

SICKWEATHER, INC
FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

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To Management of
Sickweather, Inc

Management is responsible for the accompanying financial statements of Sickweather, Inc, which comprise the balance sheets as of April 30, 2018 and 2017, and the related statements of operations, changes in stockholders' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has recurring losses and negative cash flows from operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern without acquiring additional funding. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that would be necessary to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

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September 19, 2018

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SICKWEATHER, INC
BALANCE SHEETS
APRIL 30, 2018 AND 2017

ASSETS

	<u>2018</u>	<u>2017</u>
Cash	\$ 377,450	\$ 81,947
Accounts receivable	55,000	2,500
Prepaid expenses	8,781	7,075
Fixed assets, net	<u>2,776</u>	<u>3,517</u>
TOTAL ASSETS	<u>\$ 444,007</u>	<u>\$ 95,039</u>

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

	<u>2018</u>	<u>2017</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 76,567	\$ 50,922
Accrued expenses	24,407	89,017
Deferred revenue	55,325	12,500
Debt	-	142,737
Convertible debt	100,000	1,019,623
Loan payable, net of debt issuance costs	<u>-</u>	<u>125,000</u>
TOTAL LIABILITIES	<u>256,299</u>	<u>1,439,799</u>
<u>STOCKHOLDERS' EQUITY (DEFICIT)</u>		
Preferred stock, 1,000,000 shares authorized (par value of \$0.01). 620,169 and 0 shares issued and outstanding in 2018 and 2017, respectively.	2,284,534	-
Common stock, 4,000,000 shares (par value of \$0.01 per share) authorized. 384,260 and 376,287 shares issued and outstanding in 2018 and 2017, respectively.	23,619	23,539
Accumulated deficit	<u>(2,120,445)</u>	<u>(1,368,299)</u>
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	<u>187,708</u>	<u>(1,344,760)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 444,007</u>	<u>\$ 95,039</u>

SICKWEATHER, INC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED APRIL 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUE</u>	\$ <u>551,233</u>	\$ <u>394,209</u>
<u>OPERATING EXPENSES</u>		
Salaries and wages	343,444	263,650
Advertising and promotion	12,902	15,310
Depreciation	741	2,407
Employee benefits	4,763	-
Insurance	24,308	4,422
Meals and entertainment	3,476	4,720
Office expenses	11,724	3,273
Other operating expenses	5,209	-
Professional fees	144,267	69,530
Rent expense	17,379	13,056
Selling expenses	35,185	-
Subcontract	571,785	300,797
Taxes	30,617	21,124
Travel expenses	<u>17,261</u>	<u>12,473</u>
TOTAL OPERATING EXPENSES	<u>1,223,061</u>	<u>710,762</u>
LOSS FROM OPERATIONS	(671,828)	(316,553)
Interest expense	<u>80,318</u>	<u>64,272</u>
NET LOSS	\$ <u>(752,146)</u>	\$ <u>(380,825)</u>

See Accountant's Compilation Report
The Accompanying Notes are an Integral Part of the Financial Statements

SICKWEATHER, INC
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED APRIL 30, 2018 AND 2017

	<u>Common stock</u>	<u>Shares</u>	<u>Preferred stock</u>	<u>Shares</u>	<u>Accumulated deficit</u>	<u>Total</u>
BALANCE - April 30, 2016	\$ 23,473	369,664	\$ -	-	\$ (987,474)	\$ (964,001)
Stock vesting during the year	66	6,623	-	-	-	66
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(380,825)</u>	<u>(380,825)</u>
BALANCE - April 30, 2017	23,539	376,287	-	-	(1,368,299)	(1,344,760)
Issuance of preferred stock, net of stock issuance costs	-	-	879,996	210,011	-	879,996
Debt and accrued interest converted to preferred stock	-	-	1,404,538	410,158	-	1,404,538
Stock vesting during the year	80	7,973	-	-	-	80
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(752,146)</u>	<u>(752,146)</u>
BALANCE - April 30, 2018	<u>\$ 23,619</u>	<u>384,260</u>	<u>\$ 2,284,534</u>	<u>\$ 620,169</u>	<u>\$ (2,120,445)</u>	<u>\$ 187,708</u>

See Accountant's Compilation Report
The Accompanying Notes are an Integral Part of the Financial Statements

SICKWEATHER, INC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED APRIL 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net loss	\$ (752,146)	\$ (380,825)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	741	2,407
Stock compensation	80	66
Amortization of debt issuance costs	25,000	12,500
Changes in operating assets and liabilities:		
Accounts receivable	(52,500)	54,000
Prepaid expenses	(1,706)	(7,075)
Accounts payable	25,645	11,226
Accrued expenses	45,305	31,486
Deferred revenue	<u>42,825</u>	<u>(83,833)</u>
Net Cash Used in Operating Activities	<u>(666,756)</u>	<u>(360,048)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of fixed assets	<u>-</u>	<u>(3,702)</u>
Net Cash Provided by (Used in) Investing Activities	<u>-</u>	<u>(3,702)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from convertible debt	225,000	325,000
Principal payments on debt	(142,737)	(7,263)
Proceeds from loan payable	-	112,500
Issuance of preferred stock	962,147	-
Stock issuance costs	<u>(82,151)</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>962,259</u>	<u>430,237</u>
NET INCREASE IN CASH	295,503	66,487
CASH AT THE BEGINNING OF THE YEAR	<u>81,947</u>	<u>15,460</u>
CASH AT THE END OF THE YEAR	<u>\$ 377,450</u>	<u>\$ 81,947</u>

See Accountant's Compilation Report
The Accompanying Notes are an Integral Part of the Financial Statements

	<u>2018</u>	<u>2017</u>
Supplemental Schedule of Noncash Investing and Financing Activities:		
Convertible debt converted to preferred stock	\$ 1,144,623	\$ -
Accrued interest on convertible debt converted to preferred stock	\$ 109,915	\$ -
Loan payable converted to preferred stock	\$ 150,000	\$ -
Supplemental Disclosures of Cash Flow Information:		
Interest paid	\$ 8,613	\$ 10,437

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

Sickweather, Inc. (the "Company") was incorporated in 2015 (after starting as a limited liability company in 2011) and provides business and technology solutions through custom application and software development, specializing in scanning social networks for indicators of illness, and publishing data allowing users to check for the chance of sickness in their area.

Liquidity

The financial statements of the Company have been prepared using GAAP applicable to a going concern which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

In operation for several years, the Company is still working diligently to more widely market its unique technologies. In its development stage the Company has experienced losses and negative cash flows from operations since inception.

The Company's operations had been funded primarily by debt and convertible debt, all but \$100,000 of which was converted to equity (see Note 8) as of April 30, 2018. Future funding to finance its business strategy, operations and growth is expected to be provided by revenue from new sales and additional capital infusion from current investors, if needed.

Additionally, the Company shows evidence of its ability to secure more business and grow revenue in calendar 2018 compared to calendar year 2017, and expects to continue that growth by honing its strategy in the following ways: 1) focus outbound sales on current product-market fit with programmatic advertising platforms to increase monthly recurring revenue; 2) develop inside sales processes with current large clientele; and 3) improve its consumer facing app which has historically driven inbound sales at the top of their sales funnel through earned media attention. To supplement its growth strategy, the Company hired a seasoned sales executive subsequent to year-end and has already begun to see a positive result in increased sales.

Although management has a reasonable expectation that the Company has adequate resources to continue in operational existence, there is substantial doubt about the ability of the company to continue as a going concern within twelve months after the date of the financial statement issuance.

Basis of accounting

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). There was no comprehensive income in 2018 or 2017.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from the estimates that were used.

Cash and cash equivalents

The Company places its cash and cash equivalents with major financial institutions, which management assesses to be of high credit quality, in order to limit the exposure of each investment. Cash and cash equivalents may exceed Federal Deposit Insurance Corporation limits of \$250,000.

Accounts receivable

Accounts receivable are recorded at the invoiced amount and are noninterest bearing. The Company maintains an allowance for doubtful accounts for estimated losses resulting from customers failing to make required payments. This valuation allowance is reviewed on a periodic basis to determine whether a provision or reversal is required. The review is based on factors, including the application of historical collection rates to current receivables and economic conditions. The Company will record an increase or reduction of its allowance for doubtful accounts if collection rates or economic conditions are more or less favorable than it anticipated.

Revenue recognition

The Company derives its revenues primarily from subscription services and professional services. Revenues are recognized when earned as described below.

Subscription services revenue

Subscription services revenues primarily consist of fees that provide customers access to one or more of the Company's cloud applications for analytics, with routine customer support. Revenue is generally recognized over time on a ratable basis over the contract term beginning on the date that the service is made available to the customer.

Revenue sharing arrangements

The Company also has agreements under which revenue is received based upon a percentage of the Company's customers' net revenue (as defined in the agreements) derived from the usage of the Company's software applications by third parties. Revenue under these sharing agreements is recognized in an amount equal to the contractual sharing percentage of the net revenue earned by the Company's customers.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed assets and depreciation

Fixed assets are recorded at cost. Expenditures for repairs and maintenance are charged to expense as incurred. The cost of fixed assets, which is primarily computer equipment, is depreciated using the straight-line method over their estimated useful lives (3 to 5 years).

Debt issuance costs

In accordance with Accounting Standards Update 2015-03, which amends the Interest – Imputation of Interest Topic of the FASB Accounting Standards Codification, the Company presents debt issuance costs as a reduction of the reportable long-term debt balance on the balance sheets. These costs will be amortized to interest expense over the life of the related debt instruments using the effective interest method. However, for debt with no scheduled payments, straight-line amortization will be used.

Advertising

Advertising costs are expensed as incurred and amounted to \$12,902 and \$15,310 for the years ended April 30, 2018 and 2017, respectively.

Income taxes

The Company records income taxes using the asset and liability method which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. In estimating future tax consequences, generally all expected future events other than enactments or changes in the tax law or rates are considered. Valuation allowances are provided when necessary to reduce deferred tax assets to the amount that is more likely than not to be realized.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company assesses a more likely than not threshold for uncertainty in income tax positions for purposes of financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company records a liability for the difference between the benefit recognized and measured and the tax position taken or expected to be taken on its tax return. To the extent that the Company's assessment of such tax positions changes, the change in estimate is recorded in the period in which the determination is made. The Company adopted a policy to recognize the interest and penalties related to unrecognized tax benefits in income tax expense.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stock-based compensation

The Company accounts for stock-based awards granted to employees and nonemployees based on the fair value of the award measured at the grant date. Awards granted to nonemployees are subject to periodic adjustments as the underlying equity investments vest. Accordingly, stock-based compensation is recognized in the statement of operations as an operating expense over the requisite service period.

Recent accounting pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued a new standard on revenue recognition from contracts with customers. The new standard requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount reflecting the consideration to which the entity expects to be entitled to in exchange for those goods or services. The FASB has subsequently issued several amendments to the new standard, including clarification on identifying performance obligations, principal-versus-agent implementation guidance, collectibility assessment, sales taxes and other similar taxes collected from customers, noncash consideration, contract modification and completed contracts at transition. These amendments are intended to address implementation issues raised by stakeholders and provide additional practical expedients to reduce the cost and complexity of applying the new standard.

The new standard permits two methods of adoption: retrospectively to each prior reporting period presented (full retrospective method), or retrospectively with the cumulative effect of initially applying the guidance recognized at the date of initial application (modified retrospective method). The Company will adopt the new standard effective May 1, 2019.

The Company has completed the initial assessment of the new standard and does not currently anticipate any changes to have a material impact. It plans to adopt the standard under the modified retrospective approach and will recognize the cumulative effect of initially applying the standard, if any, as an adjustment to the opening balance of retained earnings (accumulated deficit) at the date of initial application.

NOTE 2: FIXED ASSETS

The following is a summary of fixed assets at April 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Computer equipment	\$ 13,702	\$ 13,702
Less: accumulated depreciation	<u>(10,926)</u>	<u>(10,185)</u>
TOTAL FIXED ASSETS - NET	\$ <u>2,776</u>	\$ <u>3,517</u>

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 2: FIXED ASSETS (Continued)

Depreciation expense for the years ended April 30, 2018 and 2017, amounted to \$741 and \$2,407, respectively.

NOTE 3: DEBT

The Company had a note payable with Howard County Economic Development Authority. The note bore interest at 7.00% and was payable in monthly installments. Payments commenced as interest only payments for the first nine months and escalated throughout the note term concluding with a balloon payment for the outstanding balance due in March 2019. The note was secured by the Company's assets. During 2018, the Company paid off the note. The outstanding balance of the note payable as of April 30, 2018 and 2017 was \$0 and \$142,737, respectively.

NOTE 4: CONVERTIBLE DEBT

Beginning in February 2014, the Company began periodically selling and issuing Convertible Notes (the "Notes") to buyers. The Notes were unsecured obligations.

Notes other than TEDCO note

The Notes accrued interest at rates varying from 3.5% to 6.0%; accrued interest was included in accrued expenses on the balance sheets. According to the terms of the Notes, all repayments of interest and principal shall be applied first to accrued interest, and thereafter to principal. In the event that the Company issues and sells capital stock to investors (the "Investors") on or before the date of the repayment in full in an arms-length equity financing resulting in gross proceeds to the Company of minimum amounts varying from \$250,000 to \$500,000 (excluding the conversion of the Notes and any other debt of the Company) (a "Qualified Financing"), then the outstanding principal balance shall automatically convert in whole without any further action by the Holder into such capital stock at a conversion price equal to the lesser of (i) 80% of the price per share paid by the Investors or (ii) the price equal to the quotient of varying amounts from \$3,000,000 to \$6,000,000 divided by the aggregate number of outstanding common shares as of immediately prior to the initial closing of the Qualified Financing determined on a fully diluted basis. Any unpaid accrued interest shall be converted into capital stock on the same terms as the principal of the Notes.

In the event that a Qualified Financing is not consummated prior to each notes' maturity date, then, at the written election of the holder made at least five days prior to the maturity date, effective upon the maturity date, the outstanding principal balance and any unpaid accrued interest under the Note shall be converted into common stock at a conversion price equal to the quotient of varying amounts from \$3,000,000 to \$6,000,000 divided by the aggregate number of outstanding common shares as of the maturity date. The same conversion will take place in the event of any third party acquisition, whether by merger, consolidation, full acquisition, or any other similar transaction, with the divisor of the quotient being the number of outstanding common shares immediately prior to the acquisition.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 4: CONVERTIBLE DEBT (Continued)

The Notes had initial maturity dates ranging between September 2015 and September 2018. Once past the initial maturity date, the proceeds were payable upon demand. During 2018, the outstanding balance and all unpaid accrued interest of the Notes were converted into 342,798 shares of preferred stock (see Note 8) as a result of a Qualified Financing.

TEDCO note

The \$100,000 Note issued to the Maryland Technology Development Corporation (TEDCO) bears interest at a rate of 8% and matures in August 2020.

In the event that, before the maturity date, the Company (i) receives equity financing in an aggregate amount of \$500,000 or more from one or more investors or (ii) is acquired by another entity, including any transfer of more than 50% of the voting power of the Company, reorganization, merger, or consolidation or (iii) sells or transfers substantially all of its assets, then the principal amount of the Note and all accrued interest may, upon TEDCO's request (i) be converted into equity immediately prior to closing of any of the aforementioned events at the same price and on the same terms and conditions as any equity issued to the aforementioned investor(s) or (ii) be paid in full by the Company to TEDCO.

Interest accrued on the Notes (including the TEDCO note) was \$24,407 and \$87,617 as of April 30, 2018 and 2017.

NOTE 5: LOAN PAYABLE

The Company issued a KISS ("Keep It Simple Security") security in the amount of \$150,000 on November 1, 2016 with no set repayment terms or interest rate from an unrelated entity. This security was converted to 56,860 shares of preferred stock (see Note 8) during the year ended April 30, 2018. The KISS security was an unsecured loan whose purpose was to provide working capital to the Company. The loan included a provision to automatically convert into preferred stock upon the receipt by the Company of \$1,000,000 of gross proceeds from the sale of preferred stock to investors. In addition, there were provisions in the loan agreement that permitted optional conversion to preferred stock at the lender's discretion based on certain criteria. The conversion price was based on formulas as defined in the loan agreement. Associated with this loan was \$37,500 in debt issuance costs, of which \$0 and \$25,000 were unamortized at April 30, 2018 and 2017, respectively. Additionally, the loan included a provision that if dividends were declared or paid to stockholders, the lender was entitled to an equivalent amount as if the shares had converted prior to the declaration of dividends.

Amortization of the debt issuance costs, which was \$25,000 and \$12,500 for the years ended April 30, 2018 and 2017, respectively, is reported as interest expense in the statements of operations.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 6: INCOME TAXES

The net deferred tax asset consisted of the following components as of April 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Net operating loss carryforward	\$ 442,800	\$ 178,000
Other	25,200	31,500
Valuation allowance	<u>(468,000)</u>	<u>(209,500)</u>
Net Deferred Tax Asset	\$ <u>-</u>	\$ <u>-</u>

The Company has a net operating loss carryforward totaling approximately \$1,610,000 that may be offset against future taxable income. If not used, the carryforwards will expire from 2035 through 2037. The change in the valuation allowance during 2018 was \$258,500.

The Company has established a valuation allowance to reduce the net deferred tax asset to an estimated amount that may be realizable in the future. Realization of any deferred tax asset is dependent upon the Company generating sufficient future taxable income. Since the Company is still in its development stage and has not yet generated significant revenue, management believes it is appropriate to provide a valuation allowance that reduces its net deferred tax asset to zero.

As a result of the establishment of the valuation allowance, no income tax benefit is reflected in the accompanying statements of operations.

The Tax Cuts and Jobs Act of 2017 was signed into law on December 22, 2017. The law includes significant changes to the U.S. corporate income tax system, including a Federal corporate rate reduction from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, and the transition of U.S. international taxation from a worldwide tax system to a territorial tax system. Due to the establishment of a valuation allowance, which reduces the net deferred tax asset to zero, the legislation has no impact on the accompanying financial statements.

NOTE 7: COMMON STOCK

At April 30, 2018 and 2017, 4,000,000 shares of common stock (par value of \$0.01 per share) were authorized and 384,260 and 376,287 of such shares, respectively, were issued and outstanding.

The Company has issued restricted stock to certain employees and nonemployees for services rendered. At April 30, 2018 and 2017, there were 956 and 8,074 shares, respectively, of shares granted that had yet to vest. Vesting varies by individual and grant; shares vest through 2019.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 8: PREFERRED STOCK

In January 2015, the Company authorized 1,000,000 shares of preferred stock (par value of \$0.01 per share). As of April 30, 2018, 620,169 shares of preferred stock (designated as series seed preferred stock) were issued and outstanding, of which 210,011 shares were issued through an equity offering (Offering) for a total of \$962,147, 10,500 shares (with a fair value of \$48,014) were issued as a fee to the placement agent of the Offering, and the remainder was issued as a result of the conversions of the convertible debt and KISS loan payable to preferred stock (see Note 4 and Note 5). In addition to the shares of series seed preferred stock issued, the Company also paid \$82,151 of costs related to the Offering. The total Offering cost of \$130,165 is recorded as a reduction of the balance of the preferred stock.

Conversion Features of Series Seed Preferred Stock

Preferred stockholders may voluntarily convert any or all of their preferred shares into common shares at any time at the conversion ratio (as defined).

All preferred shares shall be automatically converted into common shares at the conversion ratio (as defined) as of the closing of the Company's first underwritten public offering on a firm commitment basis pursuant to an effective registration statement under the Securities Act of 1933.

Voting Rights of Series Seed Preferred Stock

Preferred stockholders are entitled to a number of votes equal to the number of common shares into which each preferred share may be converted.

Dividends of Series Seed Preferred Stock

Dividends may be paid at the Board of Directors' discretion. For the purpose of dividends, each preferred stockholder will be treated as holding the number of common shares into which each preferred share may be converted.

Liquidation Preference of Series Seed Preferred Stock

Upon liquidation of the Company (whether voluntary or not), each preferred stockholder shall be entitled to be paid prior to any other class of stockholders based upon defined formulas.

NOTE 9: COMMITMENTS AND CONTINGENCIES

Operating leases

The Company leases various office locations under operating leases that are either month-to-month arrangements or have terms of one year or less.

Rent expense for the years ended April 30, 2018 and 2017 was \$17,379 and \$13,056, respectively.

SICKWEATHER, INC
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2018 AND 2017

NOTE 10: SIGNIFICANT CONCENTRATIONS

The Company received approximately 65% and 72% of its revenue from two customers for the years ended April 30, 2018 and 2017, respectively. The Company was owed approximately 87% of its accounts receivable balance from two customers as of April 30, 2018.

NOTE 11: SUBSEQUENT EVENTS

The Company has evaluated subsequent events through September 19, 2018, which is the date the financial statements were available to be issued.