

Rixon Technology

Profit and Loss by Month

January - December 2021

| | JAN 2021 | FEB 2021 | MAR 2021 | APR 2021 | MAY 2021 | JUN 2021 | JUL 2021 |
|------------------------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| Income | | | | | | | |
| Sales | 2,792.00 | 2,792.00 | 2,792.00 | 2,792.00 | 2,792.00 | 2,792.00 | 8,792.00 |
| Service/Fee Income | 14,852.50 | | 18,400.00 | | 33,800.00 | | 16,354.00 |
| Total Income | \$17,644.50 | \$2,792.00 | \$21,192.00 | \$2,792.00 | \$36,592.00 | \$2,792.00 | \$25,146.00 |
| Cost of Goods Sold | | | | | | | |
| 4500 Cost of Goods Sold | 781.70 | 965.59 | 725.24 | 1,104.58 | 931.06 | 850.21 | 789.94 |
| 4501 Maintenance Labor COGS | | | | | | | |
| Cost of labor - COS | 1,920.00 | 2,398.13 | 1,920.00 | 1,920.00 | | | 1,920.00 |
| Total Cost of Goods Sold | \$2,701.70 | \$3,363.72 | \$2,645.24 | \$3,024.58 | \$931.06 | \$850.21 | \$2,709.94 |
| GROSS PROFIT | \$14,942.80 | \$ -571.72 | \$18,546.76 | \$ -232.58 | \$35,660.94 | \$1,941.79 | \$22,436.06 |
| Expenses | | | | | | | |
| 5001 Payroll Expenses | 67.48 | 67.48 | 90.33 | 67.48 | 80.33 | 67.48 | 67.48 |
| 5002 Salaries & Wages | | | | | | | 1,184.62 |
| 5003 Taxes | | | | | | | 124.93 |
| 5004 Subcontractor | | 90.00 | 70.00 | | 3,180.00 | 1,340.00 | |
| Total 5001 Payroll Expenses | 67.48 | 157.48 | 160.33 | 67.48 | 3,260.33 | 1,407.48 | 1,377.03 |
| 6001 Advertising and Promotion | 425.00 | 125.00 | 325.87 | 300.00 | 2,710.13 | 3,000.00 | 5,543.00 |
| 6002 Bank Service Charges | 15.00 | | 15.00 | | 30.00 | | 30.00 |
| 6006 Meals & Entertn | | | | | | | |
| 6007 Meals - Travel | | | | | | | |
| 6009 Office Expense | | 490.37 | | | 161.69 | 495.40 | 169.05 |
| 6010 Legal & Professional | 442.00 | | 600.00 | 170.00 | | | 900.00 |
| 6011 License & Permits | | | | 250.00 | | | |
| 6013 Professional Fees | 33.48 | 1,269.76 | 821.43 | 589.68 | 185.53 | 618.01 | 1,248.41 |
| 6015 Shipping & Postage | | | | 113.00 | | | |
| 6016 Software and Subscriptions | 272.84 | 281.27 | 200.90 | 282.33 | 258.13 | 247.72 | 488.45 |
| 6100 Travel Expense | | | | | | | |
| 6102 Train and Cab Fare | | | | | | | |
| Total 6100 Travel Expense | | | | | | | |
| 6202 Telecom | 37.85 | 37.85 | 37.85 | 38.10 | 38.10 | 58.10 | 57.96 |
| 6300 Insurance Expenses | | | | | | 4,131.00 | |
| 7002 Taxes Paid | | 629.00 | 1,364.00 | | | | |
| QuickBooks Payments Fees | 10.00 | 10.00 | 10.00 | 20.00 | | | 10.00 |
| Total Expenses | \$1,303.65 | \$3,000.73 | \$3,535.38 | \$1,830.59 | \$6,643.91 | \$9,957.71 | \$9,823.90 |
| NET OPERATING INCOME | \$13,639.15 | \$ -3,572.45 | \$15,011.38 | \$ -2,063.17 | \$29,017.03 | \$ -8,015.92 | \$12,612.16 |
| NET INCOME | \$13,639.15 | \$ -3,572.45 | \$15,011.38 | \$ -2,063.17 | \$29,017.03 | \$ -8,015.92 | \$12,612.16 |

Rixon Technology

Profit and Loss by Month

January - December 2021

| | AUG 2021 | SEP 2021 | OCT 2021 | NOV 2021 | DEC 2021 | TOTAL |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Income | | | | | | |
| Sales | 8,792.00 | 8,792.00 | 8,792.00 | 8,792.00 | 8,792.00 | \$69,504.00 |
| Service/Fee Income | 3,140.40 | 3,939.60 | 4,669.20 | 8,779.20 | 3,170.40 | \$107,105.30 |
| Total Income | \$11,932.40 | \$12,731.60 | \$13,461.20 | \$17,571.20 | \$11,962.40 | \$176,609.30 |
| Cost of Goods Sold | | | | | | |
| 4500 Cost of Goods Sold | 892.21 | 936.27 | 1,043.44 | 927.22 | 893.34 | \$10,840.80 |
| 4501 Maintenance Labor COGS | | | | | 2,031.50 | \$2,031.50 |
| Cost of labor - COS | | | | | -10,078.13 | \$0.00 |
| Total Cost of Goods Sold | \$892.21 | \$936.27 | \$1,043.44 | \$927.22 | \$-7,153.29 | \$12,872.30 |
| GROSS PROFIT | \$11,040.19 | \$11,795.33 | \$12,417.76 | \$16,643.98 | \$19,115.69 | \$163,737.00 |
| Expenses | | | | | | |
| 5001 Payroll Expenses | 106.03 | 67.48 | 80.33 | 67.48 | 80.33 | \$909.71 |
| 5002 Salaries & Wages | 3,020.60 | 3,020.60 | 4,530.90 | 3,020.60 | 1,303.73 | \$16,081.05 |
| 5003 Taxes | 323.60 | 323.61 | 482.43 | 298.11 | 257.62 | \$1,810.30 |
| 5004 Subcontractor | | | | 291.12 | -8,347.20 | \$-3,376.08 |
| Total 5001 Payroll Expenses | 3,450.23 | 3,411.69 | 5,093.66 | 3,677.31 | -6,705.52 | \$15,424.98 |
| 6001 Advertising and Promotion | 5,463.99 | 6,956.31 | 6,191.92 | 4,173.00 | 201.00 | \$35,415.22 |
| 6002 Bank Service Charges | | 8.00 | 27.33 | 5.81 | 8.18 | \$139.32 |
| 6006 Meals & Entertn | | 28.33 | 218.39 | 36.86 | | \$283.58 |
| 6007 Meals - Travel | | | 78.65 | | | \$78.65 |
| 6009 Office Expense | 3,102.63 | 625.30 | 297.16 | 559.57 | 107.79 | \$6,008.96 |
| 6010 Legal & Professional | 582.50 | 250.00 | 599.00 | | 3,250.00 | \$6,793.50 |
| 6011 License & Permits | | | | | | \$250.00 |
| 6013 Professional Fees | 393.25 | 1,979.50 | 1,932.31 | 2,789.77 | 1,994.70 | \$13,855.83 |
| 6015 Shipping & Postage | | 7.38 | 113.00 | | | \$233.38 |
| 6016 Software and Subscriptions | 556.04 | 1,071.28 | 678.77 | 546.54 | 874.16 | \$5,758.43 |
| 6100 Travel Expense | | 350.81 | 52.77 | | | \$403.58 |
| 6102 Train and Cab Fare | | | 689.48 | | | \$689.48 |
| Total 6100 Travel Expense | | 350.81 | 742.25 | | | \$1,093.06 |
| 6202 Telecom | 37.96 | 37.96 | 37.71 | 37.71 | 37.71 | \$494.86 |
| 6300 Insurance Expenses | | | | | | \$4,131.00 |
| 7002 Taxes Paid | | | | 20.00 | | \$2,013.00 |
| QuickBooks Payments Fees | | | | | | \$60.00 |
| Total Expenses | \$13,586.60 | \$14,726.56 | \$16,010.15 | \$11,846.57 | \$-231.98 | \$92,033.77 |
| NET OPERATING INCOME | \$-2,546.41 | \$-2,931.23 | \$-3,592.39 | \$4,797.41 | \$19,347.67 | \$71,703.23 |
| NET INCOME | \$-2,546.41 | \$-2,931.23 | \$-3,592.39 | \$4,797.41 | \$19,347.67 | \$71,703.23 |

Rixon Technology

Balance Sheet

As of December 31, 2021

| | TOTAL |
|--|---------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1001 Operating Accounting | 83,164.85 |
| Total Bank Accounts | \$83,164.85 |
| Accounts Receivable | |
| Accounts Receivable (A/R) | 7,250.40 |
| Total Accounts Receivable | \$7,250.40 |
| Other Current Assets | |
| Development Labor COGS Accrued | 18,110.70 |
| Undeposited Funds | 0.00 |
| Total Other Current Assets | \$18,110.70 |
| Total Current Assets | \$108,525.95 |
| TOTAL ASSETS | \$108,525.95 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable (A/P) | 0.00 |
| Total Accounts Payable | \$0.00 |
| Credit Cards | |
| 2000 Chase Cards | -19,166.48 |
| Chase 5432 | 36,612.96 |
| Chase 5440 | -16,255.61 |
| Total 2000 Chase Cards | 1,190.87 |
| Total Credit Cards | \$1,190.87 |
| Other Current Liabilities | |
| Arizona Department of Revenue Payable | 2,303.40 |
| Due to Johnson/Murphy | 26,838.67 |
| Payroll Clearing | 0.00 |
| Texas State Comptroller Payable | 1,612.38 |
| Total Other Current Liabilities | \$30,754.45 |
| Total Current Liabilities | \$31,945.32 |
| Total Liabilities | \$31,945.32 |
| Equity | |
| 3101 Shares - Davd Johnson | 691.00 |
| 3102 Shares - Glenn Hatcher | 400.00 |
| Retained Earnings | 3,786.40 |
| Net Income | 71,703.23 |
| Total Equity | \$76,580.63 |
| TOTAL LIABILITIES AND EQUITY | \$108,525.95 |

Rixon Technology

Statement of Cash Flows

January - December 2021

| | JAN 2021 | FEB 2021 | MAR 2021 | APR 2021 | MAY 2021 | JUN 2021 | JUL 2021 | AUG 2021 | SEP 2021 | OCT 2021 | NOV 2021 | DEC 2021 | TOTAL |
|--|-------------------|-----------------|--------------------|-------------------|--------------------|------------------|--------------------|-------------------|-----------------|-------------------|-----------------|--------------------|--------------------|
| OPERATING ACTIVITIES | | | | | | | | | | | | | |
| Net Income | 13,639.15 | -3,572.45 | 15,011.38 | -2,063.17 | 29,017.03 | -8,015.92 | 12,612.16 | -2,546.41 | - | -3,592.39 | 4,797.41 | 19,347.67 | \$71,703.23 |
| | | | | | | | | | 2,931.23 | | | | |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | | | | | | | | | | | | | \$0.00 |
| Accounts Receivable (A/R) | -5,736.25 | | -3,547.50 | 4,998.60 | -8,438.60 | -3,001.40 | -514.00 | 4,775.00 | -799.20 | 6,770.80 | - | 11,468.40 | \$1,865.85 |
| | | | | | | | | | | | 4,110.00 | | |
| Development Labor COGS Accrued | | | | | | | | | | | | -18,110.70 | \$- |
| | | | | | | | | | | | | | 18,110.70 |
| Accounts Payable (A/P) | 165.00 | -225.00 | 105.00 | -180.00 | | 417.10 | -417.10 | | | | | | \$-135.00 |
| 2000 Chase Cards | -1,681.77 | -3,061.96 | -2,206.27 | -1,435.96 | -2,885.96 | | -1,158.23 | -5,468.63 | | | | | \$- |
| | | | | | | | | | | | | | 17,898.78 |
| Chase Cards:Chase 5432 | 1,567.87 | 3,478.84 | 949.69 | 1,209.66 | 333.57 | -78.22 | -89.56 | 4,785.93 | 6,154.44 | 6,248.43 | 4,597.88 | 6,144.53 | \$35,303.06 |
| Chase Cards:Chase 5440 | 125.00 | 250.00 | 600.00 | 250.00 | 2,700.00 | | 1,269.06 | 751.55 | - | -6,987.09 | - | -5,921.91 | \$- |
| | | | | | | | | | 4,726.35 | | 4,565.87 | | 16,255.61 |
| Arizona Department of Revenue Payable | | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | 209.40 | \$2,303.40 |
| Due to Johnson/Murphy | | | | | | | | | | -3.06 | | | \$-3.06 |
| Payroll Clearing | | | | | | | | | | - | 1,672.11 | 0.00 | \$0.00 |
| | | | | | | | | | 1,672.11 | | | | |
| Texas State Comptroller Payable | 230.34 | | | | | | | | | | | | \$230.34 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -5,329.81 | 651.28 | -3,889.68 | 5,051.70 | -8,081.59 | -2,453.12 | -700.43 | 5,053.25 | -836.88 | 7,913.65 | - | -6,210.28 | \$- |
| | | | | | | | | | | | 3,868.59 | | 12,700.50 |
| Net cash provided by operating activities | \$8,309.34 | \$- | \$11,121.70 | \$2,988.53 | \$20,935.44 | \$- | \$11,911.73 | \$2,506.84 | \$- | \$4,321.26 | \$928.82 | \$13,137.39 | \$59,002.73 |
| | | 2,921.17 | | | | 10,469.04 | | | 3,768.11 | | | | |
| NET CASH INCREASE FOR PERIOD | \$8,309.34 | \$- | \$11,121.70 | \$2,988.53 | \$20,935.44 | \$- | \$11,911.73 | \$2,506.84 | \$- | \$4,321.26 | \$928.82 | \$13,137.39 | \$59,002.73 |
| | | 2,921.17 | | | | 10,469.04 | | | 3,768.11 | | | | |