

APPENDIX B:  
FINANCIAL STATEMENTS  
(Unaudited)

# Twelve78 Brewing Company

## Profit and Loss

05-30-23

|  | 05-30-23            | 12-31-22 |
|--|---------------------|----------|
|  | Total               | Total    |
| <b>Income</b>                            |                     |          |
| Apparel Sales                            | 19.12               | -        |
| T-Shirt                                  | 321.08              | -        |
| <b>Total Apparel Sales</b>               | <b>\$ 340.20</b>    | -        |
| Distribution Sales                       | 6.00                | -        |
| <b>Total Income</b>                      | <b>\$ 346.20</b>    | -        |
| <b>Cost of Goods Sold</b>                |                     |          |
| Cost of goods sold                       |                     |          |
| COGS - Merchandise                       | 1,441.32            | -        |
| <b>Total Cost of goods sold</b>          | <b>\$ 1,441.32</b>  | -        |
| <b>Total Cost of Goods Sold</b>          | <b>\$ 1,441.32</b>  | -        |
| <b>Gross Profit</b>                      | <b>-\$ 1,095.12</b> | -        |
| <b>Expenses</b>                          |                     |          |
| Advertising & marketing                  | 171.80              | -        |
| Website ads                              | 58.81               | -        |
| <b>Total Advertising &amp; marketing</b> | <b>\$ 230.61</b>    | -        |
| Brewhouse Supplies                       |                     |          |
| Small Equipment & Hardware               | 2,213.82            | -        |
| <b>Total Brewhouse Supplies</b>          | <b>\$ 2,213.82</b>  | -        |
| Business licenses                        | 1,584.70            | -        |
| CO2                                      | 140.07              | -        |
| General business expenses                |                     |          |
| Bank fees & service charges              | 4.79                | -        |
| Memberships & subscriptions              | 889.99              | -        |
| <b>Total General business expenses</b>   | <b>\$ 894.78</b>    | -        |
| Insurance                                |                     |          |
| Liability insurance                      | 291.50              | -        |
| <b>Total Insurance</b>                   | <b>\$ 291.50</b>    | -        |
| Meals                                    | 967.65              | -        |
| Office expenses                          |                     |          |
| Office supplies                          | 885.81              | -        |
| Printing & photocopying                  | 537.08              | -        |
| Software & apps                          | 196.10              | -        |
| <b>Total Office expenses</b>             | <b>\$ 1,618.99</b>  | -        |
| Rent                                     | 8,000.00            | -        |
| Research & Development                   | 4,366.09            | -        |
| Travel                                   |                     |          |
| Hotels                                   | 281.22              | -        |

|                               |            |                  |          |
|-------------------------------|------------|------------------|----------|
| <b>Total Travel</b>           | <b>\$</b>  | <b>281.22</b>    | <b>-</b> |
| <b>Total Expenses</b>         | <b>\$</b>  | <b>20,589.43</b> | <b>-</b> |
| <b>Net Operating Income</b>   | <b>-\$</b> | <b>21,684.55</b> | <b>-</b> |
| <b>Other Expenses</b>         |            |                  |          |
| <b>Vehicle expenses</b>       |            |                  |          |
| <b>Vehicle gas &amp; fuel</b> |            | 111.60           | -        |
| <b>Total Vehicle expenses</b> | <b>\$</b>  | <b>111.60</b>    | <b>-</b> |
| <b>Total Other Expenses</b>   | <b>\$</b>  | <b>111.60</b>    | <b>-</b> |
| <b>Net Other Income</b>       | <b>-\$</b> | <b>111.60</b>    | <b>-</b> |
| <b>Net Income</b>             | <b>-\$</b> | <b>21,796.15</b> | <b>-</b> |

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**Twelve78 Brewing Company**  
**Balance Sheet**  
As of June 8, 2023

|                                     | 05-30-23            | 12-31-22     |
|-------------------------------------|---------------------|--------------|
|                                     | <u>Total</u>        | <u>Total</u> |
| <b>ASSETS</b>                       |                     |              |
| <b>Current Assets</b>               |                     |              |
| <b>Bank Accounts</b>                |                     |              |
| CHECKING ACCOUNT (6886) - 1         | 29,252.91           | -            |
| <b>Total Bank Accounts</b>          | <b>\$ 29,252.91</b> | -            |
| <b>Accounts Receivable</b>          |                     |              |
| Accounts Receivable (A/R)           | 1.00                | -            |
| <b>Total Accounts Receivable</b>    | <b>\$ 1.00</b>      | -            |
| <b>Other Current Assets</b>         |                     |              |
| Payments to deposit                 | 0.00                | -            |
| <b>Total Other Current Assets</b>   | <b>\$ 0.00</b>      | -            |
| <b>Total Current Assets</b>         | <b>\$ 29,253.91</b> | -            |
| <b>Fixed Assets</b>                 |                     |              |
| Spike Pilot Brewing System (2022)   | 6,970.00            | -            |
| Start-Up - Buildout                 | 1,775.97            | -            |
| <b>Total Fixed Assets</b>           | <b>\$ 8,745.97</b>  | -            |
| <b>Other Assets</b>                 |                     |              |
| Security deposits                   | 4,000.00            | -            |
| <b>Total Other Assets</b>           | <b>\$ 4,000.00</b>  | -            |
| <b>TOTAL ASSETS</b>                 | <b>\$ 41,999.88</b> | -            |
| <b>LIABILITIES AND EQUITY</b>       |                     |              |
| <b>Liabilities</b>                  |                     |              |
| <b>Total Liabilities</b>            |                     |              |
| <b>Equity</b>                       |                     |              |
| Opening balance equity              | 4,297.01            | -            |
| Partner investments - Steve & Kara  | 64,081.58           | -            |
| Retained Earnings                   | -4,582.56           | -            |
| Net Income                          | -21,796.15          | -            |
| <b>Total Equity</b>                 | <b>\$ 41,999.88</b> | -            |
| <b>TOTAL LIABILITIES AND EQUITY</b> | <b>\$ 41,999.88</b> | -            |

# Twelve78 Brewing Company

## Statement of Cash Flows

05-30-23

|   | 05-30-23             | 12-31-22 |
|---|----------------------|----------|
|   | Total                | Total    |
| <b>OPERATING ACTIVITIES</b>   |                      |          |
| Net Income  | -21,796.15           | -        |
| Adjustments to reconcile Net Income to Net Cash provided by operations:       |                      |          |
| Accounts Receivable (A/R)   | -1.00                | -        |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | <b>-\$ 1.00</b>      | -        |
| Net cash provided by operating activities                                     | <b>-\$ 21,797.15</b> | -        |
| <b>INVESTING ACTIVITIES</b>   |                      |          |
| Start-Up - Buildout   | -1,775.97            | -        |
| Security deposits   | -4,000.00            | -        |
| Net cash provided by investing activities                                     | <b>-\$ 5,775.97</b>  | -        |
| <b>FINANCING ACTIVITIES</b>   |                      |          |
| Opening balance equity  | -52.99               | -        |
| Partner investments - Steve & Kara  | 57,000.00            | -        |
| Net cash provided by financing activities                                     | <b>\$ 56,947.01</b>  | -        |
| Net cash increase for period  | <b>\$ 29,373.89</b>  | -        |
| Cash at beginning of period   | -120.98              | -        |
| Cash at end of period   | <b>\$ 29,252.91</b>  | -        |

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I, Stephen J Rogacki Jr, certify that:

1. The financial statements of Twelve78 Brewing LLC included in this Form are true and complete in all material respects; and
2. The tax return information of Twelve78 Brewing LLC has not been included in this Form as Twelve78 Brewing LLC was formed on 03/23/2022 and has not filed a tax return to date.

Signature Stephen J Rogacki Jr

Name: Stephen J Rogacki Jr

Title: Owner & Head Brewer