

Zing Drone Delivery, Inc. (the “Company”) a Delaware  
Corporation

Financial Statements

For the fiscal year ended December 31, 2022 and 2023

*Unaudited*

Zing Drone Delivery, Inc.  
Balance Sheet

Balance Sheet  
As of December 31, 2023

|                                     | TOTAL              |                         |
|-------------------------------------|--------------------|-------------------------|
|                                     | AS OF DEC 31, 2023 | AS OF DEC 31, 2022 (PY) |
| <b>ASSETS</b>                       |                    |                         |
| Current Assets                      |                    |                         |
| Bank Accounts                       |                    |                         |
| Chase Business Checking (0659)      | 4,194.24           | 9,831.50                |
| Ian's Personal Bank                 | 0.00               | 0.00                    |
| Zing Drone Delivery Inc. Bank       | -1,344.51          | -520.02                 |
| <b>Total Bank Accounts</b>          | <b>\$2,849.73</b>  | <b>\$9,311.48</b>       |
| Other Current Assets                |                    |                         |
| Inventory - Drone Delivery Kits     | 2,100.89           | 13,478.91               |
| Undeposited Funds                   | 0.00               | 0.00                    |
| <b>Total Other Current Assets</b>   | <b>\$2,100.89</b>  | <b>\$13,478.91</b>      |
| <b>Total Current Assets</b>         | <b>\$4,950.62</b>  | <b>\$22,790.39</b>      |
| Fixed Assets                        |                    |                         |
| 3D Printers                         | 854.89             | 854.89                  |
| Computers                           | 2,457.79           | 2,457.79                |
| Accumulated Depreciation            | -983.11            | -983.11                 |
| <b>Total Computers</b>              | <b>1,474.68</b>    | <b>1,474.68</b>         |
| Drones                              | 22,022.55          | 22,022.55               |
| Accumulated Depreciation            | -583.33            | -583.33                 |
| <b>Total Drones</b>                 | <b>21,439.22</b>   | <b>21,439.22</b>        |
| <b>Total Fixed Assets</b>           | <b>\$23,768.79</b> | <b>\$23,768.79</b>      |
| <b>TOTAL ASSETS</b>                 | <b>\$28,719.41</b> | <b>\$46,559.18</b>      |
| <b>LIABILITIES AND EQUITY</b>       |                    |                         |
| Liabilities                         |                    |                         |
| <b>Total Liabilities</b>            |                    |                         |
| Equity                              |                    |                         |
| Equity Investment                   | 407,840.45         | 251,840.45              |
| Owner's Investment                  | 197,452.89         | 118,385.97              |
| Owner's Pay & Personal Expenses     | -180,554.51        | -87,934.59              |
| Retained Earnings                   | -235,732.65        | -78,142.82              |
| Net Income                          | -160,286.77        | -157,589.83             |
| <b>Total Equity</b>                 | <b>\$28,719.41</b> | <b>\$46,559.18</b>      |
| <b>TOTAL LIABILITIES AND EQUITY</b> | <b>\$28,719.41</b> | <b>\$46,559.18</b>      |

*Unaudited*

Zing Drone Delivery, Inc.  
Income Statement

Profit and Loss  
January - December 2023

|                                 | TOTAL                 |                       |
|---------------------------------|-----------------------|-----------------------|
|                                 | JAN - DEC 2023        | JAN - DEC 2022 (PY)   |
| Income                          |                       |                       |
| Refunds                         | -927.97               |                       |
| Sales                           | 41,774.54             | 6,500.00              |
| Unapplied Cash Payment Income   | 0.00                  |                       |
| Uncategorized Income            |                       | 547.81                |
| <b>Total Income</b>             | <b>\$40,846.57</b>    | <b>\$7,047.81</b>     |
| Cost of Goods Sold              |                       |                       |
| Cost of Goods Sold              | 34,125.92             | 1,837.92              |
| Shipping                        | 89.77                 | 492.62                |
| <b>Total Cost of Goods Sold</b> | <b>\$34,215.69</b>    | <b>\$2,330.54</b>     |
| <b>GROSS PROFIT</b>             | <b>\$6,630.88</b>     | <b>\$4,717.27</b>     |
| Expenses                        |                       |                       |
| Advertising & Marketing         | 3,548.46              | 4,877.68              |
| Bank Charges & Fees             | 4,441.50              | 842.92                |
| Commissions                     | 580.00                |                       |
| Conferences                     | 1,980.75              | 6,467.10              |
| Contractors                     | 15,450.00             | 3,150.00              |
| Drone Software                  | 1,916.66              | 11,500.00             |
| Equipment                       | 15,787.19             | 32,497.87             |
| Insurance                       | 240.62                | 306.49                |
| Legal & Professional Services   | 20,782.05             | 21,142.41             |
| Meals & Entertainment           | 7,269.74              | 3,572.86              |
| Office Supplies & Software      | 22,076.81             | 15,171.93             |
| Payroll Expenses                | 42,692.76             | 44,368.52             |
| Recruiting                      |                       | 340.00                |
| Rent & Lease                    | 10,661.86             | 4,471.01              |
| Subscriptions                   | 589.70                | 411.55                |
| Taxes & Licenses                | 777.50                | 1,072.75              |
| Travel                          | 18,122.05             | 9,299.51              |
| Uncategorized Expense           |                       | 2,814.50              |
| <b>Total Expenses</b>           | <b>\$166,917.65</b>   | <b>\$162,307.10</b>   |
| <b>NET OPERATING INCOME</b>     | <b>\$ -160,286.77</b> | <b>\$ -157,589.83</b> |
| <b>NET INCOME</b>               | <b>\$ -160,286.77</b> | <b>\$ -157,589.83</b> |

*Unaudited*

Zing Drone Delivery, Inc.  
Statement of Cash Flows

Statement of Cash Flows  
January - December 2022

|  | TOTAL                 |
|--|-----------------------|
| <b>OPERATING ACTIVITIES</b>  |                       |
| Net Income   | -157,589.83           |
| Adjustments to reconcile Net Income to Net Cash provided by operations:              |                       |
| Accounts Receivable (A/R)  | 0.00                  |
| Inventory - Drone Delivery Kits  | -793.09               |
| <b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b> | <b>-793.09</b>        |
| <b>Net cash provided by operating activities</b>                                     | <b>\$ -158,382.92</b> |
| <b>FINANCING ACTIVITIES</b>  |                       |
| Equity Investment  | 167,840.45            |
| Owner's Investment   | 35,562.42             |
| Owner's Pay & Personal Expenses  | -36,452.99            |
| <b>Net cash provided by financing activities</b>                                     | <b>\$166,949.88</b>   |
| <b>NET CASH INCREASE FOR PERIOD</b>  | <b>\$8,566.96</b>     |
| Cash at beginning of period  | 744.52                |
| <b>CASH AT END OF PERIOD</b>   | <b>\$9,311.48</b>     |

Statement of Cash Flows  
January - December 2023

|  | TOTAL                 |
|--|-----------------------|
| <b>OPERATING ACTIVITIES</b>  |                       |
| Net Income   | -185,286.77           |
| Adjustments to reconcile Net Income to Net Cash provided by operations:              |                       |
| Accounts Receivable (A/R)  | 25,000.00             |
| Inventory - Drone Delivery Kits  | 11,378.02             |
| <b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b> | <b>36,378.02</b>      |
| <b>Net cash provided by operating activities</b>                                     | <b>\$ -148,908.75</b> |
| <b>FINANCING ACTIVITIES</b>  |                       |
| Equity Investment  | 156,000.00            |
| Owner's Investment   | 79,066.92             |
| Owner's Pay & Personal Expenses  | -92,619.92            |
| <b>Net cash provided by financing activities</b>                                     | <b>\$142,447.00</b>   |
| <b>NET CASH INCREASE FOR PERIOD</b>  | <b>\$ -6,461.75</b>   |
| Cash at beginning of period  | 9,311.48              |
| <b>CASH AT END OF PERIOD</b>   | <b>\$2,849.73</b>     |

*Unaudited*

Zing Drone Delivery, Inc.  
Statement of Changes in Equity

| Statement of Changes in Equity | Year Ended Dec, 2023 | Year Ended Dec, 2022 |
|--------------------------------|----------------------|----------------------|
| Opening Balance                | \$46,559.18          |                      |
| Net profit/loss                | -\$160,286.77        | -\$157,589.83        |
| Stock Issued                   | \$0.00               | \$0.00               |
| Preferred Stock Issued         | \$0.00               | \$0.00               |
| Ending Balance                 | \$28,719.41          | \$46,559.18          |

*Unaudited*

Zing Drone Delivery, Inc.  
Notes to the Financial Statements  
For the fiscal year ended December 31, 2022 and 2023  
\$USD

## **1. ORGANIZATION AND PURPOSE**

Zing Drone Delivery, Inc. (the “Company”) is a corporation organized in June 2018 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. RELATED PARTY TRANSACTIONS**

In January 2021, the Company entered into a related party transaction with Thu Ngoc Nguyen, the father-in-law of founder Ian Annase. The Company received \$15,000 in return for a SAFE agreement with Thu Ngoc Nguyen. The SAFE agreement has a \$2,500,000 valuation cap and no discount.

### **4. 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.

### **5. 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.

