# Offering Memorandum: Part II of Offering Document (Exhibit A to Form C)

Cadi, Inc.
2032 Convent Place
Nashville, TN 37212
www.cadikiosk.com

Up to $3,518,508.00 in Class B Common Stock at $1.40
Minimum Target Amount: $9,998.80

A crowdfunding investment involves risk. You should not invest any funds in this offering unless you can afford to lose your entire investment.

In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.

The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.

These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

## Company:

**Company:** Cadi, Inc.
**Address:** 2032 Convent Place, Nashville, TN 37212
**State of Incorporation:** DE
**Date Incorporated:** June 27, 2016

## Terms:

**Equity**

**Offering Minimum:** $9,998.80 | 7,142 shares of Class B Common Stock
**Offering Maximum:** $3,518,508.00 | 2,513,220 shares of Class B Common Stock
**Type of Security Offered:** Class B Common Stock
**Purchase Price of Security Offered:** $1.40
**Minimum Investment Amount (per investor):** $249.20

**Investment Incentives***

**Early Bird**

Cadi Community, Investors, and VIPs - First 15 days | 25% bonus shares

Super Early Bird - Next 21 days | 10% bonus shares

Early Bird Bonus - Next 21 days | 5% bonus shares

**Volume**

Tier 1 perk ($500+) - Join the team: Receive a $25 Gift card to Cadi's Merch Store. Welcome to Cadi.

Tier 2 perk ($1,000+) - Cadi Champions Member: $50 gift card in Cadi's merch plus a one-year subscription to Cadi Premium membership (valued at an estimated $240).

Tier 3 perk ($6,000+) - FREE 2022 Driver from any top Brand available on the Cadi marketplace. The perk will be redeemed on Cadi new Marketplace. Includes a Cadi premium membership and all perks associated with that membership level. Driver credit will be applied at the close of the current campaign for the Cadi Marketplace.

Tier 4 perk ($12,500+) - 5% bonus shares + FULL ACCESS Golf Weekend in San Diego with the Cadi Founders. Cadi will host you and a partner to Carlsbad, CA to Cadi's Headquarters. Meet the Cadi team, firsthand experience Cadi's prototype kiosk, warehousing technology, and other projects the team is working on. Stay in San Diego and play the best championship courses in San Diego. Enjoy quality time with the Cadi team and other members of the Cadi community. PERK includes a one-night stay near Cadi headquarters and a $250 Southwest gift Card towards airfare.

Perk 5: Golf with PGA Golfer Paul Casey plus 20% BONUS SHARES. Invest $25,000 or

more and you will be invited to join Matt and Tyler in Scottsdale, AZ for a lesson and round of golf with PGA Professional Paul Casey. Included in the cost is $500 airfare credit, a one-night hotel stay, and round of golf. This event is scheduled to occur before 12/31/22. You will have the option to choose between perk 4 and perk 5 if you choose. This also includes everything listed in PERK 2.

Perk 6 -- EVEN MORE BONUS SHARES. Increased Bonus Shares. Invest $50,000 or more and receive 30% bonus shares. This is not common for companies to offer this big of an incentive. Additionally, you will be invited to choose between Cadi PERK 3 or PERK 4. This also includes everything listed in PERK 2.

**All perks occur when the offering is completed.*

**The 10% StartEngine Owners' Bonus**

Cadi, Inc. will offer 10% additional bonus shares for all investments that are committed by investors that are eligible for the StartEngine Crowdfunding Inc. OWNer's bonus.

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Class B Common Stock at $1.40 / share, you will receive 110 shares of Class B Common Stock, meaning you'll own 110 shares for $140. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

This 10% Bonus is only valid during the investor's eligibility period. Investors eligible for this bonus will also have priority if they are on a waitlist to invest and the company surpasses its maximum funding goal. They will have the first opportunity to invest should room in the offering become available if prior investments are canceled or fail.

Investors will only receive a single bonus, which will be the highest bonus rate they are eligible for.

**Insider Investment Notice**

Officers, directors, executives, and existing owners with a controlling stake in the company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

## The Company and its Business

*Company Overview*

Cadi, Inc. is a new autonomous retail channel that is revolutionizing the way golfers buy and sell golf products. Cadi is leading the digital transformation by combining proprietary kiosk technology and an eCommerce marketplace to create a fully connected, personalized shopping experience. Cadi focuses on the on-course “try before you buy” experience developing technology that ensures golfers find the

perfect products to improve their game. Whether you shop through our mobile marketplace or Cadi kiosk, Cadi offers convenience, ease of use, and game-changing service.

Cadi, Inc. was initially organized as NeoCaddie, Inc. as a Delaware corporation on Jun. 27, 2016 and changed its name to Cadi, Inc. on Nov. 10, 2020.

*Competitors and Industry*

Cadi is developing autonomous retail technology focused on selling golf products. Cadi's competition is from traditional retail channels. Most golf equipment today is still sold through brick and mortar golf stores such as Dick's Sporting Goods, Golf Galaxy, PGA superstore, and Worldwide golf locations. E-commerce has been growing quickly with companies such as eBay and Global Golf. There are other niche retail channels such as Club Champion, a high-end custom fitting, and traditional on-course demo days managed by the golf equipment manufacturers. Currently, there are no other autonomous retail companies looking to replicate our technology and disrupt the traditional channels.

The global market for golf equipment estimated at $8.5 billion in 2020 and is projected to reach $9.3 billion by 2026, growing at a CAGR of 1.4% over the analysis period. (Source: Global Industry Analysts)

*Current Stage and Roadmap*

Cadi is pre-revenue although has amassed $1.5 million in sales to date. Cadi's first revenues were $12,000 in 2018, followed by approximately $350,000 in 2019 and $727,000 in 2020. In 2021, Cadi has done over $408,000. Cadi has done $1.5 million in sales dating from May 2019 to November 2021. Cadi launched in June of 2016. The first year of business was market testing, business development, and fundraising. In 2017, Cadi completed a fundraising round that led to the development phase of the Cadi prototype. Cadi completed their prototype in December of 2018 and spent the majority of 2019 testing the prototype in the markets of Florida and California. Cadi has begun development on the V2 prototype but has yet to be released into the market. Cadi requires additional software and e-commerce development before scaling. We project that 12 months after the close of this round, Cadi will be ready to launch its connected retail platform. At that time, we will increase marketing and sales. Currently, Cadi has two kiosks ready to deploy onto the golf course and an e-commerce channel. There are currently not any kiosks in the market right now.

## The Team

### Officers and Directors

**Name:** Tyler Gottstein

Tyler Gottstein's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Executive Officer and Director
  **Dates of Service:** June 28, 2016 - Present
  **Responsibilities:** Tyler manages all leadership of the company and its vision. Tyler received a salary of $30,000 in 2021.

Other business experience in the past three years:

- **Employer:** Ty Gotti LLC
  **Title:** Owner
  **Dates of Service:** February 16, 2016 - Present
  **Responsibilities:** Oversee property manager

**Name:** Matt Ahrens

Matt Ahrens's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Operating Officer
  **Dates of Service:** January 21, 2017 - Present
  **Responsibilities:** Head of operations and logistics. Matt received a salary of $45,000 in 2021.

## Risk Factors

The SEC requires the company to identify risks that are specific to its business and its financial condition. The company is still subject to all the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

These are the risks that relate to the Company:

***Uncertain Risk***
An investment in the Cadi, Inc. (also referred to as “we”, “us”, “our”, or “Company”) involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of any of the Class B Common Stock should only be undertaken by persons whose financial resources are sufficient to enable them to indefinitely retain an illiquid investment. Each investor in the Company should consider all of the information provided to such potential investor regarding the Company as well as the following risk factors, in addition to the

other information listed in the Company's Form C. The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial and other risks inherent in the investment in the Company.

***Our business projections are only projections***

There can be no assurance that the Company will meet our projections. There can be no assurance that the Company will be able to find sufficient demand for our product, that people think it's a better option than a competing product, or that we will able to provide the service at a level that allows the Company to make a profit and still attract business.

***Any valuation at this stage is difficult to assess***

The valuation for the offering was established by the Company. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment.

***The transferability of the Securities you are buying is limited***

Any Class B Common Stock purchased through this crowdfunding campaign is subject to SEC limitations of transfer. This means that the stock that you purchase cannot be resold for a period of one year. The exception to this rule is if you are transferring the stock back to the Company, to an "accredited investor," as part of an offering registered with the Commission, to a member of your family, trust created for the benefit of your family, or in connection with your death or divorce.

***Your investment could be illiquid for a long time***

You should be prepared to hold this investment for several years or longer. For the 12 months following your investment there will be restrictions on how you can resell the securities you receive. More importantly, there is no established market for these securities and there may never be one. As a result, if you decide to sell these securities in the future, you may not be able to find a buyer. The Company may be acquired by an existing player in the industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

***If the Company cannot raise sufficient funds it will not succeed***

The Company, is offering equity in the amount of up to $3.5M in this offering, and may close on any investments that are made. Even if the maximum amount is raised, the Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds, sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

***We may not have enough capital as needed and may be required to raise more capital.***

We anticipate needing access to credit in order to support our working capital requirements as we grow. Although interest rates are low, it is still a difficult environment for obtaining credit on favorable terms. If we cannot obtain credit when we need it, we could be forced to raise additional equity capital, modify our growth

plans, or take some other action. Issuing more equity may require bringing on additional investors. Securing these additional investors could require pricing our equity below its current price. If so, your investment could lose value as a result of this additional dilution. In addition, even if the equity is not priced lower, your ownership percentage would be decreased with the addition of more investors. If we are unable to find additional investors willing to provide capital, then it is possible that we will choose to cease our sales activity. In that case, the only asset remaining to generate a return on your investment could be our intellectual property. Even if we are not forced to cease our sales activity, the unavailability of credit could result in the Company performing below expectations, which could adversely impact the value of your investment.

*Terms of subsequent financings may adversely impact your investment*

We will likely need to engage in common equity, debt, or preferred stock financings in the future, which may reduce the value of your investment in the Class B Common Stock. Interest on debt securities could increase costs and negatively impact operating results. Preferred stock could be issued in series from time to time with such designation, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of Common Stock. In addition, if we need to raise more equity capital from the sale of Common Stock, institutional or other investors may negotiate terms that are likely to be more favorable than the terms of your investment, and possibly a lower purchase price per share.

*Management Discretion as to Use of Proceeds*

Our success will be substantially dependent upon the discretion and judgment of our management team with respect to the application and allocation of the proceeds of this Offering. The use of proceeds described below is an estimate based on our current business plan. We, however, may find it necessary or advisable to re-allocate portions of the net proceeds reserved for one category to another, and we will have broad discretion in doing so.

*Projections: Forward Looking Information*

Any projections or forward looking statements regarding our anticipated financial or operational performance are hypothetical and are based on management's best estimate of the probable results of our operations and will not have been reviewed by our independent accountants. These projections will be based on assumptions which management believes are reasonable. Some assumptions invariably will not materialize due to unanticipated events and circumstances beyond management's control. Therefore, actual results of operations will vary from such projections, and such variances may be material. Any projected results cannot be guaranteed.

*We may never have an operational product or service*

It is possible that there may never be an operational Cadi Kiosk or that the product may never be used to engage in transactions. It is possible that the failure to release the product is the result of a change in business model upon Company’s making a determination that the business model, or some other factor, will not be in the best

interest of Company and its stockholders/members/creditors.

***Some of our products are still in prototype phase and might never be operational products***

It is possible that there may never be an operational product or that the product may never be used to engage in transactions. It is possible that the failure to release the product is the result of a change in business model upon the Company's making a determination that the business model, or some other factor, will not be in the best interest of the Company and its stockholders.

***Developing new products and technologies entails significant risks and uncertainties***

We are currently in the research and development stage and have only manufactured a prototype for our Cadi platform. Delays or cost overruns in the development of our Cadi Platform and failure of the product to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

***Minority Holder; Securities with No Voting Rights***

The Class B Common Stock that an investor is buying has no voting rights attached to them. This means that you will have no rights in dictating on how the Company will be run. You are trusting in management discretion in making good business decisions that will grow your investments. Furthermore, in the event of a liquidation of our company, you will only be paid out if there is any cash remaining after all of the creditors of our company have been paid out.

***You are trusting that management will make the best decision for the company***

You are trusting in management discretion. You are buying securities as a minority holder, and therefore must trust the management of the Company to make good business decisions that grow your investment.

***Insufficient Funds***

The company might not sell enough securities in this offering to meet its operating needs and fulfill its plans, in which case it will cease operating and you will get nothing. Even if we sell all the common stock we are offering now, the Company will (possibly) need to raise more funds in the future, and if it can't get them, we will fail. Even if we do make a successful offering in the future, the terms of that offering might result in your investment in the company being worth less, because later investors might get better terms.

***This offering involves "rolling closings," which may mean that earlier investors may not have the benefit of information that later investors have.***

Once we meet our target amount for this offering, we may request that StartEngine instruct the escrow agent to disburse offering funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. All early-stage companies are subject to a number of risks and uncertainties, and it is not uncommon for material changes to be made to the offering terms, or to companies' businesses, plans or prospects, sometimes on short notice. When such changes

happen during the course of an offering, we must file an amended to our Form C with the SEC, and investors whose subscriptions have not yet been accepted will have the right to withdraw their subscriptions and get their money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

***Our new product could fail to achieve the sales projections we expected***

Our growth projections are based on an assumption that with an increased advertising and marketing budget our products will be able to gain traction in the marketplace at a faster rate than our current products have. It is possible that our new products will fail to gain market acceptance for any number of reasons. If the new products fail to achieve significant sales and acceptance in the marketplace, this could materially and adversely impact the value of your investment.

***We face significant market competition***

We will compete with larger, established companies who currently have products on the market and/or various respective product development programs. They may have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will render our technology or products obsolete or that the products developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that competition will intensify.

***We are competing against other recreational activities***

Although we are a unique company that caters to a select market, we do compete against other recreational activities. Our business growth depends on the market interest in the Company over other activities.

***We are an early stage company and have not yet generated any profits***

Cadi was formed on June 27, 2016. Accordingly, the Company has a limited history upon which an evaluation of its performance and future prospects can be made. Our current and proposed operations are subject to all business risks associated with new enterprises. These include likely fluctuations in operating results as the Company reacts to developments in its market, managing its growth and the entry of competitors into the market. We will only be able to pay dividends on any shares once our directors determine that we are financially able to do so. Cadi has incurred a net loss and has had limited revenues generated since inception. There is no assurance that we will be profitable in the next 3 years or generate sufficient revenues to pay dividends to the holders of the shares.

***We are an early stage company and have limited revenue and operating history***

The Company has a short history, few customers, and effectively no revenue. If you are investing in this company, it's because you think that Cadi is a good idea, that the team will be able to successfully market, and sell the product or service, that we can price them right and sell them to enough peoples so that the Company will succeed. Further, we have never turned a profit and there is no assurance that we will ever be

profitable.

***We have pending patent approval's that might be vulnerable***
One of the Company's most valuable assets is its intellectual property. The Company's intellectual property such as patents, trademarks, copyrights, Internet domain names, and trade secrets may not be registered with the proper authorities. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company due to its unregistered intellectual property.

***Our trademarks, copyrights and other intellectual property could be unenforceable or ineffective***
Intellectual property is a complex field of law in which few things are certain. It is possible that competitors will be able to design around our intellectual property, find prior art to invalidate it, or render the patents unenforceable through some other mechanism. If competitors are able to bypass our trademark and copyright protection without obtaining a sublicense, it is likely that the Company's value will be materially and adversely impacted. This could also impair the Company's ability to compete in the marketplace. Moreover, if our trademarks and copyrights are deemed unenforceable, the Company will almost certainly lose any potential revenue it might be able to raise by entering into sublicenses. This would cut off a significant potential revenue stream for the Company.

***The cost of enforcing our trademarks and copyrights could prevent us from enforcing them***
Trademark and copyright litigation has become extremely expensive. Even if we believe that a competitor is infringing on one or more of our trademarks or copyrights, we might choose not to file suit because we lack the cash to successfully prosecute a multi-year litigation with an uncertain outcome; or because we believe that the cost of enforcing our trademark(s) or copyright(s) outweighs the value of winning the suit in light of the risks and consequences of losing it; or for some other reason. Choosing not to enforce our trademark(s) or copyright(s) could have adverse consequences for the Company, including undermining the credibility of our intellectual property, reducing our ability to enter into sublicenses, and weakening our attempts to prevent competitors from entering the market. As a result, if we are unable to enforce our trademark(s) or copyright(s) because of the cost of enforcement, your investment in the Company could be significantly and adversely affected.

***The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business***
To be successful, the Company requires capable people to run its day to day operations. As the Company grows, it will need to attract and hire additional employees in sales, marketing, design, development, operations, finance, legal, human resources and other areas. Depending on the economic environment and the

Company's performance, we may not be able to locate or attract qualified individuals for such positions when we need them. We may also make hiring mistakes, which can be costly in terms of resources spent in recruiting, hiring and investing in the incorrect individual and in the time delay in locating the right employee fit. If we are unable to attract, hire and retain the right talent or make too many hiring mistakes, it is likely our business will suffer from not having the right employees in the right positions at the right time. This would likely adversely impact the value of your investment.

***The Company is vulnerable to hackers and cyber-attacks***

As an internet-based business, we may be vulnerable to hackers who may access the data of our investors and the issuer companies that utilize our platform. Further, any significant disruption in service on Cadi or in its computer systems could reduce the attractiveness of the platform and result in a loss of investors and companies interested in using our platform. Further, we rely on a third-party technology provider to provide some of our back-up technology. Any disruptions of services or cyber-attacks either on our technology provider or on Cadi could harm our reputation and materially negatively impact our financial condition and business.

***The use of Crypto technology and potential investment into crypto tokens and blockchain technology is possible and being considered for Cadi's technology stake. This will include storing capital in these emerging markets.***

Crypto assets are volatile. The entire blockchain asset industry and may affect other blockchain assets including the Tokens. For example, a security breach that affects investor or user confidence in Bitcoin may also cause the price of the Tokens and other blockchain assets to fluctuate.

***The amount raised in this offering may include investments from company insiders or immediate family members.***

Officers, directors, executives, and existing owners with a controlling stake in the company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

## Ownership and Capital Structure; Rights of the Securities

**Ownership**

The following table sets forth information regarding beneficial ownership of the company's holders of 20% or more of any class of voting securities as of the date of this Offering Statement filing.

| Stockholder Name | Number of Securities Owned | Type of Security Owned | Percentage |
|---|---|---|---|
| Tyler Gottstein | 7,500,000 | Class A Common Stock | 68.63% |

## The Company's Securities

The Company has authorized Class A Common Stock, and Class B Common Stock. As part of the Regulation Crowdfunding raise, the Company will be offering up to 2,513,220 of Class B Common Stock.

*Class A Common Stock*

The amount of security authorized is 40,000,000 with a total of 25,942,578 outstanding.

*Voting Rights*

Except as otherwise required by law or this Certificate of Incorporation, the holders of the Class A Common Stock shall possess exclusively all voting power, and each holder of Class A Common Stock shall have one vote in respect of each share held by him of record on the books of the Corporation for the election of directors and on all matters submitted to a vote of shareholders of the Corporation.

*Material Rights*

The total amount outstanding includes 10,060,000 shares to be issued pursuant to stock options issued.

The total amount outstanding includes 3,545,000 shares to be issued pursuant to stock options, reserved but unissued.

Dividends

The holders of the Class A Common Stock and the holders of the Class B Common Stock shall be entitled to receive, on a pari passu basis, when, as and if declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors; provided, however, that in the event that such dividends are paid in the form of shares of Class A Common Stock or rights to acquire Class A Common Stock, the holders of shares of Class B Common Stock shall receive shares of Class B Common Stock or rights to acquire shares of Class B Common Stock, as the case may be, and the holders of shares of Class A Common Stock shall receive shares of Class A Common Stock or rights to

acquire shares of Class A Common Stock, as the case may be.

**Liquidation Rights**

In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Corporation, the holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to share equally, on a per-share basis, in all assets of the Corporation of whatever kind available for distribution.

***Class B Common Stock***

The amount of security authorized is 10,000,000 with a total of 4,051,916 outstanding.

*Voting Rights*

There are no voting rights associated with Class B Common Stock.

*Material Rights*

Class B Common Stock operates on a pari passu basis with Class A Common Stock for Dividend Rights and Liquidation Rights as outlined above. Please also refer to our Articles of Incorporation attached as Exhibit F to this offering.

**Mandatory Conversion**

Effective upon the earlier of: (a) the closing of the sale of shares of Class A Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, (a "Qualified IPO"); or (b) a date specified by vote or written consent of the holders of a majority of the then outstanding shares of Class A Common Stock (voting together as a single class), each one (1) share of the Class B Common Stock, whether issued and outstanding or held by the Corporation as treasury stock, shall automatically be converted into one (1) share of Class A Common Stock and such shares of Class B Common Stock may not be reissued by the Corporation (the date of closing of such Qualified IPO is referred to herein as the "Mandatory Conversion Date").

## What it means to be a minority holder

As a minority holder of Class B Common Stock of the company, you will have no voting rights in regards to the corporate actions of the company, including additional issuances of securities, company repurchases of securities, a sale of the company or its significant assets, or company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the company.

## Dilution

Investors should understand the potential for dilution. The investor’s stake in a company could be diluted due to the company issuing additional shares. In other

words, when the company issues more shares, the percentage of the company that you own will go down, even though the value of the company may go up. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round, angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible bonds, preferred shares or warrants) into stock.
If the company decides to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs only if the company offers dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company)

## Transferability of securities

For a year, the securities can only be resold:

- In an IPO;
- To the company;
- To an accredited investor; and
- To a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

## Recent Offerings of Securities

We have made the following issuances of securities within the last three years:

- **Type of security sold:** Convertible Note
  **Final amount sold:** $255,000.00
  **Use of proceeds:** Research & Development, Product Development, Legal Filings, and Market Testing.
  **Date:** September 01, 2018
  **Offering exemption relied upon:** 506(b)

- **Name:** Class B Common Stock
  **Type of security sold:** Equity
  **Final amount sold:** $1,481,490.86
  **Number of Securities Sold:** 3,500,008
  **Use of proceeds:** Research & Development, Operations, Working Capital, Marketing, & Company Employment
  **Date:** July 30, 2021
  **Offering exemption relied upon:** Regulation CF

# Financial Condition and Results of Operations

## Financial Condition

*You should read the following discussion and analysis of our financial condition and results of our operations together with our financial statements and related notes appearing at the end of this Offering Memorandum. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section entitled "Risk Factors" and elsewhere in this Offering Memorandum.*

## Results of Operations

**Circumstances which led to the performance of financial statements:**

**Year ended December 31, 2020, compared to the year ended December 31, 2019**

Revenue

2020 saw the entire economy flip upside with the closures caused by the Covid-19 pandemic. Like most businesses, Q1 and Q2 were filled with challenges. Cadi raised to the occasion capitalizing on opportunities that lead to $726,891 in total revenue in 2020, up from $349,595 in 2019. Cadi recognized the growth in crowdfunding and an increase of legitimate investors and high potential start-ups. Cadi launched a crowdfunding campaign. Cadi received validation from over 1,600 investors with two-thirds of them being passionate golfers.

Cost of Sales

The cost of sales in 2020 was $472,060, an increase from $229,879 in 2019. The majority of COGS were from inventory, advertising, and warehousing. Cadi hired an additional advertising agency.

Gross Margins

Cadi's 2020 gross profit was $254,832. Similar to 2019, this was higher than anticipated. The Covid-19 pandemic led to an increase in golf interest with a low supply of golf products with low demand. We took advantage by increasing sales with higher margin.

Expenses

Cadi's total operating expenses were $233,094 in 2020 consisting of, among other things, sales, advertising and fundraising, general & administrative, marketing, and

consulting services. Expenses in 2020 increased by $97,489 from 2019. This increase is from sales growth and implementing new fundraising strategies. Cadi assumed some emergency costs related to the 2020 Covid-19 pandemic. We increased advertising spending and consulting services to support the crowdfunding round. Cadi hired two new agencies to develop, create, and implement content. Cadi focused on content creation to tell the founding story and vision of Cadi.

**Historical results and cash flows:**

Historical cash flows will not be indicative of the revenue and cash flows expected in the future. Past cash was raised through Cadi's seed rounds of 2017 and 2018. Our biggest expense was the development of the prototype kiosk. R&D will continue to be a large expense as we build out more technology, particularly e-commerce and inventory software. That cost will be supplemented by this fundraising campaign and growing sales revenue. Cadi anticipates that we will increase monthly admin expenses by adding several new employees to the management team. We also have cash tied up in inventory that is usually paid up front. Moving forward, we believe that we will be able to utilize inventory loans and purchasing terms to help free up cash. Soon, Cadi will launch new technology and markets to shift focus to sales and acquisitions. Cadi will need to generate additional cash and address what type of investor is best.

## Liquidity and Capital Resources

**What capital resources are currently available to the Company? (Cash on hand, existing lines of credit, shareholder loans, etc...)**

Cadi utilizes a business credit card with 0% APR intro rates from Bank of America. It is used to purchase inventory and will be paid at the end of the introductory rate term. Cadi uses a business credit card from Chase Bank with a limit of $0. It has a monthly balance of $18,000. Cadi has a business loan from the US Small Business Administration. It currently has a balance of $104,000, but $0 has been utilized. Cadi had $590,000 of cash on hand in their bank accounts as of December 1, 2021.

**How do the funds of this campaign factor into your financial resources? (Are these funds critical to your company operations? Or do you have other funds or capital resources available?)**

Funds from this campaign will help grow the business but are not crucial. Without any funding, Cadi would continue to grow at the current rate. Funds from this campaign will be important to speeding up the development of technology and building the infrastructure of the company. Cadi has the opportunity to grow current sales channels.

**Are the funds from this campaign necessary to the viability of the company? (Of the total funds that your company has, how much of that will be made up of funds raised from the crowdfunding campaign?)**

Current funds will increase the company's viability but are not necessary. Without additional funds, there is a higher risk of not accomplishing the company's vision and not gaining market share.

Of the total funds that our Company has, 86% will be made up of funds raised from the crowdfunding campaign, if it raises its maximum funding goal of $3.5M.

**How long will you be able to operate the company if you raise your minimum? What expenses is this estimate based on?**

Cadi will continue operating unaffected if it raises the minimum.

**How long will you be able to operate the company if you raise your maximum funding goal?**

Cadi will have a runway of 18-24 months without attributing sales revenues if the company raises the maximum funding goal. This is based on a current monthly burn rate of $24,539 for expenses related to salaries, admin, R&D, and advertising.

**Are there any additional future sources of capital available to your company? (Required capital contributions, lines of credit, contemplated future capital raises, etc...)**

None

## Indebtedness

- **Creditor:** US Small Business Administration
  **Amount Owed:** $104,800.00
  **Interest Rate:** 3.75%
  **Maturity Date:** June 01, 2050

- **Creditor:** SchoolFirst FCU- Auto Loan
  **Amount Owed:** $14,773.00
  **Interest Rate:** 3.44%
  **Maturity Date:** November 02, 2025

- **Creditor:** Accounts and Credit Card Payable
  **Amount Owed:** $14,612.00
  **Interest Rate:** 0.0%
  **Maturity Date:** May 02, 2022

## Related Party Transactions

## Valuation

**Pre-Money Valuation:** $41,992,291.60

**Valuation Details:**

Cadi, Inc. determined its valuation based on an analysis of the following factors:

• Cadi believes it has developed warehousing and logistics technology that is unmatched in the sporting goods segment.

• Cadi's digital marketplace is in progress boosting innovative curation and community features.

• Cadi grew the management team and made strategic partnerships by hiring Head of Design, CTO advisor, software development team, warehouse/software consulting firm, and PGA tour brand ambassadors.

• Cadi has addressed market opportunities with a unique retail technology platform with over 7,500 total customers and approximately $1.5 million in revenue.

• Unlike competitors, Cadi has patent-pending technology and copywrites that can have the potential to exclude competition. Cadi also has a first-mover advantage.

• Cadi has grown revenue while demonstrating market fit. Strong relationships with key partners have led to over 63 letters of intent from golf courses.

• Cadi has an experienced management team compiled of experts in automation and golf. This team includes early team members in Redbox and Outerwall. Cadi’s valuation is in line with the other comparable companies at our given business stage.

• Cadi executive team and advisors have the experience, industry-specific business insights, and developed industry connections that are fit to achieve accelerated growth.

• Cadi is determined to solve challenges in the sporting goods industry and deliver a game-changing customer experience.

• In our market comparison model, we use valuations of similar staged companies in retail technology and autonomous kiosk technology spaces, according to resources such as pitchbook, Crunchbase, and StartEngine. Due to our unique technology offering, we do not have any direct comparisons. However, Cadi analyzed their Try before you buy business partner, BlackCart, and their most recent fundraiser, including their $50.4M valuations. BlackCart has a business stage with similar revenues and company size. In addition, innovative companies, like Aquipor, are currently raising at similar valuations on the Start Engine platform and pre-market release.

*The Company set its valuation internally without a formal-third party independent evaluation. The pre-money valuation has been calculated on a fully diluted basis. In making this calculation, we have assumed all outstanding options are exercised and any shares reserved for issuance under a stock plan are issued.*

## Use of Proceeds

If we raise the Target Offering Amount of $9,998.80 we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Operations*
  96.5%
  Strategic planning for initial golf market. Add team members for sales and increase inventory.

If we raise the over allotment amount of $3,518,508.00, we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Research & Development*
  20.0%
  Cadi will advance Cadi's e-commerce platform, warehouse/inventory technology advancements while beginning the next phase of development on Cadi kiosk.

- *Operations*
  33.0%
  Strategic planning and execution of Cadi's digital marketplace launch. Add team members for marketing, warehousing, kiosk development, inventory management, and golf course logistics. Increase Cadi's inventory sources and increase effectiveness.

- *Working Capital*
  5.0%
  Capital to cover legal expenses and fundraising costs.

- *Marketing*
  15.0%
  Funds to continue the momentum by converting almost all investors into customers of Cadi. Grow the different channels of the Cadi business. Launch the MVP marketplace and gain traction in the golf industry.

- *Company Employment*
  23.5%
  Add to Cadi's management team by hiring a lead developer to advance Cadi's

technical vision. Add the infrastructure to allow Cadi to Scale, both with e-commerce and new markets with Cadi Kiosk. Hire to the team to lead the marketing and advertising team.

The Company may change the intended use of proceeds if our officers believe it is in the best interests of the company.

# Regulatory Information

## Disqualification

No disqualifying event has been recorded in respect to the company or its officers or directors.

## Compliance Failure

The company has not previously failed to comply with the requirements of Regulation Crowdfunding.

## Ongoing Reporting

The Company will file a report electronically with the SEC annually and post the report on its website no later than April 30 (120 days after Fiscal Year End). Once posted, the annual report may be found on the Company's website at www.cadikiosk.com (www.cadikiosk.com/annualreport).

The Company must continue to comply with the ongoing reporting requirements until:

(1) it is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;

(2) it has filed at least one (1) annual report pursuant to Regulation Crowdfunding and has fewer than three hundred (300) holders of record and has total assets that do not exceed $10,000,000;

(3) it has filed at least three (3) annual reports pursuant to Regulation Crowdfunding;

(4) it or another party repurchases all of the securities issued in reliance on Section 4(a)(6) of the Securities Act, including any payment in full of debt securities or any complete redemption of redeemable securities; or

(5) it liquidates or dissolves its business in accordance with state law.

## Updates

Updates on the status of this Offering may be found at: www.startengine.com/cadi

## Investing Process

See Exhibit E to the Offering Statement of which this Offering Memorandum forms a part.

**EXHIBIT B TO FORM C**

**FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW FOR Cadi, Inc.**

*[See attached]*

# CADI, INC.

Financial Statements

For the calendar years ended December 31, 2020 and 2019

IndigoSpire
CPAs & ADVISORS

**INDEPENDENT AUDITOR'S REPORT**

April 21, 2021

To: Board of Directors, Cadi, Inc.

Re: YE 2020-2019 Financial Statement Audit

We have audited the accompanying financial statements of Cadi, Inc. (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations, stockholders' equity/deficit, and cash flows for the calendar year periods ended December 31, 2020 and 2019, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of the Company's financial statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations, shareholders' equity/deficit and its cash flows for the calendar year periods ended December 31, 2020 and 2019 in accordance with accounting principles generally accepted in the United States of America.

**Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in the notes to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the notes to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Sincerely,

IndigoSpire CPA Group

IndigoSpire CPA Group, LLC
Aurora, Colorado

**CADI, INC.**
**BALANCE SHEET**
**As of December 31, 2020 and 2019**
**See Independent Auditor's Report and Notes to the Financial Statements**

| **ASSETS** | **2020** | **2019** |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | $ 128,914 | $ 71,675 |
| Inventory | 58,188 | 15,098 |
| Total current assets | 187,102 | 86,773 |
| Fixed assets, net of accumulated depreciation | 141,895 | 157,321 |
| Total Assets | $ 328,997 | $ 244,094 |
| **LIABILITIES AND OWNERS' EQUITY** | | |
| Current Liabilities | | |
| Accounts and credit cards payable | $ 37,820 | $ 84,500 |
| Loan payable | 107,700 | 0 |
| Total Current Liabilities | 145,520 | 84,500 |
| Notes payable, long-term | 17,016 | 20,316 |
| Note payable, related party | 20,000 | 20,000 |
| Convertible notes payable | 255,000 | 255,000 |
| Accrued interest payable | 20,938 | 20,938 |
| Total Liabilities | 458,474 | 400,754 |
| OWNERS' EQUITY | | |
| Common Stock (19,290,000 and 19,290,000 shares issued and outstanding as of December 31, 2020 and 2019, respectively) | 0 | 0 |
| Retained earnings | (129,477) | (135,722) |
| Total Owners' Equity | (129,477) | (135,722) |
| Total Liabilities and Owners' Equity | $ 328,997 | $ 244,094 |

**CADI, INC.**
**STATEMENT OF OPERATIONS**
**For Years Ended December 31, 2020 and 2019**
**See Independent Auditor's Report and Notes to the Financial Statements**

| | 2020 | 2019 |
|---|---|---|
| Revenues, net | $ 726,891 | $ 349,595 |
| Less: Cost of goods sold | 472,060 | 229,879 |
| Gross profit | 254,832 | 119,715 |
| | | |
| Operating expenses | | |
| Selling, general and administrative | 194,547 | 103,838 |
| Marketing and advertising | 38,547 | 31,767 |
| Total operating expenses | 233,094 | 135,605 |
| | | |
| Net Operating Income (Loss) | 21,738 | (15,890) |
| | | |
| Depreciation expense | 15,426 | 15,426 |
| Interest expense | 68 | 331 |
| | | |
| Tax provision (benefit) | 0 | 0 |
| | | |
| Net Income (Loss) | $ 6,244 | $ (31,647) |

**CADI, INC.**
**STATEMENT OF SHAREHOLDERS' EQUITY**
**For Years Ended December 31, 2020 and 2019**
**See Independent Auditor's Report and Notes to the Financial Statements**

| | Common Stock # Shares | Common Stock $ | Retained Earnings | Total Shareholders' Equity |
|---|---|---|---|---|
| **Balance as of January 1, 2019** | **19,290,000** | **$ 0** | **$ (104,074)** | **$ (104,074)** |
| Net income (loss) | | | (31,647) | (31,647) |
| **Balance as of December 31, 2019** | **19,290,000** | **$ 0** | **$ (135,721)** | **$ (135,721)** |
| **Net income (loss)** | | | 6,244 | 6,244 |
| **Balance as of December 31, 2020** | **19,290,000** | **$ 0** | **$ (129,477)** | **$ (129,477)** |

**CADI, INC.**
**STATEMENT OF CASH FLOWS**
**For Years Ended December 31, 2020 and 2019**
**See Independent Auditor's Report and Notes to the Financial Statements**

| | 2020 | 2019 |
|---|---|---|
| **Operating Activities** | | |
| Net Income (Loss) | $ 6,244 | $ (31,647) |
| Adjustments to reconcile net income (loss) to net cash provided by operations: | | |
| Add back: Depreciation | 15,426 | 15,426 |
| Changes in operating asset and liabilities: | | |
| (Increase) Decrease in inventory | (43,090) | 3,471 |
| Increase (Decrease) in accounts payable | (25,742) | 53,608 |
| Net cash used in operating activities | (47,162) | (53,299) |
| **Investing Activities** | | |
| Acquisition of fixed assets | 0 | (79,443) |
| Net cash used in operating activities | 0 | (79,443) |
| **Financing Activities** | | |
| Proceeds (repayment) of vehicle loan | (3,300) | 20,316 |
| Proceeds from loan payable | 107,700 | 35,200 |
| Net change in cash from financing activities | 104,400 | 55,316 |
| Net change in cash and cash equivalents | 36,300 | 16,929 |
| Cash and cash equivalents at beginning of period | 71,675 | 54,746 |
| Cash and cash equivalents at end of period | $ 128,914 | $ 71,675 |

**CADI, INC.**
**NOTES TO FINANCIAL STATEMENTS**
**See Independent Auditor's Report**
**AS OF December 31, 2020 and 2019**
**(UNAUDITED)**

## NOTE 1 – NATURE OF OPERATIONS

CADI, INC. (which may be referred to as the "Company", "we," "us," or "our") was incorporated as NeoCaddie, Inc. in Delaware on June 27, 2016. The Company develops a sales kiosk for golfers to buy new golfing equipment directly on the golf course. In 2020, the Company legally renamed from NeoCaddie, Inc. to Cadi, Inc.

Since Inception, the Company has relied on securing loans, capital contributions and product sales to fund its operations. As of December 31, 2020, the Company produces negative cash flow from operations and may incur additional losses prior to generating positive working capital. These matters raise substantial concern about the Company's ability to continue as a going concern (see Note 3). During the next twelve months, the Company intends to fund its operations with funding from a crowdfunding campaign (see Note 9) and the receipt of funds from revenue producing activities, if and when such can be realized. If the Company cannot secure additional capital, it may cease operations. These financial statements and related notes thereto do not include any adjustments that might result from these uncertainties.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Presentation*
The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("US GAAP"). The accompanying unaudited financial statements do not include all the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for the fair presentation of the unaudited financial statements for the years presented have been included.

*Use of Estimates*
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and footnotes thereto. Actual results could materially differ from these estimates. It is reasonably possible that changes in estimates will occur in the near term.

Significant estimates inherent in the preparation of the accompanying financial statements include valuation of provision for refunds and chargebacks, equity transactions and contingencies.

*Risks and Uncertainties*
The Company's business and operations are sensitive to general business and economic conditions in the United States and other countries that the Company operates in. 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.

*Concentration of Credit Risk*
The Company maintains its cash with a major financial institution located in the United States of America, which it believes to be credit worthy. The Federal Deposit Insurance Corporation insures balances up to $250,000. At times, the Company may maintain balances in excess of the federally insured limits.

*Cash and Cash Equivalents*
The Company considers short-term, highly liquid investment with original maturities of three months or less at the time of purchase to be cash equivalents. Cash consists of funds held in the Company's checking account. As of December 31, 2020 and 2019, the Company had $128,914 and $71,675 of cash on hand, respectively.

*Fixed Assets*
Property and equipment is recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to expense. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income.

Depreciation is provided using the straight-line method, based on useful lives of the assets which range from three to forty years.

The Company's primary fixed asset is its CadiKiosk. The Company capitalizes construction, installation and research costs and then depreciates the asset after it is placed in service.
As of December 31, 2020 and 2019, the Company had $141,895 and $157,321 in net fixed assets.

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors.

*Fair Value Measurements*
Generally accepted accounting principles define fair value as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price) and such principles also establish a fair value hierarchy that prioritizes the inputs used to measure fair value using the following definitions (from highest to lowest priority):

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data by correlation or other means.
- Level 3 – Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable.

*Income Taxes*

Income taxes are provided for the tax effects of transactions reporting in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Any deferred tax items of the Company have been fully valued based on the determination of the Company that the utilization of any deferred tax assets is uncertain.

The Company complies with FASB ASC 740 for accounting for uncertainty in income taxes recognized in a company's financial statements, which prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. FASB ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions would be sustained on audit and does not anticipate any adjustments that would result in a material change to its financial position.

*Inventory*

The Company records inventory at the lower of the cost of the inventory purchased or the ascertainable market price with adjustments made periodically for obsolescence, shrinkage and loss.

*Revenue Recognition*

The Company recognizes revenue in accordance with ASC 606 when it has satisfied the performance obligations under an arrangement with the customer reflecting the terms and conditions under which products or services will be provided, the fee is fixed or determinable, and collection of any related receivable is probable. ASC Topic 606, "Revenue from Contracts with Customers" establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements: 1) identify the contract with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to performance obligations in the contract; and 5) recognize revenue as the performance obligation is satisfied.

The Company earns revenues through the sale of its products. The Company records the revenue when the products have been purchased from the Company's kiosk or from its online sales channels.

*Accounts Receivable*

Customers of the Company pay at the time of ordering or purchasing so there are generally no accounts receivable. If the Company ever sells on account, trade receivables due from customers would be uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date.

The Company would estimate an allowance for doubtful accounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary. It is reasonably possible that the Company's estimate of the allowance for doubtful accounts will change.

*Advertising*
The Company expenses advertising costs as they are incurred.

*Recent Accounting Pronouncements*
In June 2019, FASB amended ASU No. 2019-07, Compensation – Stock Compensation, to expand the scope of Topic 718, Compensation – Stock Compensation, to include share-based payment transactions for acquiring goods and services from nonemployees. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and early application is permitted. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

In August 2019, amendments to existing accounting guidance were issued through Accounting Standards Update 2019-15 to clarify the accounting for implementation costs for cloud computing arrangements. The amendments specify that existing guidance for capitalizing implementation costs incurred to develop or obtain internal-use software also applies to implementation costs incurred in a hosting arrangement that is a service contract. The guidance is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact our financial statements.

## NOTE 3 – GOING CONCERN

These financial statements are prepared on a going concern basis. The Company began operation in 2016. The Company's ability to continue may be dependent upon management's plan to raise additional funds and achieve profitable operations. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern.

## NOTE 4 – DEBT

The Company has a truck loan balance of $17,016 as of the end of 2020. The truck loan bears an interest rate of 3.44 percent per annum.

## NOTE 5 – INCOME TAX PROVISION

The Company has filed (or will file) its corporate income tax return for the period ended December 31, 2020 and 2019. The income tax returns will remain subject to examination by the Internal Revenue Service under the statute of limitations for a period of three years from the date it is filed. The Company incurred a loss during the period from Inception through December 31, 2020 and the deferred tax asset from such losses have been fully valued based on their uncertainty in being used.

## NOTE 6 – COMMITMENTS AND CONTINGENCIES

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

## NOTE 7 – EQUITY

As of December 31, 2020 and 2019, the Company had 19,290,000 and 19,290,000 shares of Class A Voting Common Stock issued and outstanding (including restricted stock) all of which are beneficially owned by the Company's founders and management. The Class A Voting Common Stock shares are entitled to one vote each. The Company has also authorized Class B Nonvoting Common Stock for future investors that do not have voting rights.

## NOTE 8 – RELATED PARTY TRANSACTIONS

The Company has borrowed $20,000 from a founder that accrues interest at a rate of 3 percent per annum.

As these transactions are between related parties, there is no guarantee that the terms, pricing and conditions of the transactions are comparable to market rates.

## NOTE 9 – SUBSEQUENT EVENTS

*Anticipated Crowdfunded Offering*
The Company is offering (the "Crowdfunded Offering") up to $1,070,000 of securities. The Company must receive commitments from investors totaling the minimum amount by the offering deadline listed in the Form C, as amended in order to receive any funds. The Crowdfunded Offering will trigger the conversion of the convertible notes into 3,864,074 of Class B Nonvoting Common Stock.

The Crowdfunded Offering is being made through StartEngine and its FINRA approved Regulation CF portal. StartEngine is being compensated under customary terms for facilitating the Crowdfunded Offering.

*Management's Evaluation*
Management has evaluated subsequent events through April 21, 2021, the date the financial statements were available to be issued. Based on this evaluation, no additional material events were identified which require adjustment or disclosure in the financial statements.

**EXHIBIT C TO FORM C**

**PROFILE SCREENSHOTS**

*[See attached]*

Cash Tag

Cash Tag is a leading financial technology company that provides innovative solutions for businesses and consumers. Our platform offers a range of services, including payment processing, digital wallets, and cryptocurrency trading. We are committed to delivering secure, reliable, and user-friendly products that help our customers manage their finances with ease.

**EXHIBIT D TO FORM C**

**VIDEO TRANSCRIPT**

**Main Campaign Video**

In golf, products must be demoed and personalized. If golfers aren't doing this, they're just wasting time and money. Golf is stuck in the past and needs retail innovation. Introducing Cadi, the autonomous future of golf. Cadi is an omni channel that revolutionizes the way golfers buy and sell golf products, but it's way more than that. Cadi super charges the golf course, combining proprietary kiosk technology with an e-commerce platform. Golfers now have the freedom to demo products right on the golf course in the easiest and most convenient way. You can shop 24/7 using any device, and Cadi's artificial intelligence will recommend products to match your game. With Cadi's kiosk, you can conveniently purchase what you love and return what you don't. No questions asked. The golf industry is seeking innovation, and at Cadi, our mission is to create the best customer experience in the industry and by focusing on the golfer first, we believe these six value props will create an unbeatable experience and a new leader in golf retail. The timing is right, and Cadi has the team to take advantage of this opportunity. Golf is seeing record rounds in 2020 and spikes in participation at all levels, and with the sports equipment market of 126 billion, there's many exciting opportunities for our technology. Golf is booming. Join 6,000 caddy customers and 63 courses as we become the leaders in autonomous retail. We'd be happy to have you.

**Reasons to Invest / Why Invest Section Video**

Hey everybody. Tyler here, Co-Founder and CEO of Cadi. So Cadi is back. While we are away advancing our technology, the transformation of the digital world has become even more imminent. Golf is booming, seeing record high growth. Cadi's going to continue to lead this digital movement, and our technology stack is not only going to revolutionize golf, but all of digital retail. With Cadi's anticipated launch in 2022, the time is now. Join Cadi today and get involved. It's going to be a journey worth taking.

STARTENGINE SUBSCRIPTION PROCESS (Exhibit E)

Platform Compensation

- As compensation for the services provided by StartEngine Capital, the issuer is required to pay to StartEngine Capital a fee consisting of a 7-13% (seven to thirteen percent) commission based on the dollar amount of securities sold in the Offering and paid upon disbursement of funds from escrow at the time of a closing. The commission is paid in cash and in securities of the Issuer identical to those offered to the public in the Offering at the sole discretion of StartEngine Capital. Additionally, the issuer must reimburse certain expenses related to the Offering. The securities issued to StartEngine Capital, if any, will be of the same class and have the same terms, conditions and rights as the securities beingoffered and sold by the issuer on StartEngine Capital's website.

Information Regarding Length of Time of Offering

- Investment Cancellations: Investors will have up to 48 hours prior to the end of the offering period to change their minds and cancel their investment commitments for any reason. Once within 48 hours of ending, investors will not be able to cancel for any reason, even if they make a commitment during this period.
- Material Changes: Material changes to an offering include but are not limited to: A change in minimum offering amount, change in security price, change in management, material change to financial information, etc. If an issuer makes a material change to the offering terms or other information disclosed, including a change to the offering deadline, investors will be given five business days to reconfirm their investment commitment. If investors do not reconfirm, their investment will be cancelled and the funds will be returned.

Hitting The Target Goal Early & Oversubscriptions

- StartEngine Capital will notify investors by email when the target offering amount has hit 25%, 50% and 100% of the funding goal. If the issuer hits its goal early, the issuer can create a new target deadline at least 5 business days out. Investors will be notified of the new target deadline via email and will then have the opportunity to cancel up to 48 hours before new deadline.
- Oversubscriptions: We require all issuers to accept oversubscriptions. This may not be possible if: 1) it vaults an issuer into a different category for financial statement requirements (and they do not have the requisite financial statements); or 2) they reach $5M in investments. In the event of an oversubscription, shares will be allocated at the discretion of the issuer.
- If the sum of the investment commitments does not equal or exceed the target offering amount at the offering deadline, no securities will be sold in the offering, investment commitments will be cancelled and committed funds will be returned.
- If a StartEngine issuer reaches its target offering amount prior to the deadline, it may conduct an initial closing of the offering early if they provide notice of the new offering deadline at least five business days prior to the new offering deadline (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment). StartEngine will notify investors when the issuer meets its

target offering amount. Thereafter, the issuer may conduct additional closings until the offering deadline.

Minimum and Maximum Investment Amounts

- In order to invest, to commit to an investment or to communicate on our platform, users must open an account on StartEngine Capital and provide certain personal and non-personal information including information related to income, net worth, and other investments.
- Investor Limitations: Investors are limited in how much they can invest on all crowdfunding offerings during any 12-month period. The limitation on how much they can invest depends on their net worth (excluding the value of their primary residence) and annual income. If either their annual income or net worth is less than $107,000, then during any 12-month period, they can invest either $2,200 or 5% of their annual income or net worth, whichever is greater. If both their annual income and net worth are equal to or more than $107,000, then during any 12-month period, they can invest up to 10% of annual income or net worth, whichever is greater, but their investments cannot exceed $107,000.

**EXHIBIT F TO FORM C**

**ADDITIONAL CORPORATE DOCUMENTS**

*[See attached]*

# Delaware

The First State



*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "CADI, INC.", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF NOVEMBER, A.D. 2021, AT 4:38 O`CLOCK P.M.*

Jeffrey W. Bullock, Secretary of State

6080287 8100
SR# 20213899596

Authentication: 204868268
Date: 12-04-21

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:38 PM 11/24/2021
FILED 04:38 PM 11/24/2021
SR 20213899596 - File Number 6080287

# CERTIFICATE OF AMENDMENT

# TO THE

# AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF CADI, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Cadi, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"),

**DOES HEREBY CERTIFY:**

1. That the name of this corporation is Cadi, Inc.

2. That this Corporation was originally incorporated pursuant to the General Corporation Law on June 27, 2016. The Corporation filed an Amended and Restated Certificate of Incorporation of the Corporation (the "Amended and Restated Certificate") on October 1, 2020 and a Certificate of Amendment to the Amended and Restated Certificate on November 10, 2020.

3. The Corporation's Amended and Restated Certificate is hereby amended by restating the first paragraph of Article IV thereof to provide as follows:

The Corporation is authorized to issue two classes of stock to be designated "Class A Common Stock" and "Class B Common Stock." The total number of shares of Class A Common Stock that the Corporation is authorized to issue is 40,000,000 shares, $0.00001 par value per share. The total number of shares of Class B Common Stock that the Corporation is authorized to issue is 10,000,000 shares, $0.00001 par value per share. The rights, privileges, preferences and restrictions of the Class A Common Stock and Class B Common Stock are as follows:

4. This Certificate of Amendment has been duly adopted by the board of directors and stockholders of the Corporation in accordance with the applicable provisions of Sections 228 and 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed by the Chief Executive Officer of the Corporation as of November 17, 2021.

**CADI, INC.**

By: _____
Tyler Gottstein,
Chief Executive Officer