

**LOVEBUG NUTRITION, INC.**

**FINANCIAL STATEMENTS  
(UNAUDITED)**

**DECEMBER 31, 2017 AND 2016**

**Together with Management's Certification**

## Management's Certification

To Shareholders

LoveBug Nutrition, Inc.

New York, NY

Attached are the summary Income Statement and Balance Sheet of LoveBug Nutrition, Inc. (d/b/a LoveBug Probiotics, "LoveBug" or the "Company"). The accounts reflect the Company's internal reporting and accounting systems. The results for December 31, 2016 have been reviewed by dbb mckennon. Dbb mckennon have been engaged to review the results for December 31, 2017 and these will be provided to shareholders when ready.

Benjamin Harris

Chief Financial Officer and Treasurer



New York, NY

April 28, 2018

**LOVEBUG NUTRITION, INC.**  
**BALANCE SHEETS**  
**(unaudited)**

	December 31, 2017		December 31, 2016
<b>Assets</b>			
Current assets:			
Cash	\$ 128,040		\$ 178,973
Accounts receivable, net	215,848		11,097
Inventory	252,845		478,500
Total current assets	596,733		668,570
Total Assets	\$ 596,733		\$ 668,570
 <b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Accounts payable	\$ 237,900		\$ 73,216
Total current liabilities	\$ 237,900		\$ 73,216
Total liabilities	\$ 237,900		\$ 73,216
 <b>Commitments and contingencies (Note 3)</b>			
 <b>Stockholders' Equity</b>			
Common stock, no par, 200 shares authorized, 10 issued and outstanding as of December 31, 2017 and 2016	148,661		-
Additional paid-in capital	1,455,330		1,461,400
Accumulated deficit	- 1,245,157		- 866,046
Total stockholders' equity	358,832.98		595,354
Total liabilities and stockholders' equity	\$ 596,733		\$ 668,570

**LOVEBUG NUTRITION, INC.**  
**STATEMENTS OF OPERATIONS**  
**(unaudited)**

	<u>Year ended</u> <u>December 31, 2017</u>	<u>Year ended</u> <u>December 31, 2016</u>
Revenues	\$ 2,093,034	\$ 470,257
Cost of revenues	<u>769,866</u>	<u>183,051</u>
Gross profit	1,323,168	287,206
Operating expenses:		
General and administrative	1,315,301	757,406
Sales and marketing	387,960	177,518
Research and development	3,150	2,600
Total operating expenses	<u>1,706,411</u>	<u>937,524</u>
Loss from operations	- 383,243	- 650,318
Other (income) expense:		
Other (income) expense	<u>13,556</u>	- 12,384
Total other (income) expense	13,556	- 12,384
Net loss	<u><u>-\$ 396,799</u></u>	<u><u>-\$ 637,934</u></u>