

APPENDIX B:
FINANCIAL STATEMENTS
(Unaudited)

Debellation Brewing Co.

Profit and Loss

January - December 2021

| | TOTAL |
|--|--------------------|
| Income | |
| Sales | 76,329.21 |
| Total Income | \$76,329.21 |
| Cost of Goods Sold | |
| Shipping | 32.00 |
| Total Cost of Goods Sold | \$32.00 |
| GROSS PROFIT | \$76,297.21 |
| Expenses | |
| Advertising & marketing | 7,452.99 |
| Business licenses | 2,560.00 |
| Contract labor | 2,000.00 |
| Entertainment | 3,595.00 |
| General business expenses | |
| Bank fees & service charges | 284.69 |
| Equipment | 101.47 |
| Grounds Maintenance | 1,000.00 |
| Memberships & subscriptions | 375.00 |
| Total General business expenses | 1,761.16 |
| Insurance | 1,082.38 |
| Meals | 603.05 |
| Office expenses | 77.38 |
| Merchant account fees | 652.89 |
| Shipping & postage | 11.15 |
| Small tools & equipment | 143.62 |
| Software & apps | 204.49 |
| Total Office expenses | 1,089.53 |
| Payroll expenses | 2,974.02 |
| Salaries & wages | 13,717.35 |
| Total Payroll expenses | 16,691.37 |
| Rent | |
| Building & land rent | 13,150.00 |
| Equipment rental | 1,621.00 |
| Total Rent | 14,771.00 |
| Repairs & maintenance | 3,292.25 |
| Supplies | 10.80 |
| Apparel | 2,784.85 |
| Brewing Ingredients | 6,078.87 |
| Food Inventory | 2,776.19 |
| Merchandise | 749.73 |

Debellation Brewing Co.

Profit and Loss

January - December 2021

| | TOTAL |
|-------------------------------|---------------------|
| Supplies & materials | 4,347.69 |
| Total Supplies | 16,748.13 |
| Taxes paid | 2,774.97 |
| Uncategorized Expense | 338.83 |
| Utilities | 4,590.01 |
| Electricity | 124.00 |
| Internet & TV services | 1,185.39 |
| Water & sewer | 213.00 |
| Total Utilities | 6,112.40 |
| Total Expenses | \$80,873.06 |
| NET OPERATING INCOME | \$ -4,575.85 |
| Other Income | |
| Sale of investments | 22,180.85 |
| Total Other Income | \$22,180.85 |
| Other Expenses | |
| Vehicle expenses | 14.55 |
| Vehicle gas & fuel | 27.97 |
| Total Vehicle expenses | 42.52 |
| Total Other Expenses | \$42.52 |
| NET OTHER INCOME | \$22,138.33 |
| NET INCOME | \$17,562.48 |

Debellion Brewing Co.

Balance Sheet
As of December 31, 2021

| | TOTAL |
|--|----------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Cash | 8,000.00 |
| SIMPLY FREE BUSINESS | -68,217.38 |
| SMALL BUSINESS CHECKING | 4,791.18 |
| Total Bank Accounts | \$ -55,426.20 |
| Total Current Assets | \$ -55,426.20 |
| Fixed Assets | |
| Furniture & fixtures | 838.19 |
| Improvements | 60,000.00 |
| Tools, machinery, and equipment | 11,497.49 |
| Total Fixed Assets | \$72,335.68 |
| Other Assets | |
| Licenses held | 250.00 |
| Total Other Assets | \$250.00 |
| TOTAL ASSETS | \$17,159.48 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| Lines of credit | -403.00 |
| Total Other Current Liabilities | \$ -403.00 |
| Total Current Liabilities | \$ -403.00 |
| Total Liabilities | \$ -403.00 |
| Equity | |
| Retained Earnings | |
| Net Income | 17,562.48 |
| Total Equity | \$17,562.48 |
| TOTAL LIABILITIES AND EQUITY | \$17,159.48 |

Debellation Brewing Co.

Statement of Cash Flows

January - December 2021

| | TOTAL |
|--|----------------------|
| OPERATING ACTIVITIES | |
| Net Income | 17,562.48 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Lines of credit | -403.00 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -403.00 |
| Net cash provided by operating activities | \$17,159.48 |
| INVESTING ACTIVITIES | |
| Furniture & fixtures | -838.19 |
| Improvements | -60,000.00 |
| Tools, machinery, and equipment | -11,497.49 |
| Licenses held | -250.00 |
| Net cash provided by investing activities | \$ -72,585.68 |
| NET CASH INCREASE FOR PERIOD | \$ -55,426.20 |
| CASH AT END OF PERIOD | \$ -55,426.20 |

Debellation Brewing Co.

Profit and Loss

January - December 2022

| | TOTAL |
|--|---------------------|
| Income | |
| Sales | 573,935.62 |
| Total Income | \$573,935.62 |
| Cost of Goods Sold | |
| Cost of goods sold | |
| Equipment rental - COGS | 690.20 |
| Supplies & materials - COGS | 1,400.01 |
| Total Cost of goods sold | 2,090.21 |
| Shipping | 102.79 |
| Total Cost of Goods Sold | \$2,193.00 |
| GROSS PROFIT | \$571,742.62 |
| Expenses | |
| Advertising & marketing | 29,460.06 |
| Business licenses | 1,025.33 |
| Contract labor | 500.00 |
| Contributions to charities | 390.00 |
| Charity | 2,111.80 |
| Total Contributions to charities | 2,501.80 |
| Entertainment | 27,643.00 |
| General business expenses | |
| Bank fees & service charges | 520.39 |
| Catering | 5,832.79 |
| Equipment | 700.00 |
| Grounds Maintenance | 1,000.00 |
| Health Dept | 650.00 |
| Memberships & subscriptions | 3,071.07 |
| Uniforms | 134.94 |
| Total General business expenses | 11,909.19 |
| Insurance | 5,014.02 |
| Legal & accounting services | |
| Accounting fees | 1,600.00 |
| Legal Fees | 518.00 |
| Total Legal & accounting services | 2,118.00 |
| Meals | 3,100.60 |
| Office expenses | 218.58 |
| Merchant account fees | 15,034.90 |
| Office supplies | 74.33 |
| Shipping & postage | 266.14 |
| Software & apps | 867.79 |
| Total Office expenses | 16,461.74 |

Debellation Brewing Co.

Profit and Loss

January - December 2022

| | TOTAL |
|-------------------------------|---------------------|
| Payroll expenses | 10,570.97 |
| Officers' salaries | 800.00 |
| Salaries & wages | 124,422.85 |
| Total Payroll expenses | 135,793.82 |
| Rent | 31.40 |
| Building & land rent | 48,000.00 |
| Equipment rental | 2,259.76 |
| Total Rent | 50,291.16 |
| Repairs & maintenance | 10,144.28 |
| Supplies | 7,486.72 |
| Apparel | 5,183.10 |
| Brewing Ingredients | 33,716.48 |
| Food Inventory | 28,437.78 |
| Merchandise | 15,926.37 |
| Supplies & materials | 9,804.37 |
| Total Supplies | 100,554.82 |
| Taxes paid | 38,501.52 |
| Payroll taxes | 31,845.49 |
| Total Taxes paid | 70,347.01 |
| Travel | 10.00 |
| Utilities | 32,255.43 |
| Total Expenses | \$499,130.26 |
| NET OPERATING INCOME | \$72,612.36 |
| Other Expenses | |
| Vehicle expenses | 368.26 |
| Vehicle gas & fuel | 2,583.87 |
| Total Vehicle expenses | 2,952.13 |
| Total Other Expenses | \$2,952.13 |
| NET OTHER INCOME | \$ -2,952.13 |
| NET INCOME | \$69,660.23 |

Debellion Brewing Co.

Balance Sheet
As of December 31, 2022

| | TOTAL |
|--|----------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Cash | 75.00 |
| SMALL BUSINESS CHECKING | 4,893.17 |
| Total Bank Accounts | \$4,968.17 |
| Other Current Assets | |
| Employee cash advances | 532.30 |
| Total Other Current Assets | \$532.30 |
| Total Current Assets | \$5,500.47 |
| Fixed Assets | |
| Improvements | 5,161.15 |
| Tools, machinery, and equipment | 46,245.62 |
| Total Fixed Assets | \$51,406.77 |
| TOTAL ASSETS | \$56,907.24 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| Customer prepayments | 970.13 |
| Lines of credit | -499.82 |
| Total Other Current Liabilities | \$470.31 |
| Total Current Liabilities | \$470.31 |
| Long-Term Liabilities | |
| Long-term loans from shareholders | -22,117.32 |
| Total Long-Term Liabilities | \$ -22,117.32 |
| Total Liabilities | \$ -21,647.01 |
| Equity | |
| Opening balance equity | 8,894.02 |
| Retained Earnings | |
| Net Income | 69,660.23 |
| Total Equity | \$78,554.25 |
| TOTAL LIABILITIES AND EQUITY | \$56,907.24 |

Debellation Brewing Co.

Statement of Cash Flows

January - December 2022

| | TOTAL |
|--|----------------------|
| OPERATING ACTIVITIES | |
| Net Income | 69,699.23 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Employee cash advances | -532.30 |
| Customer prepayments | 970.13 |
| Lines of credit | -499.82 |
| Long-term loans from shareholders | -22,117.32 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -22,179.31 |
| Net cash provided by operating activities | \$47,519.92 |
| INVESTING ACTIVITIES | |
| Improvements | -5,161.15 |
| Tools, machinery, and equipment | -46,245.62 |
| Net cash provided by investing activities | \$ -51,406.77 |
| FINANCING ACTIVITIES | |
| Opening balance equity | 8,894.02 |
| Net cash provided by financing activities | \$8,894.02 |
| NET CASH INCREASE FOR PERIOD | \$5,007.17 |
| Cash at beginning of period | -55,426.20 |
| CASH AT END OF PERIOD | \$ -50,419.03 |

I, David Guy Goodell, certify that:

1. The financial statements of DEBELLATION BREWING CO. included in this Form are true and complete in all material respects; and
2. The tax return information of DEBELLATION BREWING CO. included in this Form reflects accurately the information reported on the tax return for DEBELLATION BREWING CO. for the fiscal years ended 2020 and 2021 (most recently available as of the Date of this Form C).

Signature David Guy Goodell

Name: David Guy Goodell

Title: CEO/Owner