 57,183 |
| Program Management Fee | | 105,528 |
| Total Coaching Tracks | \$ | 1,320,636 |
| Coaching Workshops | | 2,058 |
| Total Income | \$ | 1,322,694 |

Cost of Goods Sold

| | | |
|---------------------------------|-----------|------------------|
| Coaches | \$ | 271,359 |
| Hosting and Online Expenses | | 677 |
| Total Cost of Goods Sold | \$ | 272,036 |
| Gross Profit | \$ | 1,050,658 |

Expenses

Advertising, Marketing & Promotional

| | | |
|---|-----------|---------------|
| Lead Generating Services | | 16,625 |
| Social Media Marketing | | 27,300 |
| Total Advertising, Marketing & Promotional | \$ | 52,658 |

| | | |
|----------------------|--|-----|
| Bank Charges | | 811 |
| Charitable Donations | | 100 |

Computer & Internet

| | | |
|--------------------------------------|-----------|----------------|
| Equipment & Hardware | | 1,747 |
| Marketing Services | | 784 |
| Sales Tools | | 4,800 |
| Software & Email Services | | 52,481 |
| Technology Services | | 41,817 |
| Web Design & Hosting | | 4,676 |
| Total Computer & Internet | \$ | 106,305 |

Contracting Services

| | | |
|-----------------------------------|-----------|---------------|
| Team | \$ | 23,920 |
| Total Contracting Services | \$ | 23,920 |

| | | |
|-----------------------------------|--|--------|
| Dues, Memberships & Subscriptions | | 9,386 |
| Expos and Conferences | | 1,031 |
| Filing Fees | | 368 |
| Gifts | | 81 |
| Insurance | | 34,081 |

| | | |
|------------------------------------|-----------|--------------------|
| Licenses & Fees | | 450 |
| Meals & Entertainment | | 3,609 |
| Off-Site Office Space | | 393 |
| Office Expenses | | |
| Office Supplies | \$ | 207 |
| Total Office Expenses | \$ | 207 |
| Payroll Expenses | | |
| Employee Benefits | \$ | 34,333 |
| Internal Payroll | | 846,189 |
| Payroll Service | | 2,040 |
| Payroll Taxes | | 66,404 |
| Total Payroll Expenses | \$ | 948,967 |
| Phone / Cell Phone | | 3,572 |
| Postage, Shipping & Delivery | | 632 |
| Professional Services | | |
| Accounting & Tax Prep | \$ | 55,390 |
| Full Time Contractors - Core Team | | 24,333 |
| Internal Coaching Services | | 2,818 |
| Legal Services | | 59,285 |
| Recruiting | | 404 |
| Technology | | 771,519 |
| Total Professional Services | \$ | 913,750 |
| Taxes Paid | | 2,914 |
| Travel | | |
| Airfare and Trains | | 2,336 |
| Lodging | | 1,792 |
| Taxi/Transit/Parking/Tolls | | 1,687 |
| Travel Meals | | 203 |
| Total Travel | \$ | 6,018 |
| Total Expenses | \$ | 2,109,252 |
| Net Operating Income | \$ | (1,058,593) |
| Other Income | | |
| Other Miscellaneous Income | \$ | 22,059 |
| Total Other Income | \$ | 22,059 |
| Other Expenses | | |
| Corporate Tax | \$ | 1,078 |
| Interest Charge | | 6,271 |
| Total Other Expenses | \$ | 7,349 |

Net Other Income
Net Income

| | |
|-----------|--------------------|
| <u>\$</u> | <u>14,710</u> |
| <u>\$</u> | <u>(1,043,883)</u> |

HumanQ
Statement of Cash Flows
February 2021 - January 2022

| | Total |
|---|------------------------|
| OPERATING ACTIVITIES | |
| Net Income | -471,680.61 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Accounts Receivable | -213,315.00 |
| Prepaid Expenses | -3,916.65 |
| Taxes Receivable | -1,754.30 |
| Unbilled Receivable | -33,300.00 |
| Vendor Receivable | -13,191.52 |
| Accounts Payable (A/P) | -84,799.00 |
| AMEX 1004 | 16,752.07 |
| Accrued Expenses | -5,878.00 |
| Deferred Revenue | 231,255.30 |
| Other Current Liabilities: Payroll Taxes Payable | -34,718.32 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -\$ 142,865.42 |
| Net cash provided by operating activities | -\$ 614,546.03 |
| FINANCING ACTIVITIES | |
| Interest Payable - Loan | 351.56 |
| Loans - LT: Loans - LT - Loan from Founder | -105,000.00 |
| Loans - LT: Loans - LT - SBA | -23,200.00 |
| Preferred Stock: Preferred Stock - Legal Costs | -52,598.75 |
| Preferred Stock: Preferred Stock - Series Seed 2 | 1,944,999.14 |
| Retained Earnings | -6,667.93 |
| Net cash provided by financing activities | \$ 1,757,884.02 |
| Net cash increase for period | \$ 1,143,337.99 |
| Cash at beginning of period | 213,010.40 |
| Cash at end of period | \$ 1,356,348.39 |

HumanQ
Statement of Cash Flows
February 2022 - January 2023

| | Total |
|---|-------------------------|
| OPERATING ACTIVITIES | |
| Net Income | -1,043,883.36 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Accounts Receivable | 127,875.00 |
| Prepaid Expenses | -17,019.93 |
| Prepaid Insurance | -1,545.81 |
| R&D Receivable | -5,208.00 |
| Unbilled Receivable | 26,010.00 |
| Vendor Receivable | 13,191.52 |
| Accounts Payable (A/P) | -78,091.75 |
| AMEX 1004 | 8,044.06 |
| Accrued Expenses | 81,702.00 |
| Deferred Revenue | -217,717.62 |
| Other Current Liabilities: Payroll Taxes Payable | 106.19 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -\$ 62,654.34 |
| Net cash provided by operating activities | -\$ 1,106,537.70 |
| INVESTING ACTIVITIES | |
| Intangible Asset - Domain | -20,208.57 |
| Net cash provided by investing activities | -\$ 20,208.57 |
| FINANCING ACTIVITIES | |
| Interest Payable - Loan | -2,188.44 |
| Loans - LT: Loans - LT - Loan from Founder | -62,501.32 |
| Preferred Stock: Preferred Stock - Series Seed 2 | 55,000.00 |
| Net cash provided by financing activities | -\$ 9,689.76 |
| Net cash increase for period | -\$ 1,136,436.03 |
| Cash at beginning of period | 1,356,348.39 |
| Cash at end of period | \$ 219,912.36 |

HumanQ Inc
Statement of Changes in Equity

HumanQ

Statement of Changes in Equity

| | Fiscal Year Ended 1/31/2022 | Fiscal Year Ended 1/31/2023 |
|---------------------------|--|--|
| Balance at February 1 | \$1,092,882 | \$1,092,881 |
| Common Stock | \$1,599 | \$1,599 |
| Preferred Stock Issued | \$2,842,400 | - |
| Retained Earnings | \$(1,241,856) | \$(1,713,537) |
| Net Income | \$(471,681) | \$49,947 |
| Balance at January 31 | \$1,092,881 | \$103,998 |

Unaudited

HumanQ Inc
Notes to the Financial Statements
For the fiscal year ended January 31, 2022 and 2023
\$USD

1. ORGANIZATION AND PURPOSE

HumanQ Inc (the “Company”) is a corporation organized on January 01, 2019 under the laws of Delaware.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Company’s significant accounting 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 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) Use of Estimates and Assumptions

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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

c) Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

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. COMMITMENTS, CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

4. 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 requirements of ASC Section 855-10, Subsequent Events.