



OUTSITE, INC.  
FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
DECEMBER 31, 2021

WITH INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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## The FitBiz CPA

### Independent Accountant's Review Report

To Management  
Outside, Inc.  
101 Cooper Street 276  
Santa Cruz, California

We have reviewed the accompanying financial statements of Outside, Inc. which comprise the balance sheet as of December 31, 2021, and the related statements of income, statement of equity and statement of cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

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

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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

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

*The FitBiz CPA*

November 08, 2022

**OUTSITE, INC**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**

		<b>US \$</b>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	Note 1	2,106,012
<b>TOTAL CURRENT ASSETS</b>		<b>2,106,012</b>
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment, net	Note 3	173,068
<b>OTHER ASSETS</b>		
Investments	Note 4	309,476
Loans and Advances	Note 5	119,339
Security Deposits		95,028
		<b>523,843</b>
<b>TOTAL ASSETS</b>		<b>\$ 2,802,923</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Credit Cards Payable		\$ 54,291
Loans Payable		\$ 16,754
<b>TOTAL CURRENT LIABILITIES</b>		\$ 71,046
<b>LONG TERM LIABILITIES</b>		
Note Payable		\$ 5,583,981
<b>TOTAL LIABILITIES</b>		<b>\$ 5,655,026</b>
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, authorized 12,000,000 shares		\$ 77,500
436,373 shares issued and outstanding, \$0.1776 par value.		
25,000,000 shares issued and outstanding, \$0.00001 par value.		
Preferred stock, authorized 6,355,827 shares,		\$ 2,113,923
884,836 shares issues and outstanding, \$2.3846 par value.		
Retained earnings		\$ (5,043,526)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>\$(2,852,103)</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 2,802,923</b>

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

**OUTSITE, INC**  
**STATEMENT OF INCOME**  
**DECEMBER 31, 2021**

	<b>US \$</b>
<b>REVENUES</b>	<b>\$ 2,660,517</b>
<b>COST OF SALES</b>	<b>2,405,411</b>
<b>Gross Profit</b>	<b>255,106</b>
<b>OPERATING EXPENSES</b>	
Advertising and Marketing	121,525
Bank Fees	422
Consulting & Accounting	9,467
Contractors and consultants	263,517
Cost of Sales	31,764
Depreciation Expense	144,518
Insurance	52,309
IT Expense	4,004
Legal Expenses	29,089
Office Expenses	3,821
Operating Expenses	32,544
Payroll Expense	271,731
Professional Services	400,777
Software	131,420
Travel	65,543
Utilities	13,097
<b>TOTAL OPERATING EXPENSES</b>	<b>1,575,549</b>
<b>NET OPERATING LOSS</b>	<b>(1,320,443)</b>
<b>Other Income / (Expenses)</b>	
Grant Income	76,265
Interest Income	5,598
<b>Total Other Income / (Expenses)</b>	<b>81,863</b>
<b>Net Income / (Loss)</b>	<b>\$ (1,238,580)</b>

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

**Outsite Inc.**  
**STATEMENT OF EQUITY**  
**DECEMBER 31, 2021**

	<u>Common Stock</u>		<u>Preferred Stock</u>		<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
<b>Beginning Balance as on 01/01/2021</b>	2,936,373	\$ 77,500	-	\$ -	\$ -	(3,804,946)	(3,727,446)
Contributions	-	\$ -	884,836	\$ 2,113,923	\$ -		2,113,923
Net Income (net loss)	-	\$ -	-	\$ -	\$ -	(1,238,580)	(1,238,580)
<b>Ending Balance as on 12/31/2021</b>	<b>2,936,373</b>	<b>\$ 77,500</b>	<b>884,836</b>	<b>\$ 2,113,923</b>	<b>\$ -</b>	<b>(5,043,526)</b>	<b>(2,852,103)</b>

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

**OUTSITE, INC**  
**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2021**

	<b>US \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Loss	\$ (1,238,580)
Adjustment to Reconcile Net Income to Net Cash	
<b>Provided by Operating Activities</b>	
<i>Depreciation Expense</i>	144,518
<b>(Increase) decrease in Assets</b>	
<i>Credit Cards Payable</i>	14,482
<b>CASH USED FOR OPERATING ACTIVITIES</b>	<u><b>(1,079,581)</b></u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
<i>Cash used for fixed assets</i>	(128,092)
<i>Cash Used for Loans &amp; Advances</i>	<u>(31,234)</u>
<b>CASH USED FOR INVESTING ACTIVITIES</b>	<u><b>(159,326)</b></u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
<i>Cash provided by Loans</i>	762,000
<i>Issuance of common and preferred stock</i>	2,113,923
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u><b>2,875,923</b></u>
 <b>NET INCREASE IN CASH</b>	<u><b>1,637,016</b></u>
 <b>CASH AT BEGINNING OF YEAR</b>	<b>468,996</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 2,106,012</b>

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

**OUTSITE, INC**  
**NOTES TO THE FINANCIAL STATEMENT**  
**DECEMBER 31, 2021**

**1. Summary of Significant Accounting Policies**

***The Company***

The financial statements have been prepared to present the financial position and results of operations of Outsite, Inc (the "Company"). The financial statement only includes information from January 1, 2021, through December 31, 2021.

Outsite, Inc. was incorporated in the State of Delaware on September 11, 2015.

Outsite was founded in 2015 to serve a new segment of location flexible professionals looking to integrate their life and their work. Outsite is a collection of unique work play accommodations that cater to the growing community of entrepreneurs, business travelers and digital nomads who are looking for alternatives to uninspired hotels and conference halls.

***Fiscal Year***

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

***Principles and Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting with some items on cash basis because of nature of business which is not in accordance with accounting principles generally accepted in the United States ("GAAP") as determined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

***Use of Estimates***

The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. These estimates are subjective in nature and involve judgments that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at fiscal year-end. Actual results could differ from those estimates.

***Risks and Uncertainties***

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

**OUTSITE, INC**  
**NOTES TO THE FINANCIAL STATEMENT**  
**DECEMBER 31, 2021**

**1. Summary of Significant Accounting Policies (continued)**

***Cash and Cash Equivalents***

The Company considers all highly liquid financial instruments purchased with maturities of three months or less to be cash equivalents. As of December 31, 2021, the Company held \$2,106,012 in cash equivalents. This was comprised of monies held in bank institutions.

***Accounts Receivable***

The Company does not carry any trade receivables as all the sales are collected in advance and are recorded when paid and represent claims against third parties that will be settled in cash.

***Inventory***

Since the company is operating in service industry, it does not carry any inventory with an exception to supplies used for maintenance of the properties which is booked as and when purchased.

***Property and Equipment***

Property and equipment are stated at cost, or fair value if contributed. The Organization follows the practice of capitalizing all expenditures for property and equipment more than \$1,000. Depreciation of property and equipment is charged to expense over the estimated useful lives of the respective assets.

***Income Taxes***

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses during fiscal year 2021. Net operating losses will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements but has fully reserved it.

The Company is subject to franchise and income tax filing requirements in the States of California, Colorado, Hawaii, and New York.

***Concentrations of Credit Risk***

From time-to-time cash balances, held at a major financial institution may exceed federally insured limits of \$250,000. Management believes that the financial institution is financially sound, and the risk of loss is low.

**OUTISTE, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**DECEMBER 31, 2021**

**1. Summary of Significant Accounting Policies (continued)**

***Revenue Recognition***

The Company recognizes revenue when: (1) persuasive evidence exists of an arrangement with the customer reflecting the terms and conditions under which products or services will be provided; (2) delivery has occurred, or services have been provided; (3) the fee is fixed or determinable; and (4) collection is reasonably assured. Revenues are generally recognized upon the bookings by customers. Cancelled bookings recorded as reduction in revenues. The Company has recorded \$2,660,517 in revenue for the year ended December 31, 2021.

***Advertising Expenses***

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

***Foreign Currency***

The financial statements are presented in United States Dollars, ("USD"), which is the reporting currency and the functional currency of the Company. In accordance with ASC 830, *Foreign Currency Matters*, foreign denominated monetary assets and liabilities are translated to their USD equivalents using foreign exchange rates which prevailed at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rate prevailing at the transaction date. Revenue and expenses were translated at the prevailing rate of exchange at the date of the transaction. Related translation adjustments are reported as a separate component of stockholders' equity/(deficit), whereas gains or losses resulting from foreign currency transactions are included in results of operations.

**2. Commitments and Contingencies**

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

**3 Property and Equipment**

Property and equipment consisted of the following on December 31, 2021:

Property and equipment at cost:

Office equipment	79,510
Leasehold Improvements	235,207
Furniture and Fixtures	128,092
Less: Accumulated depreciation	( 269,714)
<b>Total</b>	<b>173,068</b>

**OUTISTE, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**DECEMBER 31, 2021**

**4. Investments – Related Parties**

The Company has investments in Levelmemory (A European Corporation) which is a related party of the Company valued at \$309,476 as of December 31, 2021. Interest is not accrued on this investment and there are no minimum monthly payments and no maturity date.

**5. Loans Receivable – Related Parties**

The Company has provided loans to related parties of the Company valued as of December 31, 2021. Interest is not accrued on these loans and there are no minimum monthly payments and no maturity date.

**6. Equity**

***Common Stock***

Under the articles of incorporation, the total number of common shares of stock that the Corporation shall have authority to issue is twelve million (12,000,000) of \$0.00001 par value per share. As of December 31, 2021, 2,936,373 shares have been issued and are outstanding.

***Preferred Stock***

Also, under the articles of incorporation, the total number of preferred shares of stock that the Corporation shall have authority to issue is Six million three hundred fifty-five thousand and eight hundred twenty-seven (6,355,827) shares of Preferred Stock, \$2.3846 par value per share. The first Series of Preferred Stock is designated "Series Seed 1 Preferred Stock" and consist of eight hundred eighty-four thousand three hundred thirty-six (884,836) shares. As of December 31, 2021, 884,836 shares have been issued and are outstanding.

***Equity Based Compensation***

The equity-based compensation plan authorizes 2,368,401 stock options to be granted. As of December 31, 2021 the Company has issued 1,649,944 and cancelled 89,005 of options to/from key service providers. The remaining are available for future issuance. These options have grant dates of Jan 2017 – May 2020. The Company maintains four different vesting schedules:

- a. 25% on one-year anniversary of VCD and one forty-eighth(1/48th) of the Shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), such that all of the Shares subject to the Option shall have vested on the second anniversary of the Vesting Commencement Date, subject to Participant continuing to be a Service Provider through each such date.

**OUTISTE, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**DECEMBER 31, 2021**

- b. One forty-eighth (1/48th) each month commencing on the first monthly anniversary of the Vesting Commencement Date subject to the Participant continuing to be a Service Provider to the Company through each such date.
  
- c. One twenty-fourth(1/24th) each month commencing on the first monthly anniversary of the Vesting Commencement Date subject to the Participant continuing to be a Service Provider to the Company through each such date.
  
- d. One thirty-sixth (1/36th) each month commencing on the first monthly anniversary of the Vesting Commencement Date subject to the Participant continuing to be a Service Provider to the Company through each such date.

**7. Subsequent Events**

The Company has evaluated subsequent events through November 08, 2022, the date through which the financial statement was available to be issued. It has been determined that no events require additional disclosure.