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# **SATIVA BUILDING SYSTEMS, LLC**

**CONSOLIDATED FINANCIAL STATEMENT FOR THE PERIOD  
ENDED**

**DECEMBER 31, 2020**

**PREPARED BY:**



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## **Independent Accountant's Review Report**

To the Owners of Sativa Building Systems, LLC

Sativa Building Systems, LLC  
Wittenberg, WI

We have reviewed the accompanying financial statements of Sativa Building Systems, LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to owners' financial data and making inquiries of company owners. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***Owners' Responsibility for the Financial Statements***

Owners are responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### ***Accountant's Responsibility***

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of Sativa Building Systems, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

### ***Accountant's Conclusion***

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Zachary Martin, CPA  
Representative of Proverbs 15:22 LLC  
Weston, WI  
May 10, 2021

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED BALANCE SHEET**  
**DECEMBER 31, 2020**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ <u>400.16</u>
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TOTAL CURRENT ASSETS	\$ <u>400.16</u>
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<b>TOTAL ASSETS</b>	<b>\$ <u><u>400.16</u></u></b>
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**LIABILITIES AND SHAREHOLDER'S EQUITY**

**CURRENT LIABILITIES**

Accounts Payable	\$ <u>-</u>
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TOTAL CURRENT LIABILITIES	\$ <u>-</u>
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<b>TOTAL LIABILITIES</b>	<b>\$ <u><u>-</u></u></b>
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**SHAREHOLDERS' EQUITY**

Common stock, authorized 1,500,000 shares, 1,500,000 issued and outstanding, \$0.00001 par value.	\$ 15.00
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Preferred stock, authorized 150,000 shares, 5,500 issued and outstanding, \$1 par value.	\$ 5,500.00
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Additional paid-in capital	\$ 4,652.98
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Retained Earnings	\$ <u>(9,767.82)</u>
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TOTAL SHAREHOLDERS' EQUITY	\$ <u>400.16</u>
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<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ <u>400.16</u></b>
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See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED BALANCE SHEET**  
**DECEMBER 31, 2019**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	<u>\$ 2,303.87</u>
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TOTAL CURRENT ASSETS	<u>\$ 2,303.87</u>
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<b>TOTAL ASSETS</b>	<u><u>\$ 2,303.87</u></u>
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**LIABILITIES AND SHAREHOLDER'S EQUITY**

**CURRENT LIABILITIES**

Accounts Payable	<u>\$ -</u>
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TOTAL CURRENT LIABILITIES	<u>\$ -</u>
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<b>TOTAL LIABILITIES</b>	<u><u>\$ -</u></u>
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**SHAREHOLDERS' EQUITY**

Common stock, authorized 1,500,000 shares, 1,500,000 issued and outstanding, \$0.00001 par value.	\$ 15.00
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Preferred stock, authorized 150,000 shares, 5,500 issued and outstanding, \$1 par value.	\$ -
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Additional paid-in capital	\$ 4,652.98
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Retained Earnings	<u>\$ (2,364.11)</u>
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TOTAL SHAREHOLDERS' EQUITY	<u>\$ 2,303.87</u>
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<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u><u>\$ 2,303.87</u></u>
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See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED STATEMENT OF INCOME**  
**DECEMBER 31, 2020**

<b>REVENUES</b>	<b>\$ -</b>
<b>COST OF GOODS SOLD</b>	<b>\$ -</b>
<b>GROSS PROFIT</b>	<b>\$ -</b>
<b>OPERATING EXPENSES</b>	
Computer - Hosting Fees	\$ 299.88
Start up Expenses	
Patent Filing Expense	\$ 4,256.00
Prospectus Expense	\$ 2,349.84
Membership Enrollment Fees	\$ 497.99
Total Startup Expenses	<u>\$ 7,103.83</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 7,403.71</b>
<b>NET OPERATING LOSS</b>	<b>\$ (7,403.71)</b>

See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED STATEMENT OF INCOME**  
**DECEMBER 31, 2019**

<b>REVENUES</b>		\$	-
<b>COST OF GOODS SOLD</b>		\$	-
			<u>          </u>
<b>GROSS PROFIT</b>		\$	-
			<u>          </u>
<b>OPERATING EXPENSES</b>			
Computer - Hardware		\$	295.00
Computer - Software		\$	39.95
Postage & Delivery		\$	19.83
Start up Expenses			
Patent Filing Expense		\$	452.00
Prototype Development Expense		\$	625.83
Testing Expense		\$	931.50
Total Startup Expenses		\$	<u>2,009.33</u>
<b>TOTAL OPERATING EXPENSES</b>		\$	<u>2,364.11</u>
<b>NET OPERATING LOSS</b>		\$	<u><u>(2,364.11)</u></u>

See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2020**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss	<u>\$ (7,403.71)</u>
CASH USED FOR OPERATING ACTIVITIES	<b>\$ (7,403.71)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
CASH USED FOR FINANCING ACTIVITIES	<u>\$ -</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Issuance of common and preferred stock	<u>\$ 5,500.00</u>
CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 5,500.00</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$ (1,903.71)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>\$ 2,303.87</b>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 400.16</u></u>

See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2019**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss	<u>\$ (2,364.11)</u>
<b>CASH USED FOR OPERATING ACTIVITIES</b>	<u>\$ (2,364.11)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
<b>CASH USED FOR FINANCING ACTIVITIES</b>	<u>\$ -</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Issuance of common and preferred stock	<u>\$ -</u>
<b>CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>\$ -</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$ (2,364.11)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>\$ 4,667.98</b>
<b>CASH AT END OF YEAR</b>	<b><u><u>\$ 2,303.87</u></u></b>

See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDINGS SYSTEMS, LLC**  
**CONSOLIDATED STATEMENT OF EQUITY**  
**DECEMBER 31, 2020**

	Common Stock		Preferred Stock		Additional Paid-in Capital	Retained Earnings	Total
	Shares	Amount	Shares	Amount			
<b>BEGINNING BALANCE, JANUARY 1, 2020</b>	1,500,000	\$ 15	-	\$ -	\$ 4,653	\$ (2,364)	\$ 2,304
Contributions	-		5,500	\$ 5,500	\$ -		\$ 5,500
Net Income	<u>\$ -</u>		<u>-</u>		<u>\$ -</u>	<u>\$ (7,404)</u>	<u>\$ (7,404)</u>
<b>ENDING BALANCE, DECEMBER 31, 2020</b>	<u><u>1,500,000</u></u>	<u><u>\$ 15</u></u>	<u><u>5,500</u></u>	<u><u>\$ 5,500</u></u>	<u><u>\$ 4,653</u></u>	<u><u>\$ (9,768)</u></u>	<u><u>\$ 400</u></u>

See independent accountant's review report and accompanying notes to financial statements.

**SATIVA BUILDING SYSTEMS, LLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT**  
**DECEMBER 31, 2020**

**1. Summary of Significant Accounting Policies**

***The Company***

The consolidated financial statements have been prepared to present the financial position and results of operations of the following related entities (collectively, the “Company”). The financial statements only include information from January 1, 2019 through December 31, 2020.

Sativa Building Systems, LLC was organized in the State of Wisconsin on November 29, 2018.

***Fiscal Year***

The Company operates on a December 31st year-end.

***Principles of Consolidation and Basis of Accounting***

The consolidated financial statements include the accounts of Sativa Building Systems, LLC (collectively, the “Company”). The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”) as determined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”).

***Risks and Uncertainties***

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include, recession, downturn or otherwise, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations.

***Cash and Cash Equivalents***

The Company considers all highly liquid financial instruments purchased with maturities of three months or less to be cash equivalents. As of December 31, 2020, the Company held no cash equivalents.

***Accounts Receivable***

The Company's trade receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. As of December 31, 2020, the Company has no recorded accounts receivable.

***Inventory***

As of December 31, 2020, the Company has no recorded inventory.

***Property and Equipment***

As of December 31, 2020, the Company has no recorded property and equipment.

*See independent accountant's review report.*

**SATIVA BUILDING SYSTEMS, LLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT**  
**DECEMBER 31, 2020**

**2. Commitments and Contingencies**

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its members.

**3. Equity**

***Common Stock***

Under the articles of organization, the total number of common shares of stock that the Corporation shall have authority to issue is one million five hundred thousand (1,500,000), consisting of one million five hundred thousand (1,500,000) shares of Class A Common Stock, \$0.00001 par value per share. As of December 31, 2020, all common shares have been issued and are outstanding.

***Preferred Stock***

Also, under the articles of organization, the total number of preferred shares of stock that the Corporation shall have authority to issue is one hundred fifty thousand (150,000) shares of Preferred Stock, \$1.00 par value per share. As of December 31, 2020, five thousand five hundred (5,500) shares have been authorized, are issued and are outstanding.

*See independent accountant's review report.*