

OFFERING MEMORANDUM

Pursuant to Regulation D, Rule 506(c)

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. THERE ARE FURTHER RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN.



Up to 2,525,252 shares of Class B Common Stock for \$999,999.79

Minimum Investment Amount: \$1999.80

July 16, 2024

THE CLASS B COMMON STOCK IN THIS OFFERING ARE SPECULATIVE SECURITIES AND INVOLVE A HIGH DEGREE OF RISK. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. YOU SHOULD ONLY INVEST IN OUR CLASS B COMMON STOCK IF YOU CAN AFFORD A COMPLETE LOSS OF YOUR INVESTMENT. YOU SHOULD READ THE COMPLETE DISCUSSION OF THE RISK FACTORS SET FORTH IN THIS OFFERING MEMORANDUM.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UP ON THE ADEQUACY OR ACCURACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IMPORTANT NOTICES

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT SET FORTH IN SECTION 4(a)(2) THEREOF AND RULE 506(c) OF REGULATION D PROMULGATED THEREUNDER. UNDER THIS OFFERING MEMORANDUM WE HAVE ELECTED TO SELL SECURITIES ONLY TO ACCREDITED INVESTORS AS SUCH TERM IS DEFINED IN RULE 501(a) OF REGULATION D. EACH PROSPECTIVE INVESTOR WILL BE REQUIRED TO MAKE REPRESENTATIONS AS TO THE BASIS UPON WHICH IT QUALIFIES AS AN ACCREDITED INVESTOR. PURSUANT TO RULE 506(c) INDEPENDENT VERIFICATION WILL BE REQUIRED.

THE SECURITIES OFFERED HEREBY WILL BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. ONLY PERSONS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN OUR CLASS B COMMON STOCK SHOULD PURCHASE THE STOCK.

THE INFORMATION PRESENTED HEREIN WAS PRESENTED AND SUPPLIED SOLELY BY RAD TECHNOLOGIES, INC. AND IS BEING FURNISHED SOLELY FOR USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THE OFFERING. RAD TECHNOLOGIES, INC. MAKES NO REPRESENTATIONS AS TO THE FUTURE PERFORMANCE OF RAD TECHNOLOGIES, INC.

THIS OFFERING IS SUBJECT TO WITHDRAWAL, CANCELLATION OR MODIFICATION BY RAD TECHNOLOGIES, INC. AT ANY TIME AND WITHOUT NOTICE. WE RESERVE THE RIGHT IN OUR SOLE DISCRETION TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART NOTWITHSTANDING TENDER OF PAYMENT OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF CLASS B COMMON STOCK SUBSCRIBED FOR BY SUCH INVESTOR.

THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITY OTHER THAN THE SECURITIES OFFERED HEREBY, NOR DOES IT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY SUCH SECURITIES BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. NEITHER THE DELIVERY OF THIS OFFERING MEMORANDUM NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN OUR AFFAIRS SINCE THE DATE HEREOF. THIS OFFERING MEMORANDUM CONTAINS SUMMARIES OF CERTAIN PERTINENT DOCUMENTS, APPLICABLE LAWS, AND REGULATIONS. SUCH SUMMARIES ARE NOT COMPLETE AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE COMPLETE TEXTS THEREOF.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFERING MEMORANDUM AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT

HIS OR HER OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO LEGAL, TAX AND RELATED MATTERS PRIOR TO PURCHASING AMOUNT OF CLASS B COMMON STOCK.

RAD TECHNOLOGIES, INC. DOES NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM OR IN ANY ADDITIONAL EVALUATION MATERIAL, WHETHER WRITTEN OR ORAL, MADE AVAILABLE IN CONNECTION WITH ANY FURTHER INVESTIGATION OF THE COMPANY. RAD TECHNOLOGIES, INC. EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY THAT MAY BE BASED UPON SUCH INFORMATION, ERRORS THEREIN OR OMISSIONS THEREFROM. ONLY THOSE PARTICULAR REPRESENTATIONS AND WARRANTIES, IF ANY, WHICH MAY BE MADE TO A PARTY IN A DEFINITIVE WRITTEN AGREEMENT REGARDING A TRANSACTION INVOLVING RAD TECHNOLOGIES, INC., WHEN, AS AND IF EXECUTED, AND SUBJECT TO SUCH LIMITATIONS AND RESTRICTIONS AS MAY BE SPECIFIED THEREIN, WILL HAVE ANY LEGAL EFFECT. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED TO THE CONTRARY IN WRITING, THIS OFFERING MEMORANDUM SPEAKS AS OF THE DATE HEREOF. NEITHER THE DELIVERY OF THIS OFFERING MEMORANDUM NOR ANY SALE OF OUR CLASS B COMMON STOCK MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF BUILDING RAD TECHNOLOGIES, INC. AFTER THE DATE HEREOF.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFERING MEMORANDUM IN CONNECTION WITH THE OFFERING OF SECURITIES BEING MADE PURSUANT HERETO, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY RAD TECHNOLOGIES, INC. WE HAVE NOT RETAINED ANY INDEPENDENT PROFESSIONALS TO COMMENT ON OR OTHERWISE PROTECT THE INTERESTS OF POTENTIAL INVESTORS. ALTHOUGH WE HAVE RETAINED OUR OWN COUNSEL, NEITHER SUCH COUNSEL NOR ANY OTHER INDEPENDENT PROFESSIONALS HAVE MADE ANY EXAMINATION OF ANY FACTUAL MATTERS HEREIN, AND POTENTIAL INVESTORS SHOULD NOT RELY ON OUR COUNSEL REGARDING ANY MATTERS HEREIN DESCRIBED.

THERE IS NO MARKET FOR OUR SECURITIES AND THERE IS NO ASSURANCES A PUBLIC MARKET WILL EVER BE ESTABLISHED. PURCHASERS OF THE SECURITIES ARE NOT BEING GRANTED ANY REGISTRATION RIGHTS. A PURCHASE OF THE SECURITIES SHOULD BE CONSIDERED AN ILLIQUID INVESTMENT.

THIS OFFERING MEMORANDUM IS SUBJECT TO AMENDMENT AND SUPPLEMENTATION AS APPROPRIATE. WE DO NOT INTEND TO UPDATE THE INFORMATION CONTAINED IN THE OFFERING MEMORANDUM FOR ANY INVESTOR WHO HAS ALREADY MADE AN INVESTMENT. WE MAY UPDATE THE INFORMATION CONTAINED HEREIN FROM TIME TO TIME AND PROVIDE SUCH UPDATED DOCUMENT TO POTENTIAL INVESTORS BUT WE UNDERTAKE NO OBLIGATION TO PROVIDE SUCH UPDATED DOCUMENTS TO AN INVESTOR WHO HAS ALREADY MADE HIS INVESTMENT.

THIS OFFERING MEMORANDUM MAY CONTAIN FORWARD-LOOKING STATEMENTS AND INFORMATION RELATING TO, AMONG OTHER THINGS, THE COMPANY, ITS BUSINESS PLAN AND STRATEGY, AND ITS INDUSTRY. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON THE BELIEFS OF, ASSUMPTIONS MADE BY, AND INFORMATION CURRENTLY AVAILABLE TO THE COMPANY'S MANAGEMENT. WHEN USED IN THE OFFERING MATERIALS, THE WORDS

“ESTIMATE,” “PROJECT,” “BELIEVE,” “ANTICIPATE,” “INTEND,” “EXPECT” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS, WHICH CONSTITUTE FORWARD LOOKING STATEMENTS. THESE STATEMENTS REFLECT MANAGEMENT’S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE THE COMPANY’S ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE ANY OBLIGATION TO REVISE OR UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER SUCH DATE OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

INVESTING IN THE CLASS B COMMON STOCK IS SPECULATIVE AND INVOLVES SUBSTANTIAL RISKS. YOU SHOULD PURCHASE THESE SECURITIES ONLY IF YOU CAN AFFORD A COMPLETE LOSS OF YOUR INVESTMENT. SEE THE “RISK FACTORS” SECTION OF THIS OFFERING MEMORANDUM TO READ ABOUT THE MORE SIGNIFICANT RISKS YOU SHOULD CONSIDER BEFORE BUYING THE CLASS B COMMON STOCK OF OUR COMPANY.

A COPY OF THIS OFFERING MEMORANDUM AND THE SUBSCRIPTION AGREEMENT SHALL BE DELIVERED TO EVERY PERSON SOLICITED TO BUY ANY OF THE SECURITIES HEREBY OFFERED, AT THE TIME OF THE INITIAL OFFER TO SELL.

ADDITIONAL NOTICES

Potential Conflicts of Interest. This Offering Memorandum does not purport to identify all conflicts of interest. ODB Broker LLC or its affiliates, from time to time, may enter into other transactions not specifically described in this Offering Memorandum with affiliates, officers, managers, members, employees, agents and representatives. Republic Capital Advisers LLC (“Republic Capital”) an affiliate of ODB and an SEC registered investment adviser may advise vehicles that have invested in securities issued by the Company. Those investments may be of a different class or type, with different rights and preferences, than those offered herein. Those other vehicles may have rights of first refusal, preemptive rights, voting rights or other rights in respect of the investment. Further, OpenDeal Portal LLC dba Republic (“Republic Funding Portal”) an affiliate of ODB and an SEC registered crowdfunding portal may hold securities issued by the Company earned as a commission for securities crowdfunding services. Those investments may be of a different class or type, with different rights and preferences, than those offered herein.

Closing Requirements. In order to complete the closing process in this Offering, each Purchaser will be required to complete such documentation as may be requested by ODB on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a stock purchase agreement; (2) completion of purchaser qualification requirements (status as an Accredited Investor under Regulation D and KYC/AML or KYB (if applicable) screening requirements; (3) clearance from ODB’s regulation best interest requirements (collectively, the “Closing Requirements”). The proceeds of this Offering will be disbursed to the Company intermittently throughout the closing process, provided that all applicable Closing Requirements associated with such proceeds must be satisfied prior to disbursement.

NOTICES TO U.S. PERSONS

NASAA UNIFORM LEGEND: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR EXAMINATION OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY A FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE INVESTMENT RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO ALABAMA RESIDENTS ONLY: THE CLASS B COMMON STOCK IS OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THE CLASS B COMMON STOCK HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY CLASS B COMMON STOCK, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO ALASKA RESIDENTS ONLY: THE CLASS B COMMON STOCK OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA UNDER PROVISIONS OF 3 AAC 08.500-3 AAC 08.504. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE CLASS B COMMON STOCK. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF 45.55.170. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE CLASS B COMMON STOCK AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THE CLASS B COMMON STOCK.

NOTICE TO ARIZONA RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER THE ARIZONA SECURITIES ACT IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PURSUANT TO A.R.S. SECTION 44-1844 (1) AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE ALSO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO ARKANSAS RESIDENTS ONLY: THE CLASS B COMMON STOCK ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THE CLASS B COMMON STOCK HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THE CLASS B COMMON STOCK, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO CALIFORNIA RESIDENTS ONLY: THE SALE OF THE CLASS B COMMON STOCK WHICH IS THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH CLASS B COMMON STOCK OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF CLASS B COMMON STOCK IS

EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25104 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITION UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

NOTICE TO COLORADO RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991 BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THE CLASS B COMMON STOCK CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO CONNECTICUT RESIDENTS ONLY: CLASS B COMMON STOCK ACQUIRED BY CONNECTICUT RESIDENTS ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 36-409(b)(9)(A) OF THE CONNECTICUT, UNIFORM SECURITIES ACT. THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF CONNECTICUT. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE CLASS B COMMON STOCK.

NOTICE TO DELAWARE RESIDENTS ONLY: IF YOU ARE A DELAWARE RESIDENT, YOU ARE HEREBY ADVISED THAT THE CLASS B COMMON STOCK IS BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE DELAWARE SECURITIES ACT. THE CLASS B COMMON STOCK CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

NOTICE TO DISTRICT OF COLUMBIA RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES BUREAU OF THE DISTRICT OF COLUMBIA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO FLORIDA RESIDENTS ONLY: THE CLASS B COMMON STOCK DESCRIBED HEREIN HAS NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE CLASS B COMMON STOCK REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL PROSPECTIVE INVESTORS WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: “WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN [FLORIDA], ANY SALE IN [FLORIDA] MADE PURSUANT TO [THIS SECTION] IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.” THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061(11) IS HEREBY COMMUNICATED TO EACH FLORIDA PROSPECTIVE INVESTOR. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11) (A)(5) AND WHO WISHES TO EXERCISE SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE U.S. ISSUER OR TO ANY OTHER AGENT OF THE ISSUER (INCLUDING THE PLACEMENT AGENT, IF ANY, OR ANY OTHER DEALER ACTING ON BEHALF OF THE ISSUER, THE U.S. ISSUER OR ANY SALESMAN OF SUCH DEALER) OR AN ESCROW AGENT CAUSE A WRITTEN NOTICE TO BE SENT TO THE ISSUER AT THE ADDRESS PROVIDED IN THIS CONFIDENTIAL EXECUTIVE SUMMARY. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED.

SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.

NOTICE TO GEORGIA RESIDENTS ONLY: THE CLASS B COMMON STOCK IS OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO REGULATION 590-4-5-04 AND -01. THE CLASS B COMMON STOCK CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

NOTICE TO HAWAII RESIDENTS ONLY: NEITHER THIS PROSPECTUS NOR THE CLASS B COMMON STOCK DESCRIBED HEREIN BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

NOTICE TO IDAHO RESIDENTS ONLY: THE CLASS B COMMON STOCK EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT IN RELIANCE UPON EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 30-14-203 OR 302(c) THEREOF AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SAID ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SAID ACT.

NOTICE TO ILLINOIS RESIDENTS: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF THE STATE OF ILLINOIS NOR HAS THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO INDIANA RESIDENTS ONLY: THE CLASS B COMMON STOCK IS OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 23-2-1-2 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-2-1-3. THEY CANNOT THEREFORE BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID LAW OR UNLESS AN EXEMPTION FORM REGISTRATION IS AVAILABLE. A CLAIM OF EXEMPTION UNDER SAID LAW HAS BEEN FILED, AND IF SUCH EXEMPTION IS NOT DISALLOWED SALES OF THE CLASS B COMMON STOCK MAY BE MADE. HOWEVER, UNTIL SUCH EXEMPTION IS GRANTED, ANY OFFER MADE PURSUANT HERETO IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE.

NOTICE TO IOWA RESIDENTS ONLY: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE CLASS B COMMON STOCK AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE CLASS B COMMON STOCK HAS NOT BEEN RECOMMENDED; THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE CLASS B COMMON STOCK IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO KANSAS RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 81-5-6 OF THE KANSAS SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO KENTUCKY RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON

STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 808 OF THE KENTUCKY SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO LOUISIANA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 1 OF THE LOUISIANA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO MAINE RESIDENTS ONLY: THE ISSUER IS REQUIRED TO MAKE A REASONABLE FINDING THAT THE SECURITIES OFFERED ARE A SUITABLE INVESTMENT FOR THE PURCHASER AND THAT THE PURCHASER IS FINANCIALLY ABLE TO BEAR THE RISK OF LOSING THE ENTIRE AMOUNT INVESTED.

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION UNDER §16202(15) OF THE MAINE UNIFORM SECURITIES ACT AND ARE NOT REGISTERED WITH THE SECURITIES ADMINISTRATOR OF THE STATE OF MAINE.

THE SECURITIES OFFERED FOR SALE MAY BE RESTRICTED SECURITIES AND THE HOLDER MAY NOT BE ABLE TO RESELL THE SECURITIES UNLESS:

- (1) THE SECURITIES ARE REGISTERED UNDER STATE AND FEDERAL SECURITIES LAWS, OR
- (2) AN EXEMPTION IS AVAILABLE UNDER THOSE LAWS.

NOTICE TO MARYLAND RESIDENTS ONLY: IF YOU ARE A MARYLAND RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THE CLASS B COMMON STOCK PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THE CLASS B COMMON STOCK IS BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 11-602(9) OF THE MARYLAND SECURITIES ACT. THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MARYLAND. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE CLASS B COMMON STOCK.

NOTICE TO MASSACHUSETTS RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS UNIFORM SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THIS OFFERING. THE CLASS B COMMON STOCK CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO MICHIGAN RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER SECTION 451.701 OF THE MICHIGAN UNIFORM SECURITIES ACT (THE ACT) AND MAY BE TRANSFERRED OR RESOLD BY RESIDENTS OF MICHIGAN ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THE ACT, OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT IS SUITABLE IF IT DOES NOT EXCEED 10% OF THE INVESTOR'S NET WORTH.

NOTICE TO MINNESOTA RESIDENTS ONLY: THE CLASS B COMMON STOCK BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.

NOTICE TO MISSISSIPPI RESIDENTS ONLY: THE CLASS B COMMON STOCK IS OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THE CLASS B COMMON STOCK HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE SECRETARY OF STATE NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THE CLASS B COMMON STOCK, OR APPROVED OR DISAPPROVED THIS OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. EACH PURCHASER OF THE CLASS B COMMON STOCK MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF THIS INVESTMENT. THE CLASS B COMMON STOCK MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

NOTICE TO MISSOURI RESIDENTS ONLY: THE CLASS B COMMON STOCK OFFERED HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE PURCHASER IN A TRANSACTION EXEMPT UNDER SECTION 4.G OF THE MISSOURI SECURITIES LAW OF 1953, AS AMENDED. THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MISSOURI. UNLESS THE CLASS B COMMON STOCK IS SO REGISTERED, THEY MAY NOT BE OFFERED FOR SALE OR RESOLD IN THE STATE OF MISSOURI, EXCEPT AS A SECURITY, OR IN A TRANSACTION EXEMPT UNDER SAID ACT.

NOTICE TO MONTANA RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A MONTANA RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF FIVE (5) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE CLASS B COMMON STOCK.

NOTICE TO NEBRASKA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER CHAPTER 15 OF THE NEBRASKA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO NEVADA RESIDENTS ONLY: IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 49:3-60(b) OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NEVADA ALLOWS THE SALE OF SECURITIES TO 25 OR FEWER PURCHASERS IN THE STATE WITHOUT REGISTRATION. HOWEVER, CERTAIN CONDITIONS APPLY, I.E., COMMISSIONS ARE LIMITED TO LICENSED BROKER-DEALERS. THIS EXEMPTION IS GENERALLY USED WHERE THE PROSPECTIVE INVESTOR IS ALREADY KNOWN AND HAS A PRE-EXISTING RELATIONSHIP WITH THE ISSUER. (SEE NRS 90.530.11.)

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN

APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO NEW JERSEY RESIDENTS ONLY: IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THE CLASS B COMMON STOCK PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO NEW MEXICO RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE NEW MEXICO DEPARTMENT OF BANKING NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO NEW YORK RESIDENTS ONLY: THIS DOCUMENT HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE ISSUER HAS TAKEN NO STEPS TO CREATE AN AFTER MARKET FOR THE CLASS B COMMON STOCK OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE CLASS B COMMON STOCK. AT SOME TIME IN THE FUTURE, THE ISSUER MAY ATTEMPT TO ARRANGE FOR INTERESTED BROKERS TO TRADE OR MAKE A MARKET IN THE CLASS B COMMON STOCK AND TO QUOTE THE SAME IN A PUBLISHED QUOTATION MEDIUM, HOWEVER, NO SUCH ARRANGEMENTS HAVE BEEN MADE AND THERE IS NO ASSURANCE THAT ANY BROKERS WILL EVER HAVE SUCH AN INTEREST IN THE CLASS B COMMON STOCK OF THE ISSUER OR THAT THERE WILL EVER BE A MARKET THEREFORE.

NOTICE TO NORTH CAROLINA RESIDENTS ONLY: IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE CLASS B COMMON STOCK AND THE TERMS OF THE OFFERING, INCLUDING MERITS AND RISKS INVOLVED. THE CLASS B COMMON STOCK NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FORGOING AUTHORITIES HAVE NOT CONFIRMED ACCURACY OR DETERMINED ADEQUACY OF THIS DOCUMENT. REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE CLASS B COMMON STOCK IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO NORTH DAKOTA RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO OHIO RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 107.03(2) OF THE OHIO SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO OKLAHOMA RESIDENTS ONLY: THE CLASS B COMMON STOCK OFFERED FOR SALE IN THE STATE OF OKLAHOMA IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION FOR PRIVATE OFFERINGS. ALTHOUGH A PRIOR FILING OF THIS MEMORANDUM AND THE INFORMATION HAS BEEN MADE WITH THE OKLAHOMA SECURITIES COMMISSION, SUCH FILING IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE AN APPROVAL, RECOMMENDATION OR ENDORSEMENT, AND IN NO SENSE IS TO BE REPRESENTED AS AN INDICATION OF THE INVESTMENT MERIT OF SUCH CLASS B COMMON STOCK. ANY SUCH REPRESENTATION IS UNLAWFUL.

NOTICE TO OREGON RESIDENTS ONLY: THE CLASS B COMMON STOCK OFFERED HAVE BEEN REGISTERED WITH THE CORPORATION COMMISSION OF THE STATE OF OREGON UNDER PROVISIONS OF OAR 815 DIVISION 36. THE INVESTOR IS ADVISED THAT THE COMMISSIONER HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE COMMISSIONER. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE ISSUER CREATING THE CLASS B COMMON STOCK, AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THE CLASS B COMMON STOCK.

NOTICE TO PENNSYLVANIA RESIDENTS ONLY: EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE CLASS B COMMON STOCK EXEMPTED FROM REGISTRATION BY SECTION 203(d), DIRECTLY FROM THE ISSUER OR AFFILIATE OF THIS ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY) OR ANY OTHER PERSON WITHIN TWO (2) BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO (2) BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE CLASS B COMMON STOCK BEING OFFERED. IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THE CLASS B COMMON STOCK MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 PS § 1-207(m)), YOU MAY ELECT, WITHIN TWO (2) BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER OR TELEGRAM TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. NO SALE OF THE CLASS B COMMON STOCK WILL BE MADE TO RESIDENTS OF THE STATE OF PENNSYLVANIA WHO ARE NON-ACCREDITED INVESTORS. EACH PENNSYLVANIA RESIDENT MUST AGREE NOT TO SELL THE CLASS B COMMON STOCK FOR A PERIOD OF TWELVE (12) MONTHS AFTER THE DATE OF PURCHASE, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION. THE CLASS B COMMON STOCK HAS BEEN ISSUED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE PENNSYLVANIA SECURITIES ACT OF 1972. NO SUBSEQUENT RESALE OR OTHER DISPOSITION OF THE CLASS B COMMON STOCK MAY BE MADE WITHIN 12 MONTHS FOLLOWING THEIR INITIAL SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION, AND THEREAFTER ONLY PURSUANT TO AN EFFECTIVE REGISTRATION OR EXEMPTION.

NOTICE TO RHODE ISLAND RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE DEPARTMENT OF BUSINESS REGULATION OF THE STATE OF RHODE ISLAND NOR HAS THE DIRECTOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO SOUTH CAROLINA RESIDENTS ONLY: THE CLASS B COMMON STOCK IS BEING OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THE CLASS B COMMON STOCK HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY CLASS B COMMON STOCK, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO SOUTH DAKOTA RESIDENTS ONLY: THE CLASS B COMMON STOCK IS BEING OFFERED FOR SALE IN THE STATE OF SOUTH DAKOTA PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SOUTH DAKOTA BLUE SKY LAW, CHAPTER 47-31, WITH THE DIRECTOR OF THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE AND REGULATION OF THE STATE OF SOUTH DAKOTA. THE EXEMPTION DOES NOT CONSTITUTE A FINDING THAT THIS MEMORANDUM IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DIRECTOR OF THE DIVISION OF SECURITIES PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THE CLASS B COMMON STOCK. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO TENNESSEE RESIDENT ONLY: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE CLASS B COMMON STOCK HAS NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE CLASS B COMMON STOCK IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD. EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO TEXAS RESIDENTS ONLY: THE CLASS B COMMON STOCK OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE TEXAS SECURITIES LAWS AND, THEREFORE, ANY PURCHASER THEREOF MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE CLASS B COMMON STOCK CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER SUCH SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. FURTHER, PURSUANT TO §109.13 UNDER THE TEXAS SECURITIES ACT, THE ISSUER IS REQUIRED TO APPRISE PROSPECTIVE INVESTORS OF THE FOLLOWING: ANY PURCHASER HEREUNDER SHALL BE REQUIRED TO SIGN A WRITTEN AGREEMENT THAT HE WILL NOT SELL THE SUBJECT SECURITIES WITHOUT REGISTRATION UNDER APPLICABLE SECURITIES LAWS, OR EXEMPTIONS THEREFROM.

NOTICE TO UTAH RESIDENTS ONLY: THE CLASS B COMMON STOCK IS BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE UTAH SECURITIES ACT. THE CLASS B COMMON STOCK CANNOT BE TRANSFERRED OR SOLD EXCEPT IN TRANSACTIONS WHICH ARE EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

NOTICE TO VERMONT RESIDENTS ONLY: THE CLASS B COMMON STOCK HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE STATE OF VERMONT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION UNDER SECTION 13.1-514 OF THE VIRGINIA SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO WASHINGTON RESIDENTS ONLY: THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR PRIVATE PLACEMENT MEMORANDUM AND THE CLASS B COMMON STOCK HAS NOT BEEN REGISTERED IN RELIANCE UPON THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.

NOTICE TO WEST VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE CLASS B COMMON STOCK, THE INVESTOR IS HEREBY ADVISED THE CLASS B COMMON STOCK WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 15.06(b)(9) OF THE WEST VIRGINIA SECURITIES LAW AND MAY NOT BE REOFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

NOTICE TO WISCONSIN RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A WISCONSIN RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF THREE AND ONE-THIRD (3 1/3) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE CLASS B COMMON STOCK OFFERED HEREIN.

FOR WYOMING RESIDENTS ONLY: ALL WYOMING RESIDENTS WHO SUBSCRIBE TO PURCHASE CLASS B COMMON STOCK OFFERED BY THE U.S. ISSUER MUST SATISFY THE FOLLOWING

MINIMUM FINANCIAL SUITABILITY REQUIREMENTS IN ORDER TO PURCHASE CLASS B COMMON STOCK:

(1) A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000); AND

(2) THE PURCHASE PRICE OF CLASS B COMMON STOCK SUBSCRIBED FOR MAY NOT EXCEED TWENTY PERCENT (20%) OF THE NET WORTH OF THE SUBSCRIBER; AND

(3) "TAXABLE INCOME" AS DEFINED IN SECTION 63 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, DURING THE LAST TAX YEAR AND ESTIMATED "TAXABLE INCOME" DURING THE CURRENT TAX YEAR SUBJECT TO A FEDERAL INCOME TAX RATE OF NOT LESS THAN THIRTY-THREE PERCENT (33%).

IN ORDER TO VERIFY THE FOREGOING, ALL INVESTORS WHO ARE WYOMING RESIDENTS WILL BE REQUIRED TO REPRESENT IN THE SUBSCRIPTION AGREEMENT THAT THEY MEET THESE WYOMING SPECIAL INVESTOR SUITABILITY REQUIREMENTS.

WHERE YOU CAN OBTAIN MORE INFORMATION

This Offering Memorandum contains limited information on the Company. While we believe the information contained in the Offering Memorandum is accurate, such documents are not meant to contain an exhaustive discussion regarding the Company. We cannot guarantee a prospective investor that the abbreviated nature of the Offering Memorandum will not omit to state a material fact, which a prospective investor may believe to be an important factor in determining if an investment in our Class B Common Stock offered hereby is appropriate for such investor. As a result, prospective investors are required to undertake their own due diligence of the Company, our current and proposed business and operations, our management, and our financial condition to verify the accuracy and completeness of the information we are providing in this Offering Memorandum. **An investment in our Class B Common Stock pursuant to this Offering Memorandum is suitable only for investors who have the knowledge and experience to independently evaluate the Company, our business, and prospects.**

Prospective investors may make an independent examination of our books, records and other documents to the extent an investor deems it necessary and should not rely on us or any of our employees or agents with respect to judgments relating to an investment in the company.

EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, AS NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PPM.

Each offeree may, if he, she or it so desires, make inquiries of appropriate members of our management with respect to our business or any other matters set forth herein, and may obtain any additional information which such person deems to be necessary in order to verify the accuracy of the information contained in the Offering Memorandum (to the extent that we possess such information or can acquire it without unreasonable effort or expense).

Any such inquiries or requests for additional information or documents should be made in writing to us, addressed as follows:

RAD Technologies, Inc.
1501 Lincoln Blvd #1133
Venice, CA 90291
Attention: Investor Relations
Email: invest@radintel.ai

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OFFERING SUMMARY

Overview

RAD, which stands for Remove All Doubt, revolutionizes decision-making around creative direction and content creation. Prior to RAD AI, industry-standard digital marketing was plagued by bias. This results in inflated fee structures and guesswork that infiltrate critical campaign decisions.

RAD AI helps solve the problem of bias with advanced AI that analyzes extensive historical content patterns across brand, social channels and influencer profiles. This AI-based analysis addresses the problem of bias and helps deliver a measurable ROI for the brand that is easily understood.

By diving into historical content metrics on various platforms, we identify relevant topics and interests each clients target customers truly care most about. This information is then transformed into brand-specific personas and content direction that ultimately guides campaign direction.

Our model teaches brands how to use AI in simple, efficient and user friendly ways that ultimately drive enterprise adoption and outsized impact. We bring brands closer to their content performance and show them how unbiased content creation delivers ROI that can be easily understood at the P&L level. Our innovations lead to campaign performance that far surpasses industry standards and campaign ROI that can be validated by relevant stakeholders.

Our approach has been productized for influencer marketing as an entry point to secure meaningful, brand direct activations. As we continue to scale, we see use cases for that service enterprise brands and agencies across a wide variety of sectors including; public policy, healthcare, B2B, CPG, hospitality, entertainment, food, gaming, fashion, beauty and more.

The product can be used to inform any set of communication both online and offline. Today, the technology is being used for social communications, influencer marketing, and paid advertising. We bring brands closer to their content performance data, fostering transparency, trust, and long-lasting client relationships.

The Offering

The Offering will be conducted via www.republic.com (the “Platform”) which is operated for the benefit of OpenDeal Broker LLC dba Capital R (“ODB”). ODB is a registered FINRA/SEC broker dealer. Each investor will be required to electronically deliver to the Company a fully completed, dated and signed copy of the subscription agreement through Platform, together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company and ODB’s accreditation, customer identification and due diligence obligations prior to the termination of the offering and send full payment of any consideration to the Company to effect its purchase of Class B Common Stock. Investors will not be provided wire instructions until completion of ODB’s know your customer (KYC), anti-money laundering (AML), and Reg BI policies, as well as verification of accredited investor status, after which Investors may send full payment of any consideration to the Company. See “Plan of Distribution” for more details of our arrangement with ODB.

Investor funds will be held in escrow with a qualified third-party escrow agent (“Escrow Agent”) until one or more closings occur.

Securities being offered	Class B Common Stock
Offering Amount	Up to \$999,999.79, There is no minimum dollar amount of Class B Common Stock that must be sold for this offering to close.
Share Price	\$0.44 per share of Class B Common Stock
Minimum and Maximum Investment Amounts	The minimum investment amount per investor is \$1,999.80. There is no maximum investment amount per investor.
Voting Rights	The Class B Common Stock has no voting rights.
Offering Period:	The Offering will terminate at the earlier of the date at which the maximum offering amount has been sold, or the date at which the Offering is earlier terminated by the Company, in its sole discretion.
Governing law	Delaware

Escrow

The Company will accept tenders of funds to purchase whole shares. The Company may close on investments on a “rolling” basis (so not all investors will receive their shares on the same date). Investors may subscribe by tendering funds by check, wire transfer, credit or debit card or ACH transfer. All funds subscribed through the OpenDeal platform will be deposited in an escrow account with BankProv (the “Escrow Agent”). The funds tendered through the OpenDeal platform by potential investors will be held by the Escrow Agent in a segregated account exclusively for the Company’s benefit.

COMPANY OVERVIEW

As used in this Offering Memorandum, unless the context otherwise requires, the terms “Company”, “RAD”, “RAD AI”, “we”, “our” and “us” refer to RAD Technologies, Inc. unless the context indicates otherwise.

Company History

RAD Technologies, Inc. is a technology company incorporated on July 6, 2018 pursuant to Delaware law. RAD’s main thesis is that content marketing, which includes influencer activations, is rampant with inefficient processes that drive bloated fee structures. Prior to RAD, the influencer marketing industry leveraged these difficulties to bill for more time.

RAD aims to fix these difficulties by addressing the core issues clients care most about. The first problem we solve is influencer discovery, which our product addresses by using our AI to analyze historical content patterns from a database of influencers, then matching these same influencers to a predetermined campaign. The second problem we address is we help clients understand their audience by delivering AI-informed personas. These personas tell our clients who their customer is, and what they care most about today. The third problem our AI solves is content optimization and ranking. This product evaluates and rates content made by any content creator to verify its alignment with the brand’s messaging and helps predict which piece of content will most deeply resonate with the audience.

In the past few years, we have been able to expand our operations and enter new client and enterprise partnerships, including:

- In 2021, RAD acquired Atomic Reach, which included the proprietary AI platform that the product now utilizes.
- In 2023, RAD engaged with Hasbro to run two test campaigns, Hero Quest and Risk games respectively. The success of the first two campaigns produced a third campaign, RFP slated for Q1 of 2024. Furthermore, Hasbro has submitted budget approval for an annual contract utilizing the RAD AI solution.
- In 2023, RAD was the recipient of the Adobe Fund for Design Grant. The company has since released an add-on product in the Adobe Express platform.
- In 2023, OMNICOM, a company valued over \$14bn and recognized across the world as a top 3 Global agency and RAD launched a strategic partnership whereby Omnicom is utilizing RAD’s proprietary AI and is co-building products and services for Omnicom clientele.

Product Overview

At scale, we believe our software will disrupt the way current marketing campaigns select content to market their product/service to a target audience and have financial confidence that the campaign will generate a higher ROI than status quo methods (agencies)/software.

Our robust SaaS-focused business model is designed to attract and retain enterprise clients and expand their contracts through multi-year commitments.

RAD uses two pricing structures depending on what we are delivering for our client. For influencer marketing on a campaign level, RAD AI's end-to-end managed services model is grounded in efficiency and effectiveness. Through the use of our proprietary suite of AI tools, RAD AI is able to collapse the time required to identify new audiences, discover audience-centric influencers and optimize content, ultimately lowering the time/money/effort required to go from client brief to in-market activation. Once the Clients' goals and KPI's have been established, scopes are developed with specific deliverables against a bottom-line all-in budget that covers agency services (strategy and campaign management) and influencer costs. We charge clients on a per campaign basis initially. After the first campaign they run either one-off campaigns on a continual basis or groups of campaigns at a reduced fee.

Our SaaS model has two pillars depending on the type of client we are working with.

Marketers/Brands Clients

RAD AI's platform usage model is different from a traditional Seats/SaaS model. RAD AI has structured its pricing model for marketers around a tiered number of bundled or unbundled solutions across the three core three AI-informed offerings: (1) audience identification; (2) Influencer discovery; and (3) content optimization. This allows for bespoke packages to be created for each client based on their size and needs. These Marketer/Brands typically receive "view only" access to the platform.

RAD's multi-faceted capabilities are reshaping the influencer marketing landscape with the power of proprietary AI. This category disruption is serving as a valuable entry point into the enterprise organizations that will benefit from the broader value our AI technology delivers. Here is how our AI works:

Audience Segmentation: Using cutting-edge AI and proprietary models, we conduct an extensive analysis of posts, comments, and replies across Reddit, X, and TikTok focusing on sentiment, emotion, stance, and relevance concerning your brand, product, or service. Subsequently, our proprietary AI model comes into play, precisely identifying the primary and secondary interests of the target audience. We then segment further into like-minded groups, providing the client with a fresh perspective on your audience, paving the way for exceptional messaging and targeting strategies.

Influencer Discovery and Identification: Through our AI algorithms, we process extensive data from social media platforms and various online resources, effectively pinpointing potential influencers who resonate with a brand's target audience and values. This automated approach saves considerable time and effort compared to manual searching while ensuring highly precise matches. Furthermore, our AI delves into the content composition, performance, follower behavior, and key metrics of diverse influencers to identify the perfect candidates tailored to the client's campaign. As a result, we curate the most accurate and authentic influencer pool for the program, delivering best-in-class results. This is the foundation to begin to formulate content strategies that go beyond influencer programs and can be applied to the full funnel.

Campaign Personalization: Unique to RAD, our audience analysis revolves around segmenting audiences based on their primary and secondary interests. This approach empowers the development of highly personalized and customized strategies that perfectly align with the distinct preferences and behaviors of each target audience. By achieving this level of customization, campaign effectiveness is significantly enhanced, leading to an elevated overall user experience.

Content Optimization/ Media Ranking: RAD AI evaluates and rates the content shared by influencers to verify its alignment with the brand's messaging, accurately predicting which pieces will most deeply resonate with the audience. This meticulous analysis significantly enhances the impact and relevance of influencer marketing. Our model incorporates exclusive features that thoroughly analyze images and videos for emotion, memorability, sentiment, and other essential elements of predictive performance with precision.

Performance Analytics: With RAD’s AI-driven analytics, marketers can gain access to valuable insights in real-time. Unlike merely measuring performance metrics, RAD’s AI goes a step further, interpreting data to unveil the underlying reasons behind the results. This advanced approach shows in-depth insights that go beyond mere engagement, reach, and conversions, providing answers to critical, strategic questions and enabling accurate ROI reporting. This gives us the ability to go above measuring tactical objectives and leans into measuring business objectives/statistics.

Predictive Modeling: Designed with a continuous machine learning feedback loop, RAD AI continually predicts potential (customer) outcomes by analyzing historical and real-time data. This empowers brands to make well-informed decisions, optimize their strategies, and achieve enhanced results. This creates opportunistic and cultural content discovery which can be leveraged in ways that break the feed and bring cultural credibility to a brand.

Automated Influencer Management: RAD AI streamlines the influencer relationship management process by automating communication, tracking deliverables (project management), and facilitating contracts, thereby improving overall efficiency.

Intellectual Property

RAD AI is the first to leverage audience interests mined from online communities to build audience persona models. Using novel Natural Language Processing (“NLP”) models advanced through RAD AI proprietary research, our expertise resides in our ability to deconstruct every aspect of media (video, image, text) to understand the intended inference of emotion, sentiment, stance, meaning, topic and interest, and correlate that information to predictive engagement. Our AI models cluster communications based on these attributes into like minded communities and use their interests to describe who they are and how they form these communities. We then overlay demographic data to complete the description of the community. Additionally, RAD AI ranks and diagnoses media according to the preferences of each community thereby creating the ability to explain to the media creator what attributes of the media need to be changed in order for it to resonate with the target audience. RAD AI has engaged the legal expertise of Norton Rose to assist it in managing its IP portfolio. To date, the position of our counsel is to maintain our trade secrets by not filing IP patents and not sharing details of our research breakthroughs to the public.

Partner Relationships

As part of our efforts to obtain clients, we have developed partner relationships with industry leaders like Omnicom and Hasbro alongside specialized relationships with companies like Adobe. Partnerships with leaders like Omnicom provide unparalleled access to the largest enterprises in the world and thus expose our AI technology to broader markets that it would otherwise take years to forge. On the other hand, having brand direct relationships with holding companies like Hasbro provide the necessary validation other enterprise client prospects require during our sales process.

Furthermore, having forged specialized relationships with industry leaders like Adobe help move forward our AI technology feature sets and functionality. This enhanced feature sets ultimately benefit enterprise partnerships like Omnicom and Hasbro.

Omnicom Partnership

Omnicom Group Inc. [NYSE: OMC] and RAD AI have launched a strategic partnership whereby Omnicom is utilizing the RAD AI technology to serve select client needs as well as co-building products and services for these same clientele. The current engagement is slated –to end in September 2024 and is in the test, learn, validate stage

which will measure the efficacy of how the AI technology performs when applied toward key Omnicom clients. Erin Lanuti, the Chief Innovation Officer at OPRG (Omnicom PR Group) has been appointed to the RAD advisory board.

The benefits of this partnership are:

1. The partnership provides unrivaled access to new markets and industries for ongoing product adoption.
2. The partnership puts increased brand visibility amongst enterprise client-bases across public policy, healthcare, B2B, CPG, hospitality, entertainment, food, gaming, fashion, beauty and more.
3. If the current engagement that we are currently serving expands beyond the test, learn validate phase, the recurring revenue generated has the potential to materially impact 2024 projections.

Hasbro Client Relationship

In 2023, RAD engaged with Hasbro, Inc (NASDAQ HAS) to execute two pilot campaigns; Hero Quest and Risk board games respectively. The success of the first two campaigns produced a RFP for a third campaign slated for Q1 of 2024. Furthermore, Hasbro, our client, has submitted budget approval for an annual contract which will utilize the RAD AI solution across the broader group of the Hasbro family of brands.

The benefits of this client partnership is:

1. Hasbro is a highly sought after holding company featuring brands like Nerf, Monopoly, Peppa Piggy, GI Joe, Transformers and more. RAD being able to secure this partnership as a result of the quantitative value produced from our pilot program serves as an important proof point for product market fit and adoption.
2. Converting the initial pilot programs to recurring revenue proves the importance and value our AI delivers for RAD clientele.
3. If the current engagement that we are currently serving expands beyond the pilot, the recurring revenue generated has the potential to materially impact 2024 projections.

Adobe Relationship

In 2023, RAD was selected to be the participant of the Adobe Fund for Design Grant. The grant funds and promotes our continued innovation for content optimization through a unique add-on RAD built specifically for the Adobe Express marketplace.

The add-on RAD built for Adobe Express helps guide content creation across photos for web and social channels. Our AI and media optimization engine scores each visual based on a variety of features, including emotion, sentiment, and clarity, giving you immediate, predictive insights on how your media will perform with your target audience and across socials.

This benefits our clients by:

1. Identifying what type of content should be created and why
2. Allowing clients to compare content against their competition
3. Giving our clients a better understanding of how to create ROI based content
4. Providing a simple to use interface that almost any user can include into their content creation process

Atomic Reach Acquisition

In 2021, the Company undertook an acquisition of Atomic Reach, bringing its former CEO, Bradley Silver, on to serve as the RAD AI President and Head of Technology. Atomic Reach has developed an artificial intelligence platform with a specialization in AI that influences behavior and outcomes through language. The company, with over \$21 million invested, had developed state of the art AI technology, but struggled with product market fit.

Post-acquisition, the Company navigated through strategic decisions, homing in on which marketing technology sector to disrupt with our newly-acquired AI. RAD CEO Jeremy Barnett's previous experience in co-founding and eventually exiting a fashion technology company, Trendy Butler, in 2017, shed light on the palpable issues within influencer marketing and content creation. Thus, the Company anchored our focus on influencer marketing – a sector ready for disruption and with accessible campaigns and budgets.

Today, both teams have successfully integrated and thus, repositioned the Atomic Reach product offering. To date, the acquisition has proven to be beneficial for internal and external stakeholders, clients and investors.

Here's how the Atomic Reach acquisition has created value:

1. Clients have benefited from the Atomic Reach AI technology being adapted the productized towards complex marketing problems that have a material financial impact
2. RAD clients have benefited from Atomic Reaches investment of over \$21 million on R&D into AI technology. By acquiring this marketing technology company, the company bolstered its technological capabilities and, as a result, continues to scale its reach.
3. RAD clients have benefited from the Atomic Reach AI technology capabilities that include in-depth audit features of company data that help determine the most effective means of communicating with its customers.
4. RAD clients have benefited from the Atomic Reach AI technology capabilities which reduce the time required to effectively service influencer marketing campaigns. This enables our operations team to perform quantitatively better campaign work that is faster at a reduced billing rate.

Market

The following discussion includes references to third-party sources the Company evaluated when determining the approximate size of the market opportunities. These third-party sources are not incorporated by reference and the Company makes no representation regarding the accuracy of their methods.

The Company believes the addressable creative intelligence market is potentially sizeable and consists of the following segments:

- Social Media Management - \$19.1bn¹

Social media management solutions are among the leading choices for raising a company's brand recognition, driving inbound traffic, improving customer happiness, and increasing conversion rates. Businesses are adopting social media platforms to operate successfully in the economy and build a social media presence to attract new prospective consumers.

Adobe, IBM, Google LLC, Oracle Corp., Salesforce.com, Hubspot Inc., and Zoho Corp. Pvt. Ltd. are some examples of large enterprises who compete in this space.

¹ <https://www.gminsights.com/industry-analysis/social-media-management-market>

The social media management market growth is driven by the rising widespread penetration of social media and rising focus on market and competitive intelligence. The key future trend is continued improvement of internet technologies and the roll out of 5G.

- Digital Advertising - \$325bn²

Digital advertising is essential to advertisers and businesses for many reasons including but not limited to:

1. Wider reach: Digital advertising allows advertisers to reach a wider audience compared to traditional advertising methods. This is because digital advertising can be targeted to specific demographics, geographic regions, and interests.
2. Cost effectiveness: Digital advertising is typically less expensive than traditional advertising and offers a better return on investment (ROI) due to its ability to target specific audiences.
3. Real-time tracking & analysis: Digital advertising offers real-time tracking and analysis of campaigns, allowing advertisers to adjust their strategies and optimize their campaigns for better results.
4. Personalization: Digital advertising allows for personalized and targeted messaging which can increase engagement and conversion rates.
5. Flexibility: Digital advertising offers a high-level of flexibility, as campaigns can be adjusted or paused in real-time, and new campaigns can be launched quickly and easily.
6. Multiple channels: Digital advertising can be deployed across multiple channels, including social media, search engines, display networks, and mobile applications, allowing advertisers to reach their target audience wherever they may be online.

- Search Engine Optimization (SEO) + Search - \$68.2 bn³

SEO solutions and services help boost the number of visitors to a website with organic search results, such as Bing and Google. Some SEO elements, such as backlink building, keyword analysis, and content creation, have become a leading force in the industry. For instance, building backlinks have become instrumental in enhancing credibility. SEO has become invaluable for businesses to provide a competitive edge. Companies are investing in the tools that assess strengths and weaknesses.

The global market is segmented into freelancers' SEO services and agency SEO services. Stakeholders anticipate the SEO agency to exhibit noticeable growth as it helps companies boost web visibility. SEO agencies have also demonstrated traction for smart speakers and AI among others. The expanding application of AI with automation would allow companies to introduce innovative strategies to build content.

- Analytics + Data Management - \$307bn⁴

Big data analytics examines structured and unstructured databases to understand and deliver insights based on correlation, hidden patterns, varying market trends, and more. Prominent sectors aim to employ analytical tools to obtain customer insights by developing business intelligence.

For instance, in December 2020, Amazon, Inc. launched Amazon HealthLake, a HIPPA-compliant big data analytics service for the healthcare industry that provides real-time patient data.

² ASDReports, Global Marketing Technology (MarTech) Market Size Study & Forecast and Regional Analysis, 2023-2030

³ <https://finance.yahoo.com/news/search-engine-optimization-seo-market-125900367.html>

⁴ Fortune Business Insights, Big Data Analytics Market Size, 2023-2023

Adoption of AI-driven advanced reporting is changing the landscape. During and after COVID, businesses have been investing in systems to implement advanced analytics to understand emerging trends. Globally, businesses have accelerated their digital transformation strategy.

- Marketing Automation - \$6.3bn⁵

The marketing automation industry has seen significant growth in recent years, driven by a growing need for businesses to improve their marketing efficiency and effectiveness. One of the main drivers of this growth is the increasing adoption of automation by small and medium-sized businesses. These companies are using marketing automation tools to help them compete more effectively with larger enterprises. Additionally, with the rise of e-commerce and digital marketing, businesses are also looking for ways to automate and streamline their digital marketing efforts, which is driving demand for new tools.

The rising trend of organizations to optimize spending on marketing is creating high demand for marketing automation in recent years. As organizations look to optimize spending in marketing, they are increasingly turning to marketing automation tools to help them streamline and measure their marketing efforts. These tools allow organizations to automate repetitive tasks, such as email campaigns and social media posts, and to track the performance of their marketing campaigns in real-time. By using automation, organizations can save time and money by reducing the need for manual labor, while also being able to target and engage with their customers more effectively.

Additionally, automation also helps organizations to meet their Return on Investment (ROI) more easily. This increased efficiency and effectiveness can lead to increased revenue growth for the organization, as well as for the marketing automation market.

- Influencer Marketing - \$21.1bn⁶

Influencer marketing is a collaboration between popular social media users and brands to promote the brand's products or services. These partnerships have been going on since the dawn of social media.

Authenticity is the basis of success for any influencer marketing campaign. Forming relationships with influencers who are already relevant to a brand's message is vital. Influencers might be popular for their content on sustainability, cooking, body positivity, healthy lifestyle, and so on. Influencer marketing is more about building real relationships with creators than scoring social media posts that endorse products or services.

Since the COVID-19 pandemic, consumers are shopping online more frequently. During COVID consumers realized that they could safely and efficiently rely on e-commerce. This pattern has continued post pandemic. During this time, influencers played an even greater role.

Another new dimension that is influencing the space is the Metaverse. It can be commonly described as an emerging 3-D digital space that allows consumers to have lifelike experiences online via virtual reality and other technologies. In the metaverse, people interact with peers, content, cryptocurrency, brands, etc.

In the Metaverse, people are willing to pay for virtual goods and services: direct to avatar sales. Consulting giant McKinsey estimates the current market for such goods and services to be approximately \$54bn. Some

⁵ <https://www.expertmarketresearch.com/reports/marketing-automation-market>

⁶ <https://www.statista.com/topics/2496/influence-marketing/>

examples of goods that sell in the marketplace include Nike virtual sneakers, and Chipotle (real-life) burritos that were offered to the first 30,000 visitors to the Company's virtual store on Roblox.

Influencer marketing is becoming more of a widespread marketing strategy as digital technologies continue to evolve and attract users.

- Customer Relationship Management - \$65bn⁷

The growing adoption of digital technology tools is likely to set the pace for digital transformation and digital optimization of both new and existing businesses. Company departments such as sales & marketing and customer service & support are increasingly integrating Customer Relationship Management (CRM) systems with AI to improve customer experience and feedback and to develop stronger bonds with customers.

As an example, in 2022, Salesforce, Inc., a cloud-based software company, launched CRM analytics with new capabilities such as AI-powered insights for sales, marketing, and service teams for every industry, such as retail, IT, Telecommunications, etc.

Developments within CRM analytics will likely boost the growth of the market. Customers' increasing use of digital channels to communicate with brands and organizations is anticipated to drive customer relationships and the CRM industry via sales reporting and process automation.

With the growing importance of understanding customer behavior and their preferences, organizations are adopting CRM strategies to deliver the best performance in real-time to stay competitive. Rapid shifts in the fields of business intelligence and embedded analytics, the Internet of Things (IoT), and AI, and their implementation in CRM solutions are likely to promote product development and innovation among CRM vendors.

Design and Development

RAD is building an "all-in-one" AI platform for creating ROI-based content marketing. This software can be scaled globally and applies to any company that budgets for and leverages influencer marketing. The proprietary technology leverages 600+ API connections, 125k+ AI-based personas, 2.5b+ data points analyzed each campaign, 12b+ words, images & videos analyzed, and 90b+ user engagements/comments/likes analyzed.

Future iterations of the software will be self-serve and will allow for the user to license and operate the tool without support from RAD (data input).

RAD AI is in a constant state of development given the rapid and ongoing developments in the AI industry as a whole. We are continuing to explore advanced and newly created AI techniques to solve ongoing business challenges in the areas of audience insights, content optimization and predictive behavior. The current product represents the commercialization of some but not all of the research we have conducted to date. The end product will increase in functionality and sophistication representing the entirety of our research and the needs of the market in the areas where we focus.

The RAD development infrastructure is divided into two core teams each containing three dedicated teams within each core team.

⁷ <https://www.grandviewresearch.com/industry-analysis/customer-relationship-management-crm-market>

Our first core team, which builds our machine learning (“ML”) technology, is divided into three groups: 1) natural language processing (“NLP”), large language models (“LLM”), and computer vision. The NLP team’s goal is to advance linguistic models to support our advancements in Audience Segmentation, Data Labeling and large-scale Information Clustering. The LLM team’s goal is to advance our expertise in Large Language Models that are used for analysis of all forms of content in support of Audience Segmentation, Predictive Behaviour and Content Transformation. The last team in our ML universe is our Computer Visioning division, which focuses on novel inventions in the area of image and video analysis and tuning. In our current product iteration, we are using what we refer to as v1.0 or “version 1” where our models leverage foundational advancements in machine learning to analyze and segment audiences, measure metrics such as emotion, style, stance, sentiment and interests in relation to any form of social media text or media, and provide detailed insights into the construction of the above. It is also used to identify related influencers using novel AI models to replace human subjectivity.

Our second core team is split into the following three areas: 1) dev ops, 2) front end, and 3) back end. These teams bring the ML models to the forefront of the product in the form of an elegant user interface, they create API apps to extract information from our ML models into usable and storable data streams for the front end, manage our cloud infrastructure, optimize our infrastructure for run-time and performance and manage our integrations into to third party applications.

The focus of our current development roadmap which will run through to the end of 2024 is on enhancements to our audience segmentation engine which include expanded data sets, integration of our LLMs for audience identification, style transformation which automates the transference of text or media from one style of voice to another (i.e. scientific to humorous), v2.0 of our media ranking models which will allow for tuning of images for a particular audience segment, expanded video formats to include long and short videos and a robust compliance engine.

Sales & Marketing

Working with recognizable corporations is helping us build our brand recognition that will help us grow our client portfolio. We also have a structured salesforce in house that we plan to grow proportionally with revenue. We are also leveraging partnerships and other creative methods to cost-effectively market our company. We have been featured in high-volume publications such as Time Magazine, Forbes, and VanityFair. This further brings us exposure. After raising this round of financing, we plan to strategically invest in marketing to scale even faster.

Competition

Our main competitors are:

- Whalar (<https://www.whalar.com/>)
- IBM Watson (<https://www.ibm.com/watson>)
- BENlabs (<https://www.benlabs.com>)

RAD believes that our main differentiation is that our product delivers more specific results than our competitors and therefore generates more value for the customer.

We have focused our resources on R&D and have developed unique expertise in coding NLP AI. Our team has over a decade of experience. This has resulted in a sentiment analysis engine that surpasses our competitors and serves as the fundamental building block for our best-in-class influencer marketing solutions.

Our AI automation is transformative to enterprises using influencer marketing campaigns to drive sales. Our application creates otherwise unachievable executional efficiencies by eliminating guesswork and delivers quantifiable results.

Our AI automation is disruptive because it drastically reduces marketing operations costs, increases margin, and produces demonstrable and otherwise unattainable value to customers.

Customers

Our customers range from large legacy brands to growth companies and include but are not limited to Sweetgreen, THE BLK TUX, MGM Resorts, NCM National Cinemedia, ro, Dignity Health, Splinterlands, Accenture, Fisker, Bright Horizons, and MIKEWORLDWIDE.

Legal

We are not aware of any pending or threatened legal actions that we believe would have a material impact on our business.

Employees

The Company currently has six part-time employees and twenty full-time employees. As a part of our capital raise, we plan to initially hire a number of employees to assist in the deployment and scaling of our platform. As we continue to develop our technology we will also scale up our technical staff with the ultimate goal of creating a self-serve platform.

RISK FACTORS

Risks Related To Our Company

We have limited operating and financial history.

Our Company was founded in 2018 and spent the majority of the earlier years focused on developing our proprietary AI technology. During this time we have developed our beta technology with a focus on the product/market fit. And while we have begun generating revenue, we recorded negative net income. We expect to recognize more revenue in 2023, but we still anticipate having negative net income.

We expect both revenue growth and margin expansion as we improve our technology and onboard more clients. Through further development we intend to build a product that can be licensed and operated by the client. There is a risk that product development encounters unforeseen problems that would delay new feature advancements. This would subsequently delay revenue growth and profitability.

There is a possibility that we may not be able to continue as a “going concern.”

We have concluded that there is an uncertainty about our ability to continue as a going concern and our independent auditors have incorporated into their opinion accordingly. This opinion could materially limit our ability to raise additional funds by issuing new debt or equity securities or otherwise. If we fail to raise sufficient capital when needed, we will not be able to complete our proposed business plan. As a result, we may have to liquidate our business and investors may lose their investments. Our ability to continue is dependent on our ability to successfully accomplish our plan of operations described herein, obtain financing and eventually attain profitable operations. Investors should consider our independent auditor’s comments when deciding whether to invest in the Company.

Our technology is not yet fully developed

Our technology seeks to better inform content decision makers what content should be created and why, which influencers suit the client’s campaign needs best, and inform clients with AI-informed personas as to what their target audience cares most about. These solutions, when delivered for a client help create authentic content to market a product/service with a high ROI on the marketing campaign. Currently we are relying on investment capital to finance product development while we continue to grow revenue and ultimately profit. We have not fully vetted the feasibility/motive driver to get influencers to authenticate on our software. This is an important step to create a network of influencers (supply).

Our technology and infrastructure has not yet been tested at the full scale that we will need to meet expected full demand for the product. Any setback or unforeseen problem could potentially delay our timeline, negatively impact user experience, and ultimately result in a loss of subscribers.

We may need to raise additional capital, which might not be available or might be available only on terms unfavorable to us or our investors.

In order to continue to operate and grow the business, we will likely need to raise additional capital beyond this current financing round by offering shares of our Common or Preferred Stock and/or other classes of equity. We cannot assure you that the necessary funds will be available on a timely basis, on favorable terms, or at all, or that such funds, if raised, would be sufficient. The level and timing of future expenditure will depend on a number of factors, many of which are outside our control. If we are not able to obtain additional capital on acceptable terms, or at all, we may be

forced to curtail or abandon our growth plans, which could adversely impact the Company, its business, development, financial condition, operating results or prospects.

We rely on a small management team to execute our business plan and may be required to raise additional capital in order to continue to develop our technology and continue to scale our platform.

Our senior management team is currently small and consists of only one full-time CEO, and 4 members of the board. CEO Jeremy Barnett's experience and connections in the digital marketing industry are vital for us to both grow as a company and to raise funds. Without him, we would struggle to navigate the industry and grow our partnership and client base. Additionally, we rely on Jeremy to help raise funds for the Company until we are generating significant revenue to cover our costs and growth plans. As we continue to grow and scale our product, we might be required to raise debt or equity financing in order to develop our platform and effectively scale our product to meet demand.

We still have to prove the feasibility of attracting influencers to authenticate on our website.

One assumption that we have not fully vetted is the feasibility of attracting influencers to authenticate on our platform. This connection provides us with a network of (content) influencers that makes our matchmaking technology efficient. In small volumes we have proven that the idea is plausible but currently don't have enough data points to come to a logical conclusion. To understand our challenges, we are holding focus groups where we can engage with influencers to understand their motives and concerns.

A key component of our growth strategy involves the adoption and utilization of artificial intelligence (AI), which introduces certain risks.

We currently incorporate AI into specific existing and planned products, as well as our internal operations. While AI offers substantial opportunities, it also carries inherent risks.

Our competitors may possess greater financial and technological resources, providing them with a competitive edge in attracting, motivating, and retaining top AI professionals. This could pose challenges in building and maintaining our AI capabilities.

Furthermore, the use of AI brings to the forefront emerging ethical concerns. Should we introduce solutions that generate content that is misleading, biased, harmful or controversial due to perceived or actual societal impact, we may face potential harm to our brand and reputation, competitive disadvantages, or even legal liabilities.

In addition, we are susceptible to competitive risks arising from the rapid adoption and integration of new technologies by established industry participants, emerging startups, and other market entrants. Over time, AI tools are likely to enhance their accuracy and ability to handle complex tasks, potentially disrupting the landscape for technology businesses like ours. We must remain vigilant in our efforts to predict and respond to these developments in a timely and cost-effective manner.

Moreover, staying compliant with evolving laws, regulations, and industry standards pertaining to AI may impose significant operational costs and constrain our ability to develop, deploy, or employ AI technologies. Failing to adapt appropriately to this evolving regulatory environment could result in legal liability, regulatory actions, and damage to our brand and reputation.

Our ongoing development and use of AI tools and models may result in copyright infringement claims, disputes over ownership and licensing, and potential patent infringement claims, among other things. These legal challenges could be costly to defend against, leading to substantial financial obligations and reputational damage. The evolving

regulatory environment and uncertain legal precedents in this field further increase our exposure to litigation risks, which could materially affect our business, financial condition, and results of operations.

The AI industry has increasing competition.

The AI technology sector is experiencing remarkable growth and intensifying competition as technology continues to advance. Companies across various industries, including marketing, recognize the transformative potential of AI. As AI capabilities expand and become more accessible, the industry's competitive landscape will increase progress and create rivalry. Unexpected competition could adversely affect our market share, growth and profitability. Furthermore, new entrants into our market may have greater resources available to them than the resources available to the Company. This disparity may make it difficult for the Company to compete with such resource-rich competitors.

A significant slowdown in the growth of AI and AI-related markets could affect our business and earnings. Even if the market does grow, there is a possibility that we may not be able to grow at a similar pace.

AI and AI-related markets are still in their infancy in comparison to other widely used software types, it is unclear whether AI and AI-related markets will continue to grow. Even if AI-related markets do grow, we may not be able to adjust our spending quickly enough to keep pace or grow at a similar or steady pace with such growth, we may misjudge market and business trends which would harm our business, operating results, and financial condition.

AI services and products developed by us may become obsolete due to fast growing technological innovations or the entry of competitors with more financial and brand power.

AI is a fast-growing industry and we must successfully adapt and manage technological advance in AI and AI-related markets, as well as effectively compete with the emergence of additional competitors in the AI industry in order to maintain and grow our AI business and AI services. Thus, the success of our AI services and business depends in large part on our ability to keep pace with rapid technological changes in the development and implementation of AI products and services. For example, the development of groundbreaking technological innovations in AI, or innovations that would render AI obsolete, would harm our AI related business and make our AI services less durable. Further, the entry of competitors into the AI market that have more financial and brand power, could cause our share of the market to be significantly reduced thereby negatively affecting our business, operating results, and financial condition.

Failure to attract and retain additional qualified personnel could prevent us from executing our business strategy and growth plans.

To execute our business strategy, we must attract and retain highly qualified personnel, including in the areas of AI and machine learning. Competition for executive officers, software developers, compliance and risk management personnel and other key employees in our industry and location is intense. We compete with many other companies for software developers with high levels of experience in designing, developing, and managing cloud-based software, as well as for skilled legal and compliance and risk operations professionals. Many of the companies with which we compete for experienced personnel have greater resources than we do and can frequently offer such personnel substantially greater compensation than we can offer. If we fail to identify, attract, develop and integrate new personnel, or fail to retain and motivate our current personnel, our growth prospects would be adversely affected.

The information that our AI learns may include highly confidential information. In the unlikely event of a leakage of such confidential information, our credibility may be negatively impacted, which may affect our business, operating results, and financial condition.

Our AI may come to learn sensitive and confidential information. When accumulating such information the risks of a data breach or inadvertent disclosure of such information is of paramount concern. The information our AI obtains may become released due to a hack or data breach by third parties as well as accidentally released by us. Any unauthorized disclosure of such information could damage our reputation, interrupt our operations, and may result in a violation of applicable laws. If such information is released, it could cause customers to not trust our services and reduce the number of customers we attract. Further, if such a leak were to occur we may also have to cease our AI operations to install additional security measures to prevent the further occurrence of leaks, which may be time consuming and expensive. Accordingly, if there is a leak of sensitive or confidential information by our AI, whether as a result of third-parties, or caused by us, it would seriously harm our business, operating results, and financial condition.

Use of artificial intelligence tools and models may require additional investment and costs and pose unique risks to our business and could subject us to legal liability.

Uncertainty around new and emerging AI applications, such as AI content creation, may require additional investment in the development of proprietary datasets and machine learning models, development of new approaches and processes to provide attribution or remuneration to content creators and building systems that enable creatives to have greater control over the use of their work in the development of AI, which may be costly and could impact our profit margin. Developing, testing, and deploying AI systems may also increase the cost profile of our offerings due to the nature of the computing costs involved in such systems.

We may use AI tools and models in our business. Generative AI products that produce content which can be indistinguishable from that generated by humans is a relatively novel development, with benefits, risks, and liabilities still unknown. Recent decisions of the U.S. Copyright Office suggest that we would not be able to claim copyright ownership in any source code, text, images, or other materials, which we develop through use of AI tools and models, and the availability of such protections in other countries is unclear. As a result, we could have no remedy if third parties reused those same materials, or similar materials also generated by AI tools. We also face risks to any confidential or proprietary information of the Company which we may include in any prompts or inputs into any AI tools and models, as the providers of the AI tools and models may use these inputs or prompts to further train the tools. Not all providers offer an option to opt-out of such usage, and, even where we do opt-out, we cannot guarantee that the opt-out will be fully effective. In addition, we have little or no insight into the third-party content and materials used to train these AI tools and models, or the extent of the original works which remain in the outputs. As a result, we may face claims from third parties claiming infringement of their intellectual property rights, or mandatory compliance with open-source software or other license terms, with respect to software, or other materials or content we believed to be available for use, and not subject to license terms or other third-party proprietary rights. We could also be subject to claims from the providers of the AI tools and models, if we use any of the generated materials in a manner inconsistent with their terms of use.

Any of these claims could result in legal proceedings and could require us to purchase a costly license, comply with the requirement of open source software license terms, or limit or cease using the implicated software, or other materials or content unless and until we can re-engineer such software, materials, or content to avoid infringement or change the use of, or remove, the implicated third party materials, which could reduce or eliminate the value of our technologies and services. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on our business, results of operations, financial condition, and future prospects.

The success of our business relies on clients successfully adopting our product via long-term contracts.

If our clients do not adopt our product via long-term, multi-month contracts, we may be unable to scale successfully and our business model may not prove to be repeatable.

Acquiring other competing or complementary marketing agencies is key to our success.

We are actively pursuing a strategy to acquire other marketing and advertising agencies that we believe are accretive to our business. These acquisitions may be for a number of reasons, including to acquire technology/IP, new talent, and/or new customers. If we are unable to successfully locate acquisition targets and consummate these transactions, we may be unable to succeed.

Risks Related to the Securities in this Offering

The offering price of our Securities has been arbitrarily determined.

Our management has determined the number and price of Securities offered by the Company. The price of the Securities we are offering was arbitrarily determined based upon our estimates of the current market value, illiquidity, and volatility of our common stock, our current financial condition, the prospects for our future cash flows and earnings, and market and economic conditions at the time of the Offering. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially early-stage companies, is difficult to assess and investors may risk overpaying for their investment.

There is no current market for any shares of the Company's stock

There is no formal marketplace for the resale of any of the Company's Common Stock. Shares of Common Stock may be traded on the over-the-counter market to the extent any demand exists. Investors should assume that they may not be able to liquidate their investment for some time or be able to pledge their shares as collateral. The Company currently has no plans to list any of its shares on any OTC or similar exchange.

There is no minimum amount set as a condition to closing this offering.

Because this is a "best efforts" offering with no minimum, the Company will have access to any funds tendered. This might mean that any investment made could be the only investment in this offering, leaving the Company without adequate capital to pursue its business plan or even to cover the expenses of this offering.

Using a credit card to purchase shares may impact the return on your investment as well as subject you to other risks inherent in this form of payment.

Investors in this offering have the option of paying for their investment with a credit card, which is not usual in the traditional investment markets. Transaction fees charged by your credit card company (which can reach 5% of transaction value if considered a cash advance) and interest charged on unpaid card balances (which can reach almost 25% in some states) add to the effective purchase price of the shares you buy. See "Plan of Distribution and Selling Securityholders." The cost of using a credit card may also increase if you do not make the minimum monthly card payments and incur late fees. Using a credit card is a relatively new form of payment for securities and will subject you to other risks inherent in this form of payment, including that, if you fail to make credit card payments (e.g. minimum monthly payments), you risk damaging your credit score and payment by credit card may be more susceptible to abuse than other forms of payment. Moreover, where a third-party payment processor is used, as in this offering, your recovery options in the case of disputes may be limited. The increased costs due to transaction fees and interest may reduce the return on your investment.

The SEC's Office of Investor Education and Advocacy issued an Investor Alert dated February 14, 2018 entitled: Credit Cards and Investments – A Risky Combination, which explains these and other risks you may want to consider before using a credit card to pay for your investment.

You will need to keep records of your investment for tax purposes.

As with all investments in securities, if you sell the Securities, you will probably need to pay tax on the long- or short-term capital gains that you realize if sold at a profit or set any loss against other income. If you do not have a regular brokerage account, or your regular broker will not hold the Securities for you (and many brokers refuse to hold Regulation D securities for their customers) there will be nobody keeping records for you for tax purposes and you will have to keep your own records, and calculate the gain on any sales of any securities you sell.

We have broad discretion in how we use the proceeds of this Offering and may not use these proceeds effectively, which could affect our results of operations and cause the price of our Securities to decline.

We will have considerable discretion in the application of the net proceeds of this Offering. We intend to use the net proceeds from this Offering to fund our business strategy, including without limitation, new and ongoing research and development, production, offering expenses, working capital and other general corporate purposes, which may include funding for the hiring of additional personnel. As a result, investors will be relying upon management's judgment with only limited information about our specific intentions for the use of the balance of the net proceeds of this Offering. We may use the net proceeds for purposes that do not yield a significant return, any return at all for our shareholders or even the ability to return your capital. In addition, pending their use, we may invest the net proceeds from this Offering in a manner that does not produce income or that loses value.

USE OF PROCEEDS

Please see the table below for a summary our intended use of proceeds from this Offering prior to accounting for any offering related expenses:

Total Raise	\$999,999.64	
Offering Expenses (1)	Amount	%
<i>Commissions & Variable Expenses, Net of Transaction Fees</i>	\$60,000	6%
<i>Fixed Costs</i>	\$5,000	.5%
Net Proceeds	\$935,000	
Use of Proceeds (1)	Amount	% (2)
<i>Payroll</i>	\$467,500	50%
<i>Marketing & Advertising</i>	\$233,750	25%
<i>General & Administrative</i>	\$233,750	25%
Total Use of Proceeds	\$935,000	

- (1) Amounts used in this table are approximate and rounded to the nearest whole dollar.
(2) Percentages are net of offering expenses.

The Company reserves the right to change the above use of proceeds if management believes it is in the best interests of the Company.

By way of example, if an investor were to subscribe for \$1,000 of our Class B Common Stock, \$60 would be paid as commissions and variable expenses and an additional \$25 as fixed costs. The remaining balance would be available to be used by the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes included in this Offering Memorandum. The following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements.

Our financial statements can be found in Exhibit A to this Offering Memorandum forms a part. The financial statements were audited by SetApartFS (FY 2022) and Procyon Financial (FY 2021). The following discussion should be read in conjunction with our audited financial statements and the related notes included in this Offering Memorandum.

Operating Results

For the fiscal year ended December 31, 2022, the Company had revenues of \$446,498 compared to the year ended December 31, 2021, when the Company had revenues of \$515,854.

The Company's gross margin was 28.64% in fiscal year 2022, compared to 73.55% in 2021. The decreased gross margin was because the Company expended additional costs, including labor, to provide improved service to its customer base.

In 2022, the Company recognized \$3,844,391 in operating expenses, as compared to \$1,417,395 in operating expenses for 2021, representing a 170% increase. This increase was primarily due to increased payroll and overhead costs, as the Company grew its base of full-time and part-time employees and contractors.

Liquidity and Capital Resources

As of December 31, 2022, the Company had cash on hand of \$203,235. This is compared to as of December 31, 2021, when the Company had cash on hand of \$280,149.

Since inception in 2018, the Company has closed several rounds of financing, including from private sources and via Regulation CF and Regulation D, rule 506c. In 2022, the Company launched a Regulation CF financing round which officially closed in April 2023 and resulted in a total of \$4,152,018 in gross proceeds.

The Company issued 4,816,839 shares of Class B Common Stock, representing \$1,200,000 in gross proceeds in a Regulation CF round on Wefunder Portal LLC which closed on November 3, 2023.

As mentioned above, the Company recognized revenue of \$446,498 in 2022 and \$515,854 in 2021, which has helped offset operating losses.

The Company recently completed a Regulation CF offering with DealMaker Securities, LLC, which closed in February 2024. That round raised \$964,265 in gross proceeds for the Company, issuing 3,463,325 shares of Class B Common Stock

In April 2024, the Company completed a second Regulation CF offering with DealMaker Securities, LLC. That round raised approximately \$2,400,000 in gross proceeds for the Company, issuing approximately 6,315,789 shares of Class B Common Stock. This amount is subject to change based on the final closing out of escrow and the issuance of bonus shares.

The Company currently has no other sources of capital beyond revenue from operations and planned equity financing rounds.

In June 2024, the Company completed a Regulation D offering hosted by DealMaker O/A Novation Solutions. That round raised approximately \$285,000 in proceeds for the Company, issuing approximately 892,509 shares of Class B Common Stock. This amount is subject to change based on the final closing out of escrow and the issuance of bonus shares.

In July 2024, the Company completed a Regulation D offering with OpenDeal Broker LLC. That round raised approximately \$81,399 in proceeds for the Company, issuing approximately 214,207 shares of Class B Common Stock. This amount is subject to change based on the final closing out of escrow and the issuance of bonus shares.

Plan of Operations and Milestones

While the Company has generated revenues since inception, they have been unable to show consistent profit or net income since inception. The Company continues to focus on business development to grow its customer base and product development to expand its product offerings, with the goal of growing top line revenue over the coming months and years. Previous capital raised by the Company has enabled it to sustain operating losses while also growing its employee base and expand its pool of paying customers. The Company anticipates continued operating losses in the coming 12-18 months as it focuses on customer growth.

The Company anticipates that it will need to continue to raise capital within 4-6 months after this Offering in order to continue with the aforementioned plan of operations.

DIRECTORS & EXECUTIVE OFFICERS

This table shows the principal people on the company's team:

<u>Name</u>	<u>Position</u>	<u>Term of Office</u>	<u>Approx. hours per week (if not full time)</u>
Executive Officers:			
Jeremy Barnett	CEO	2018 – Present	Full-time
Bradley Silver	President	2021 – Present	Full-time
Directors:			
Jeremy Barnett	Director	2018 – Present	2
Bradley Silver	Director	2021 – Present	2
Aaron Kuntz	Director	2018 – Present	2
Joseph Freedman	Director	2021 – Present	2
Orin Litman	Director	2024 – Present	2

Jeremy Barnett, Chief Executive Officer

Jeremy Barnett, CEO and co-founder is a 3x startup founder with 2 exits, including Trendy Butler (fashion tech). Jeremy has successfully led companies and raised capital with institutional investors such as Fidelity Investments, SOS Ventures, Expert Dojo, and more. He has experience building companies from 0-100+ employees. Mr. Barnett has served as CEO for RAD AI since the company was founded in March, 2018.

Bradley Silver, President

Bradley Silver, President and co-founder is also a 3x startup founder with 2 exits including Brand Protect. He has extensive experience raising capital and has worked with investors such as Fidelity Investments, GenWealth Ventures, MaRS AF, Brigus Capital, and Greybrook. He has experience scaling companies to \$30m+ in annual recurring revenue. Mr. Silver has been with RAD AI since June, 2021. Prior to that he served as the CEO of Atomic reach from November, 2010 until October 2021.

Aaron Kuntz, Director

Aaron Kuntz, Director, is a lifelong entrepreneur, investor and advisor for several growth stage start-ups. He has been an early stage investor in industries like artificial intelligence, real estate, e-commerce, hospitality and food and beverage. Apart from RAD AI, Aaron is the president and owner of Consumer Credit Marketing, Inc., a marketing services company catering to consumer financial industries, a role in which he has been serving since 2008. Mr. Kuntz has been with RAD AI since February, 2018.

Joseph Freedman, Chairman

Joe Freedman, co-founder and chairman, is a private equity investor and corporate director with more than 25 years of industry experience. His most recent experience includes 18 years at Brookfield Asset Management, one of the world's leading private equity and alternative asset management firms. Now retired from Brookfield, Mr. Freedman is a director of several private and public companies and non-profit organizations including Bridgemark Real Estate Services (TSX:BRE) and the Canadian Civil Liberties Association. Mr. Freedman has served on the board of RAD AI since August, 2021. Prior to that, he served as the chairman for Make Space Inc. starting in March 2016, which is a role he still holds.

Orin Litman, Director

Orin is currently the Founder and Chairman and VetStrategy. Orin founded the Company in 2006 and served as its Chief Executive Officer from 2006 to 2023. Orin serves on the boards of many companies, including RAD, Vetster, and AmeriVet Veterinary Partners. Orin holds an MBA from the Ivey Business School at Western University.

SECURITIES BEING OFFERED & CAPITALIZATION

The Company is offering up to \$1,000,000 in Class B Common Stock as a part of this Offering at a price of \$0.44 per share.

Capitalization

The following description summarizes important terms of our capital stock. This summary does not purport to be complete and is qualified in its entirety by the provisions of our Charter and our Bylaws. Our authorized capital stock consists of Class A Common Stock and Class B Common Stock, each with a part value of \$0.0001 per share.

As of July 2024, the following is a list of our authorized and issued stock:

The following table describes our capital structure as of July 2024:

Class of Equity	Authorized Limit*	Issued and Outstanding[†]	Committed, Not-issued*	Available
Class A Common Stock, par value \$0.0001	200,000,000 [~]	98,150,558	67,232,836	34,616,606
Class B Common Stock, par value \$0.0001	50,000,000 [~]	15,702,668	0	34,297,331

*Includes 22,334,926 warrants and 42,713,766 shares reserved for issued stock options and 2,184,144 shares reserved for unissued stock options pursuant to the Company's 2022 Stock Plan as well as shares associate with the stock plan of Atomic Reach, which was assumed by the Company following its acquisition.

[†]Includes 6,315,789 shares of Class B Common Stock issued in the Company's Regulation CF round on DealMaker which closed on April 29, 2024. This amount is subject to change based on the final closing out of escrow.

[†]Includes 892,509 shares of Class B Common Stock issued in the Company's Regulation D round on DealMaker which closed on June 21, 2024. This amount is subject to change based on the final closing out of escrow.

[†]Includes 214,207 shares of Class B Common Stock issued in the Company's Regulation D round on Republic which closed on July 2, 2024. This amount is subject to change based on the final closing out of escrow.

Class B Common Stock

Voting Rights

The shares of Class B Common Stock shall have no voting rights of any kind, except as may be otherwise required by law. The holders of the Class A Common Stock are entitled to one vote for each share of Class A Common Stock held at all meetings of stockholders (and written actions in lieu of meetings).

Dividend Rights

Holders of Class B Common Stock shall share pro rata in any dividends declared by the board of directors with the holders of Class A Common Stock. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock.

Class A Common Stock

Voting Rights

The holders of the Class A Common Stock are entitled to one vote for each share of Class A Common Stock held at all meetings of stockholders (and written actions in lieu of meetings).

Dividend Rights

Holders of Class A Common Stock shall share pro rata in any dividends declared by the board of directors with the holders of Class B Common Stock. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock.

Stockholder's Agreement

Holders of the Company's Class A Common Stock entered into a Stockholder's Agreement in July 2021. Pursuant to the Stockholder's Agreement, the Company's Board of Directors is to be set as the following:

1. Joseph Freedman (so long as Freedman holds at least seven and one-half percent (7.5%) the outstanding Capital Stock of the Company on an as converted basis
2. Jeremy Barnett
3. Bradley Silver
4. So long as Barnett is a director, one individual nominated by Barnett who is confirmed by the holders of a majority of the Shares held by the Stockholders who are identified as original shareholders in RAD Technologies, Inc.
5. So long as Freedman and Silver are each a director, one individual nominated by Freedman and Silver who is confirmed by the holders of a majority of the Shares held by the Stockholders who are identified as former shareholders of Atomic Reach, Inc.

PLAN OF DISTRIBUTION

This Offering of Class B Common Stock (the “Securities”) will be conducted via www.republic.com (the “Platform”) which is operated for the benefit of OpenDeal Broker LLC dba Capital R (“ODB”). The price is \$0.44 per share of Class B Common Stock. ODB is a registered FINRA/SEC broker dealer. Each investor will be required to electronically deliver to the Company a fully completed, dated and signed copy of the Subscription Agreement through Platform, together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company and ODB’s accreditation, customer identification and due diligence obligations prior to the termination of the Offering and send full payment of any consideration to the Company to effect its purchase of the Securities. Investors in this offering (each, an “Investor”) will not be provided wire instructions until completion of ODB’s know your customer (KYC), anti-money laundering (AML), and Reg BI policies, as well as verification of accredited investor status, after which Investors may send full payment of any consideration to the Company.

“Best efforts” offering

We are offering the Securities on a “best efforts” basis with no prescribed minimum. There is no minimum aggregate sale of Securities required for the Company to begin accepting and closing sales of Securities; subscription proceeds will be available for use by the Company as soon as the Company accepts such subscriptions and receives funds.

Engagement Agreement with ODB

We are currently party to an offering listing agreement, as effective as of December 15, 2023 (the “Engagement Agreement”), with ODB, who has agreed to provide certain offering facilitation services, including executing and delivering evidence of the Securities sold in this Offering to each Investor and the use of the Platform. ODB has made no commitment to purchase all or any part of the Securities. The term of the Engagement Agreement will continue until the later of the Securities are no longer being listed on the Platform or all fees due to ODB being remitted unless otherwise terminated by either party upon thirty (30) days’ prior written notice or for cause as well as for other reasons pursuant to the Engagement Agreement.

ODB is not purchasing any of the Securities in this Offering and are not required to sell any specific number or dollar amount of securities but will instead arrange and manage this Offering on their fundraising platform, Republic.co.

Reimbursable expenses in the event of termination. In the event the Offering does not close or we decide not to pursue this Offering, we have agreed to reimburse ODB the greater of (a) \$5,000, (b) all costs incurred by ODB in enabling this Offering to be listed on Republic.co or (c) the dollar amount equal to the processing fees as described below, for the Maximum Offering Amount (as described below).

Commission and Expenses. We have agreed to pay ODB a cash commission of six percent (6.0%) the dollar value of the Securities sold to Investors pursuant to the Offering (the “ODB Cash Commission”). We have also agreed to pay ODB a securities commission equivalent to 2.0% of the dollar value of Securities sold in this Offering. Non-accountable expenses shall be limited to one-half percent (0.5%) of the Offering’s proceeds to ODB.

While our management may promote the Company and this Offering, no other commissions will be paid to anyone in connection with facilitating this Offering.

Fees to Investors. ODB shall, in its sole discretion, charge a 2.0% cash fee on gross subscriptions made by each Investor who subscribes to the Offering through the Platform, with a minimum fee of \$5 and a maximum of \$300 per subscription.

ODB has agreed, with respect to the Securities issued to it as part of its commission, not to: (a) sell, transfer, assign, pledge or hypothecate such Securities for a period of 180 days following the date on which this Offering is qualified by the SEC to anyone other than: (i) its affiliates or any selected dealer that may participate in the Offering, or (ii) a bona fide officer or partner of ODB or of any such selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) cause such Securities to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such Securities, except as provided for in FINRA Rule 5110(e)(2). On and after 180 days after the date on which this Offering is qualified by the SEC, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. There are no registration rights offered to ODB. We may be required to indemnify ODB and possibly other parties with respect to disclosures made in this Offering Memorandum as well as for a material breach of its representations, warranties, covenants or agreements in the engagement Agreement.

Fees for Termination of the Engagement Agreement. Should we terminate the Engagement Agreement, other than for a breach of the Engagement Agreement by ODB, we have agreed to pay ODB the greater of \$5,000 or an amount equal to the number of Investors in this Offering multiplied by \$25.00.

Aggregate Maximum Commission payable to ODB. The aggregate cash commission to be paid to ODB if the Maximum Offering Amount is raised will have a maximum value of no more than 6% of the total proceeds of the Offering. Any other fees that the Company may pay to ODB or third parties will not be commissions for these purposes.

For the avoidance of doubt, neither ODB's cash commission nor ODB's expense reimbursement will reduce Investors' capital commitment. ODB will be entitled to a securities commission equal to two percent (2.0%) of the dollar value of the Securities sold in the Offering. In aggregate, ODB shall receive a commission not to exceed eight percent (8%) of the total proceeds of the Offering.

Indemnification and Control

We have agreed to indemnify ODB against liabilities relating to any investigation, claim, or proceeding stemming from the Offering, liabilities arising from breaches of some or all of the representations and warranties contained in the Engagement Agreement, and to contribute to payments that ODB may be required to make for these liabilities. ODB and their respective affiliates are engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. ODB and their respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

Procedures for Subscribing

In order to purchase the Securities, each Investor will be required to electronically deliver to the Company, through the Platform a fully completed, dated, and signed copy of the subscription agreement together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company and ODB's accreditation, customer identification and due diligence obligations prior to the termination of the Offering, according to the Company's procedures as outlined on the Platform. Investors will not be

provided wire instructions until completion of ODB's know your customer (KYC), anti- money laundering (AML), and Reg BI policies, as well as verification of accredited investor status, after which Investors may send full payment of any consideration to the Company.

The Company and ODB reserve the right to reject any proposed investment in part or in its entirety in their sole discretion, in which case, the applicable prospective Investor's funds will be returned without interest or deductions. Investment commitments are not binding on the Company until they are accepted by the Company. Once accepted by the Company, subscriptions are irrevocable.

We will hold an initial closing on any number of Securities at any time during the Offering after we have received notification of approval when we and ODB determine, and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering. We will close on proceeds based upon the order in which they are received. We will consider various factors in determining the timing of any additional closings following the initial closing, including the amount of proceeds received at the initial closing and any prior additional closings.

OPENDEAL HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL BROKER'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

If an Investor makes an investment commitment under a name that is not their legal name, they may be unable to redeem their Security indefinitely, and neither ODB nor the Company are required to correct any errors or omissions made by the Investor.

Investor Perks:

Time-Based Discount

Investors who invest by August 7, 2024 at 11:59pm PST will receive a 10% discount on their share price, reflecting a price per share of \$0.40. During the period commencing on August 8, 2024 at 12:00am PST, no discount will be applied to the share price.

RESTRICTIONS ON TRANSFERABILITY

Our Class B Common Stock sold pursuant to this Offering Memorandum are “restricted securities” as that term is defined in Rule 144 promulgated under the Securities Act. These securities have not been registered under the Securities Act and are being offered and will be sold without benefit of registration under the applicable federal or state securities acts by reason of specific exemptions from registration provided by such acts. The availability of such exemptions is also dependent, in part, upon the “investment intent” of the investors. The exemptions would not be available if an investor were purchasing the Class B Common Stock with a view to redistributing them. Accordingly, each investor when executing the Subscription Agreement will be required to acknowledge that his or her purchase is for investment, for its, his or her own account, and without any view to resale of Class B Common Stock except pursuant to an effective registration statement under the Securities Act, or a valid exemption from the registration requirements of the Securities Act, and subject to the terms of the Subscription Agreement.

Any certificate or other document evidencing the Class B Common Stock will be imprinted with a conspicuous legend stating that the securities have not been registered under the Securities Act of 1933 and state securities laws, and referring to the restrictions on transferability and sale of the securities. In addition, our records concerning the securities will include “stop transfer notations” with respect to such Class B Common Stock.

In addition, any transfer in violation of our Charter will be deemed invalid, null and void, and of no force or effect. Any person to whom our Class B Common Stock are attempted to be transferred in violation of the transfer restriction will not be entitled to vote on matters coming before the stockholder, receive distributions from the Company or have any other rights in or with respect to our Class B Common Stock.

A purchaser must be prepared to bear the economic risk of an investment in our Class B Common Stock for an indefinite period of time. An investor in our Class B Common Stock, pursuant to the Subscription Agreement and applicable law, will not be permitted to transfer or dispose of the Securities, and the Securities will be subject to transfer restrictions as set out in the Subscription Agreement for at least one year from the date of the Subscription Agreement.

INVESTOR SUITABILITY STANDARDS

General

An investment in our Class B Common Stock involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in their investment. Our Class B Common Stock sold pursuant to this Offering Memorandum are only suitable for those who desire a relatively long-term investment for which they do not need liquidity until the anticipated return on investment as set forth in this Offering Memorandum.

The offer, offer for sale, and sale of Class B Common Stock is intended to be exempt from the registration requirements of the Securities Act pursuant to Rule 506(c) of Regulation D promulgated thereunder and is intended to be exempt from the registration requirements of applicable state securities laws as a federally covered security. This offering is directed to “accredited investors,” as that term is defined in Rule 501(a) of Regulation D as promulgated by the SEC.

A subscriber must meet one (or more) of the investor suitability standards below to purchase Class B Common Stock. Fiduciaries must also meet one of these conditions. If the investment is a gift to a minor, the custodian or the donor must meet these conditions. For purposes of the net worth calculations below, net worth is the amount by which assets exceed liabilities, but excluding your house, home furnishings or automobile(s) among your assets. In the Subscription Agreement, a subscriber will have to confirm satisfaction of these minimum standards:

- Each investor must have the ability to bear the economic risks of investing in the Class B Common Stock.
- Each investor must have sufficient knowledge and experience in financial, business or investment matters to evaluate the merits and risks of the investment.
- Each investor must represent and warrant that the Class B Common Stock to be purchased are being acquired for investment and not with a view to distribution.
Each investor will make other representations to us in connection with purchase of the Class B Common Stock, including representations concerning the investor’s degree of sophistication, access to information concerning the Company, and ability to bear the economic risk of the investment.

Suitability Requirements

Rule 501(a) of Regulation D defines an “accredited investor” as any person who comes within any of the following categories, or whom the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

(1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, exceeds \$1,000,000.

(i) Except as provided in paragraph (5)(ii) of this section, for purposes of calculating net worth under this paragraph (5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors;

(9) Any entity, of a type of not listed in paragraphs (1), (2), (3), (7), or (8), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;

(10) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status.

(11) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940 (17 CFR 270.3c-5(a)(4)), of the issuer of the securities being offered or sold where the issuer

would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

(12) Any “family office,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940 (17 CFR 275.202(a)(11)(G)-1):

- (i) With assets under management in excess of \$5,000,000,
- (ii) That is not formed for the specific purpose of acquiring the securities offered, and
- (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; and

(13) Any “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940 (17 CFR 275.202(a)(11)(G)-1)), of a family office meeting the requirements in paragraph (12) of this section and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (12)(iii).

For purposes of calculating net worth:

- (A) The person’s primary residence shall not be included as an asset;
- (B) Indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
- (C) Indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.

In determining income, a subscriber should add to the subscriber’s adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deduction claimed for depletion, contribution to an IRA or Keogh plan, alimony payments, and any amount by which income for long-term capital gains has been reduced in arriving at adjusted gross income.

In addition to the foregoing suitability standards, we cannot accept subscriptions from anyone if the representations required are either not provided or are provided but are inconsistent with our determination that the investment is suitable for the subscriber. In addition to the financial information we require, the representations we require of you state that you:

- Have received this Offering Memorandum, together with the Exhibits attached hereto;
- Understand that no federal or state agency has made any finding or determination as to the fairness for investment in, nor made any recommendation or endorsement of, the Class B Common Stock; and
- Understand that an investment in the Company will not, in itself, create a qualified retirement plan as described in the Internal Revenue Code and that you must comply with all applicable provisions of the Internal Revenue Code in order to create a qualified retirement plan.

You will also represent that you are familiar with the risk factors we describe, and that this investment matches your investment objectives. Specifically, you will represent to us that you:

- Understand that there is no public market for the Class B Common Stock, that there are substantial restrictions on repurchase, sale, assignment or transfer of the Class B Common Stock and that it may not be possible to readily liquidate an investment in the Class B Common Stock; and
- Have investment objectives that correspond to those described elsewhere in this Offering Memorandum.

You will also represent to us that you have the capacity to invest in our shares of Class B Common Stock by confirming that:

- You are legally able to enter into a contractual relationship with us, and, if you are an individual, have attained the age of majority in the state in which you live; and
- If you are a manager, that you are the manager for the trust on behalf of which you are purchasing the Class B Common Stock, and have due authority to purchase shares of Class B Common Stock on behalf of the trust.

If you are purchasing as a fiduciary, you will also represent that the above representations and warranties are accurate for the person(s) for whom you are purchasing shares of Class B Common Stock. By executing the Subscription Agreement, you will not be waiving any rights under the Securities Act or the Exchange Act.

We have the right to refuse a subscription for shares of Class B Common Stock if in our sole discretion if we believe that the prospective investor does not meet the suitability requirements. It is anticipated that comparable suitability standards (including state law standards applicable in particular circumstances) may be imposed by us in various jurisdictions in connection with any resale of the Class B Common Stock.

Restrictions Imposed by the USA PATRIOT Act

To help the government fight the funding of terrorism and money laundering activities, Federal law requires the Company to obtain, verify, and record information that identifies each Person who subscribes to this Offering. What this means is that when you subscribe to this Offering, the Company may ask for your name, address, date of birth, state and country of residence, and other information that will allow them to identify you (and every Investor whom your funds represent). The Company may also ask to see your driver's license or other government-issued identifying documents. If you are unable or unwilling to provide all of the requested information, the Company may deny your Subscription to this Offering.

Further, the Class B Common Stock in this Offering may not be offered, sold, transferred or delivered directly or indirectly, to any person who:

- Is named on the list of "specially designated nationals" or "blocked persons" maintained by the U.S. Office of Foreign Assets Control ("OFAC") at <http://www.ustreas.gov/offices/enforcement/ofac/sdn/> or as otherwise published from time to time; or
- Is (1) an agency of the government of a Sanctioned Country, (2) an organization controlled by a Sanctioned Country, or (3) a person residing in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at the following location <http://www.ustreas.gov/offices/enforcement/ofac/sdn/> or as otherwise published from time to time; or
- Is named on any of the following lists:
 - US Department of State Foreign Terrorist Organizations (FTOs);
 - US Department of State Sponsors of Terrorism.

In addition, Interests in the Partnership may not be offered, sold, transferred or delivered, directly or indirectly, to any Person who:

- Has more than fifteen percent (15%) of its assets in Sanctioned Countries; or
- Derives more than fifteen percent (15%) of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries.

NOTE: IF YOU DO NOT MEET THE REQUIREMENTS DESCRIBED ABOVE, DO NOT READ FURTHER AND IMMEDIATELY RETURN THIS MEMORANDUM TO THE PARTNERSHIP. IN THE EVENT YOU DO NOT MEET SUCH REQUIREMENTS, THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL INTERESTS TO YOU.

EXHIBIT A: FINANCIAL STATEMENTS

RAD TECHNOLOGIES, INC.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDING DECEMBER 31, 2021

DATE ISSUED: APRIL 19, 2022

RAD TECHNOLOGIES, INC.
Audited Consolidated Financial Statements
FOR THE YEAR ENDING DECEMBER 31, 2021
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PROCYON FINANCIAL LLC

24A Trolley Square #2289

Wilmington, DE 19806

INDEPENDENT AUDITOR'S REPORT

To the Members of RAD TECHNOLOGIES, INC.,

7083 Hollywood Blvd,

Los Angeles, CA 90028

I have audited the accompanying consolidated financial statements of RAD TECHNOLOGIES, INC., which comprise the consolidated Balance Sheet as of December 31, 2021, and the related consolidated Statements of Income, Changes in Stockholders' Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on the audit. The audit was conducted in accordance with auditing standards generally accepted in the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, the consolidated financial statements referred to above, present fairly, in all material respects, the financial position of RAD TECHNOLOGIES, INC. as of December 31, 2021, and the results of its consolidated operations and cashflows for the year then ended in conformity with U.S. generally accepted accounting principles.


04/19/2022

RAD TECHNOLOGIES, INC.

**CONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 2021**

	<u>As of</u> <u>December 31,</u> <u>2021</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 280,149
Prepaid expenses	6,600
Accounts receivable, net	249,354
Due from shareholders	52,225
Total current assets	<u>588,328</u>
Fixed Assets:	
Property, plant & Equipment	29,570
Less (accumulated depreciation)	<u>(18,039)</u>
Total Fixed Assets	<u>11,531</u>
Intangible assets:	
Software & Platforms	383,489
Less (accumulated amortization)	<u>(113,360)</u>
Total intangible assets	<u>270,129</u>
Non-current Assets:	
Investments	<u>50,000</u>
Total non-current assets	<u>50,000</u>
<u>Total Assets</u>	\$ <u>919,988</u>
Liabilities & Stockholders' Equity	
Current liabilities:	
Credit Cards	31,068
SBA- Paycheck protection program Loan (PPP)	110,547
Accrued Interest- PPP	1,117
Due to affiliate parties	41,243
Accounts payable	107,402
Accrued liabilities	6,000
Total current liabilities	<u>297,377</u>
Non-current Liabilities:	
Economic Injury Disaster Loan (EIDL)	250,000
Accrued Interest- EIDL	14,844
Due to shareholders	270,185
Total non-current liabilities	<u>535,029</u>
<u>Total Liabilities:</u>	\$ <u>832,406</u>

The accompanying notes are an integral part of these financial statements.

RAD TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEET
(Continued)
FOR THE YEAR ENDING DECEMBER 31, 2021

	<u>As of</u> <u>December 31,</u> <u>2021</u>
Stockholders' equity (deficit):	
Common stock, \$0.0001 par value, 93,351,788 shares authorized, 70,855,799 shares issued and outstanding as of December 31, 2021	7,086
Additional Paid-in Capital	3,210,533
Accumulated Profits (losses)	(2,085,069)
Net income (loss)	<u>(1,044,968)</u>
<u>Total stockholders' equity (deficit):</u>	<u>87,582</u>
 <u>Total Liabilities and stockholders' equity</u>	 \$ <u><u>919,988</u></u>

The accompanying notes are an integral part of these financial statements.

RAD TECHNOLOGIES, INC.
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDING DECEMBER 31, 2021

	<u>2021</u>
Revenue:	
Fee revenue	\$ 515,854
Total revenues	<u>515,854</u>
Cost of Sales	<u>136,460</u>
Gross Profit	<u>379,394</u>
Expenses:	
Salaries, benefits & payroll taxes	972,232
General & administrative expenses	81,572
IT software & consumables	70,709
Insurance	30,950
Legal & Professional Services	86,738
Advertising & Marketing	30,660
Travel	67,754
Meals & Entertainment	3,532
Bank Charges & Fees	2,949
Interest expenses	16,341
Utilities	6,830
Depreciation	5,772
Amortization	41,356
Total Expenses	<u>1,417,395</u>
Income (loss) from operations	<u>(1,038,001)</u>
Other Income (Expenses):	
Foreign exchange gains or (losses)	<u>(6,967)</u>
Total Other Income (expenses)	<u>(6,967)</u>
Net income (loss) for the year	<u>(1,044,968)</u>

The accompanying notes are an integral part of these financial statements.

RAD TECHNOLOGIES, INC.

**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEAR ENDING DECEMBER 31, 2021**

(\$)	<u>Common Stock</u>	<u>Amount</u>	<u>Retained Earnings (accumulated deficit)</u>	Additional Paid-in Capital	Total
Beginning Balance, December 31, 2020	9,025,000	903	(2,085,069)	64,022	(2,020,144)
Issuance of Common stock	61,830,801	6,183	-	3,146,511	3,152,694
Net income (loss)	-	-	(1,044,968)	-	(1,044,968)
Ending Balance, December 31, 2021	70,855,799	7,086	(3,130,037)	3,210,533	87,852

The accompanying notes are an integral part of these financial statements.

RAD TECHNOLOGIES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2021

	<u>As of</u> <u>December</u> <u>31, 2021</u>
Cash flow From Operating Activities:	
Net loss	\$ (1,044,968)
Adjustments to reconcile net income to net cash provided (used) by operating activities:	
Depreciation	5,772
Amortization	41,356
Changes in:	
Security deposits	12,500
Prepaid expenses	(6,600)
Accounts receivable	(201,410)
Credit Cards	27,405
Accounts Payable	(106,097)
Accrued expenses	6,000
Accrued Interest- EIDL	9,375
Net cash provided (used) by operating activities	<u>(1,256,667)</u>
Cash flow From Investing Activities:	
Acquisition of Property, plant & Equipment	-
Development of Software & Platforms	(30,156)
Investments	(50,000)
Net cash provided (used) by investing activities	<u>(80,156)</u>
Cash flow from Financing Activities	
Proceeds from issuance of common stock	3,152,694
Advances from (payments to) shareholders	(6,455)
Economic Injury Disaster Loan (EIDL)	-
SBA- Paycheck protection program Loan (PPP)- repayments	(60,000)
Conversion of convertible debt to common stock	(1,814,863)
Net cash provided (used) by financing activities	<u>1,271,376</u>
Increase (decrease) in Cash	(65,447)
Cash, beginning of year	345,596
Cash, end of year	<u>\$ 280,149</u>

The accompanying notes are an integral part of these financial statements.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

About the Company & its Nature of operations

RAD TECHNOLOGIES, INC. (‘the Company’), is a Delaware advertising technology Corporation formed on July 6, 2018. The Company provides a content AI technology solution to digital marketing teams at various enterprises which aims to improve the performance of their articles, advertisements, emails, and product descriptions.

In August 2019, the Company acquired Zumby Media LLC, a venture funded technology startup that uses AI and machine learning to achieve influencer marketing automation.

In July 2021, the Company acquired Atomic Reach Inc., a content AI technology company based in Toronto through its Canadian subsidiary, RAD CANADA, INC.

Basis of Consolidation

The consolidated financial statements include the assets, liabilities and the results of operations and cash flows of RAD TECHNOLOGIES, INC. and its wholly owned subsidiary. Intra-entity balances, and income and expenses arising from intra-entity transactions, are eliminated in preparing the consolidated financial statements. The integration of the subsidiary into the consolidated financial statements is based on consistent accounting and valuation methods for similar transactions and other occurrences under similar circumstances.

Going Concern Matters

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operation for the foreseeable future. However, Management has identified the following conditions and events that creates uncertainty about the ability of the Company to continue as a going concern. The Company operates at net losses since its inception with accumulated losses totaling \$3,130,037 as of December 31, 2021.

These conditions and events create an uncertainty about the ability of the Company to continue as a going concern through March 15, 2023 (one year after the date that the financial statements were

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

made available). The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon management's plans to raise additional capital from the issuance of debt or the sale of stock, its ability to commence profitable sales of its product, and its ability to generate positive operational cash flow.

Fiscal year

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

Summary of significant accounting policies:

Basis of accounting

The Company's financial statements are presented in accordance with accounting principles generally accepted in the U.S.

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.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measures, the following hierarchy prioritizes the inputs to valuation methodologies used to measure fair value:

Level 1 — Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 — Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents. The Company had no cash equivalents as of December 31, 2021.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Property, plant, and Equipment

Property, plant, and equipment (PPE) are stated at cost. Normal repairs and maintenance costs are charged to earnings as incurred and additions and major improvements are capitalized. The cost of assets retired or otherwise disposed of, and the related depreciation are eliminated from the accounts in the period of disposal and the resulting gain or loss is credited or charged to earnings.

Depreciation is computed over the estimated useful lives of the related asset type or term of the operating lease using the straight-line method for financial statement purposes. PPE consisted of furniture and computers as of December 31, 2021, and depreciation is based on a 5-year useful life.

Accounts Receivable

Accounts receivable are recorded at net realizable value or the amount that the Company expects to collect on gross customer trade receivables. The Company estimates losses on receivables based on known troubled accounts and historical experience of losses incurred. Receivables are considered impaired and written-off when it is probable that all contractual payments due will not be collected in accordance with the terms of the agreement. For the year 2021, the Company determined that no reserve allocation was necessary and that there is no significant risk that material uncollectible accounts will exist at the end of the year.

Intangible Assets

Intangible assets are stated at their historical cost and an adjustment is made for any impairment. Intangible items acquired must be recognized as assets separately from goodwill if they meet the definition of an asset, are either separable or arise from contractual or other legal rights, and their fair value can be measured reliably. Intangible assets recognized on Company books consist of Software development costs incurred to establish technological feasibility of its platform. Additionally, the account includes balances that relate to the acquisition of Zumby Media LLC.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

The Company amortizes intangibles assets based on a useful life which ranges between 5 and 7 years.

The Company evaluates the recoverability of intangible assets whenever events or changes in circumstances indicate that an intangible asset's carrying amount may not be recoverable. Such circumstances include but are not limited to the following: 1) a significant decrease in the market value of the asset, 2) a significant adverse change in the extent or manner in which an asset is used 3) an accumulation of costs significantly in excess of the amount originally expected for the acquisition of the asset. The Company measures the carrying amount of the asset against the estimated undiscounted future cash flows associated with it. Should the sum of the expected future net cash flows be less than the carrying value of the asset being evaluated, an impairment loss would be recognized. The impairment loss would be calculated as the amount by which the carrying value of the asset exceeds its fair value. The fair value is measured based on quoted market prices, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including the discounted value of the estimated future cash flows. The evaluation of asset impairment requires the Company to make assumptions about future cash flows over the life of the asset being evaluated. These assumptions require significant judgement and actual results may differ from assumed and estimated amounts.

No impairment charges were made as of December 31, 2021

Convertible Promissory notes

On March 20, 2019, the Company issued an unsecured convertible promissory note in the amount of \$250,000 to DZHEL LLC (the lender). The note bears an interest rate of 4% per annum and all amounts due under this note are payable on or after the earlier of (a) March 21, 2021, and (b) unless a conversion is elected pursuant to certain terms, the closing of a change of control transaction. For purposes of the note, the term "Change of Control" means any of (i) the sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by the

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Company or any subsidiary of the Company, of all or substantially all the assets of the Company and its subsidiaries taken as a whole, except where such sale, lease, transfer or other disposition is to a wholly-owned subsidiary of the Company, or (ii) a merger or consolidation in which the Company is a constituent party or a subsidiary of the Company is a constituent party and the Company issues its voting securities pursuant to such merger or consolidation, except any such merger or consolidation involving the Company or a subsidiary in which the Company's voting securities outstanding immediately prior to such merger or consolidation continue to represent, or are converted or exchanged for equity interests which represent, immediately following such merger or consolidation, a majority, by voting power, of the equity interests of (1) the surviving or resulting entity or (2) if the surviving or resulting entity is a wholly-owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity. The note cannot be prepaid prior the maturity date without the prior written consent of the lender.

The note includes the following terms with respect to conversion:

Automatic Conversion Upon Qualified Financing. The outstanding principal and all accrued but unpaid interest on the note will be automatically converted upon the closing of the Company's next preferred stock equity financing, whether in a single transaction or series of related transactions, involving the receipt by the Company of at least one million dollars (\$1,000,000) (excluding the principal amount and all accrued but unpaid interest of the note and other outstanding debt securities convertible upon the consummation of the Qualified Financing), into shares of preferred stock of the Company at a conversion price per share equal to lesser of (i) eighty percent (80%) of the price per share at which the shares of preferred stock of the Company issued in the Qualified Financing (the "Financing Securities") are sold for cash to investors in the Qualified Financing and (ii) the Conversion Price (the dollar amount determined by dividing \$4,000,000 by the Fully Diluted Capitalization immediately prior to the date of conversion of the note). The Conversion Securities issued will have the same terms, rights, preferences and

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

privileges as the shares of Financing Securities, except that the per share issue price (and liquidation preference) of the Conversion Securities will be equal to the Conversion Price.

(b) Optional Conversion. In the event that either (i) a Qualified Financing has not occurred prior to the Maturity Date or (b) a Change of Control occurs while any principal or accrued interest remain outstanding under this Note, the Lender has the right, but not the obligation, to convert all, but not less than all, the outstanding principal and all accrued unpaid interest on the note into shares of Common Stock of the Company at a conversion price per share of Common Stock equal to the Conversion Price. The Elective Conversion Right may be exercised by delivery of written notice to the Company from the Lender, which notice will specify the date on which such conversion will occur. Upon exercise of the Elective Conversion Right, the note will be converted into such number of shares of Common Stock equal to (i) the outstanding principal amount of the note and all accrued and unpaid interest thereon, divided by (ii) the Conversion Price.

On May 25, 2019, the Company issued an unsecured convertible promissory note in the amount of \$160,000 to DZHEL LLC (the lender). The note bears an interest rate of 15% per annum and all amounts due under this note are payable on May 25, 2021. This note was received by the Company in four equal tranches during 2019. The Company issued a warrant which grants right to the lender to purchase the Company's common stock. The warrant price is \$0.375 per share and expires on May 25, 2029.

On September 13, 2019, the Company issued an unsecured convertible promissory note in the amount of \$100,000 to DZHEL LLC (the lender). The note bears an interest rate of 15% per annum and all amounts due under this note are payable on or before the first to occur of (i) September 9, 2021, or (ii) ten (10) days following receipt by Company of net proceeds not less than Two Million US Dollars (\$2,000,000.00) from the sale of capital stock, or the issuance of debt securities, of the Company. This note was received by the Company in five tranches during 2019. The Company issued a warrant which grants right to the investor to purchase the Company's common stock. In

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

connection with this note, the Company will offer one board seat to a designated representative from DZHEL LLC under either of the following scenarios; in the event the Company raises equity capital from a third party that requires the formation of a Company Board of Directors and/or the company forms a Board of Directors. The warrant price is \$0.1875 per share and expires on September 13, 2029.

During 2020, the Company issued unsecured promissory notes in the amount of \$65,000. As of December 31, 2020, the Company satisfied the principal and interest on these notes.

On July 30, 2021, all of the outstanding amounts under the convertible promissory notes listed above in addition to a note issued to DZHEL LLC on October 15, 2018, for \$250,000, were converted to 7,223,436 shares of the Company's common stock following a change of control transaction.

Related Party Transactions

The Company follows FASB Accounting Standards Codification ("ASC") subtopic 850-10, "Related Party Disclosures", for the identification of related parties and disclosure of related party transactions. Pursuant to ASC 850, related parties include: a) affiliates of the Company; b) entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; c) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d) principal owners of the Company; e) management of the Company; f) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Due to (from) shareholders

Officers of the Company advance funds to the Company in the normal course of business. As of December 31, 2021, the amounts due to the officers totaled \$270,185. Additionally, the Company made loans for a total of \$52,225 to its officers.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 when it has satisfied the performance obligations under an arrangement with the customer reflecting the terms and conditions under which products or services will be provided, the fee is fixed or determinable, and collection of any related receivable is probable. ASC Topic 606, “Revenue from Contracts with Customers” establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts to provide goods or services to customers. Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements: 1) identify the contract with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to performance obligations in the contract; and 5) recognize revenue as the performance obligation is satisfied.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Expense Recognition

The Company recognizes and records expenses for services, supplies and other products as they are incurred and accrues those amounts which relate to payments that are yet to be paid to vendors as ‘Accounts payable’.

SAFE (Single Agreement for Future Equity) Convertible notes

During 2020 and 2019, the Company issued Simple Agreements for Future Equity (“SAFEs”) for the amount of \$960,796 and \$50,000, respectively. The SAFE agreements have no maturity date and bear no interest.

If there is an Equity Financing before the termination of the SAFEs, on the initial closing of such Equity Financing, the SAFEs will automatically convert into a number of shares of Common Stock or SAFE preferred stock equal to the Purchase Amount divided by the Safe Price.

If there is a Liquidity Event before the termination of the SAFEs, the SAFEs will automatically be entitled to receive a portion of Proceeds, due and payable to the Investor immediately prior to, or concurrent with, the consummation of such Liquidity Event, equal to the greater of (i) the Purchase Amount (the “Cash-Out Amount”) or (ii) the amount payable on the number of shares of Common Stock or SAFE preferred stock equal to the Purchase Amount divided by the Liquidity Price (the “Conversion Amount”). If any of the Company’s securityholders are given a choice as to the form and amount of Proceeds to be received in a Liquidity Event, the Investor will be given the same choice, provided that the Investor may not choose to receive a form of consideration that the Investor would be ineligible to receive as a result of the Investor’s failure to satisfy any requirement or limitation generally applicable to the Company’s securityholders, or under any applicable laws.

Notwithstanding the foregoing, in connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce the cash portion of Proceeds payable to the Investor.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

The SAFE agreements will expire and terminate upon either (i) the issuance of shares to the investor pursuant to an equity financing event or (ii) the payment, or setting aside for payment, of amounts due to the investor pursuant to a liquidity or dissolution event.

As of December 31, 2021, all SAFE agreements have been converted to the Company's common stock.

SBA- Paycheck protection program loan

The U.S. Small Business Administration (SBA) launched the Paycheck Protection Program (PPP) during 2020 as a response to COVID-19 to help small businesses maintain payrolls and continue operations. The SBA PPP loan bears an interest rate of 1% and has a maturity of 2 years. The loan of \$170,547 obtained on May 6, 2020, is potentially fully forgivable provided that it was used solely to cover eligible expenses. As of December 31, 2021, the loan had not been forgiven, and the Company made \$60,000 in payments to settle this loan.

Economic Injury Disaster (EIDL) loan

The Company obtained an Economic Injury Disaster (EIDL) loan for \$250,000 on April 10, 2020. The EIDL is a low interest, fixed-rate, long term loan obtained directly from the U.S. Small Business administration (SBA) to help overcome the effects of the pandemic by providing working capital to meet operating expenses. The loan bears interest at a rate of 3.75% per annum and matures 30 years from the date of the loan. Moreover, the loan is secured by assets of the Company. As of December 31, 2021, the Company had not made any payments on this loan.

During 2021, the Company applied for a second EIDL loan for \$250,000 but it did not receive it as of December 31, 2021.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Advertising & Marketing

Advertising and Marketing costs are expensed as incurred and consist of payments to various vendors for services/products to promote the Company.

Income taxes

Income taxes are provided for the tax effects of transactions reporting in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

There is no income tax provision for the Company for the year ending December 31, 2021, as it incurred a taxable loss. The Company is taxed as a “C” Corporation. The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2021, the unrecognized tax benefits accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

The Company is subject to franchise tax requirements in the state of Delaware.

Equity

Under the articles of incorporation, the Company is authorized to issue Common Stock. The total number of shares of Common Stock authorized to be issued is ninety-three million five hundred fifty-one thousand seven hundred eighty-eight (93,551,788) shares at a par value \$0.0001 per share.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

As of December 31, 2021, the total number of shares of Common Stock issued and outstanding was 70,855,799.

Asset purchase transactions

In June 2021, the Company ('RAD') entered into an agreement with Atomic Reach Inc., a content AI technology company based in Toronto ('AR') to combine the business and operations of both companies. The transaction was structured as an asset purchase of AR assets by RAD CANADA INC. ("Buyer") in exchange for newly issued shares of RAD, followed by distribution of such shares by way of a return of capital to AR shareholders in redemption of their AR shares. Concurrently, existing AR and RAD shareholders agreed to invest up to \$1,200,000 by way of a private placement of New RAD shares. The consideration for this transaction was Common shares of RAD based on (i) New RAD financing pre-money valuation of \$10,000,000 on a fully diluted basis ("New RAD Pre Money-Value") (ii) existing shareholders and option holders of AR receiving, post combination, but pre-New RAD Financing 60% of fully diluted shares (iii) Existing AR option holders receiving options in New RAD and (iv) conversion of Safe and other securities of RAD and consolidation of shares of RAD as contemplated under, resulting in a total issuance of 37,521,716 common shares of New RAD at an issue price of \$0.115784956 per share.

Equity Incentive plans

The Company's Board of Directors adopted an Equity Incentive Plan in 2019, to attract, incentivize and retain Employees, Outside Directors and Consultants through the grant of Awards. Options granted under the Plan may be ISOs (Incentive Stock Options) intended to qualify under Code Section 422 or NSOs (Non-statutory Stock Options) or Restricted stock and only Employees are eligible for the grant of ISOs. The plan is effective for a term of 10 years from the date of its adoption. The maximum aggregate number of shares that may be issued under the plan is 26,556,462 shares of common stock.

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

To the extent that the aggregate Fair Market Value of Shares with respect to which options designated as incentive stock options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds \$100,000, such excess options will be treated as non-statutory stock options.

The term of each option cannot be no more than 10 years from the date of grant or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be 5 years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

The exercise price of each option is determined as follows:

- In the case of an Incentive Stock Option: The Exercise Price cannot be less than 100% of the Fair Market Value of a Share on the Date of Grant. If the option was granted to an
- Employee who at the time of grant is a Ten Percent Holder, the per Share exercise price can be no less than 110% of the Fair Market Value on the date of grant.
- In the case of a Non-statutory Stock Option: The Exercise Price is determined by the Administrator, provided that, if the per Share exercise price is less than 100% of the Fair Market Value on the date of grant, it shall otherwise comply with all Applicable Laws.

On July 31, 2021, the Company granted 22,654,955 in ISOs and 41,034 in NSOs for an exercise price of \$0.12 per share.

Contingencies

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

RAD TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

Subsequent events

The Company evaluated subsequent events through March 15, 2022, the date on which the financial statements were available to be issued. There are no additional events that have occurred such that adjustments to the amounts or disclosures presented in the notes to the financial statements are warranted.

RAD Technologies, Inc

**CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022 RESTATED**

Audited

(Expressed in United States Dollars)

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INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors
RAD Technologies, Inc.
Atlanta, Georgia

Opinion

We have audited the restated consolidated financial statements of RAD Technologies, Inc., which comprise the balance sheets as of December 31, 2022, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying restated financial statements present fairly, in all material respects, the financial position of RAD Technologies, Inc. as of December 31, 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RAD Technologies, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RAD Technologies, Inc.'s ability to continue as a going concern for period of twelve months from the end of the year ended December 31, 2022.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RAD Technologies, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RAD Technologies, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Going Concern

As discussed in Note 14, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

SetApart FS

November 18, 2023
Los Angeles, California

RAD Technologies Inc
BALANCE SHEET RESTATED

<u>As of December 31</u>	<u>2022</u>
ASSETS	
Cash and cash equivalents	\$ 203,235
Accounts receivable, net	49,917
Prepaid expenses	63,364
Due from affiliate parties	87,513
Due from shareholders	<u>38,134</u>
Total current assets	442,163
Property, plant & equipment, net	21,410
Intangible assets, net	4,153,317
Investments	<u>36,889</u>
TOTAL ASSETS	<u>\$ 4,653,779</u>
LIABILITIES & SHAREHOLDERS' EQUITY	
Current liabilities	
Accounts payable	\$ 111,132
Credit cards	35,927
Other current liabilities	<u>5,707</u>
Total current liabilities	152,766
Long-term debt	500,000
Convertible notes	625,000
Long-term accrued interest	<u>39,062</u>
Total liabilities	1,316,828
Shareholders' equity (deficit):	
Common Stock	7,086
Additional paid-in capital	9,649,328
Equity issuance costs	(106,942)
Stock based compensation	713,377
Currency translation adjustment	(523,203)
Retained earnings (deficit)	<u>(6,402,695)</u>
Total stockholders' equity (deficit)	3,336,951
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	<u>\$ 4,653,779</u>

See accompanying notes to the financial statements

RAD Technologies Inc
STATEMENTS OF OPERATIONS RESTATED

<u>For the year ended December 31,</u>	<u>2022</u>
Fee revenue	\$ 446,498
Cost of sales	<u>318,615</u>
Gross profit	127,883
General and administrative	3,384,296
Research and development	184,518
Sales and marketing	<u>275,597</u>
Total operating expenses	3,844,411
Income (loss) from operations	(3,716,528)
Other Income (expense):	
Interest income	959
Other income	-
Convertible note fair value adjustment	(125,000)
Interest expense	(38,502)
Foreign exchange gains / (losses)	<u>1,680</u>
Income (loss) before provision for income taxes	(3,877,391)
Provision for income taxes	-
Net income (loss)	<u>\$ (3,877,391)</u>

See accompanying notes to the financial statements

RAD Technologies Inc
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY RESTATED

	Common Stock		Additional Paid-in Capital	Equity Issuance Costs	Stock-based Compensation	Currency Translation Adjustment	Retained Earnings (Accumulated Deficit)	Total
	Shares	Amount						
Ending balance December 31, 2021	70,855,801	7,086	6,954,286	-	-	(39,786)	(2,525,304)	4,396,282
Issuance of common stock			2,695,042	(106,942)				2,588,100
Stock based compensation					713,377			713,377
Currency translation adjustment						(483,417)		(483,417)
Net loss							(3,877,391)	(3,877,391)
Ending balance December 31, 2022	70,855,801	\$ 7,086	\$ 9,649,328	\$ (106,942)	\$ 713,377	\$ (523,203)	\$ (6,402,695)	\$ 3,336,951

See accompanying notes to the financial statements

RAD Technologies Inc
STATEMENTS OF CASH FLOWS RESTATED

For the year ended December 31,	2022
Cash flow from operating activities	
Net loss	\$ (3,877,391)
Adjustments to reconcile net income to net cash provided by (used in) operating activities	
Depreciation	8,046
Amortization	41,356
Foreign exchange gains / (losses)	(1,680)
Stock-based compensation	713,377
Change in fair value of convertible note	125,000
Changes in:	
Accounts receivable	199,437
Prepaid expenses	(56,764)
Due to/from affiliate partners	(12,205)
Accounts payable	4,772
Credit cards	8,977
Accrued expenses	23,925
Net cash provided (used) by operating activities	(2,823,150)
Cash flow from investing activities	
Acquisition of property, plant and equipment	(16,271)
Investments	2,671
Net cash provided by (used in) investing activities	(13,600)
Cash flow from financing activities	
Proceeds from issuance of common stock	2,695,042
Equity issuance costs	(106,942)
Issuance of convertible notes	500,000
Advances from (payments to) shareholders	(35,884)
Currency translation adjustment	369,905
Net payments of loans	(106,599)
Net cash provided by (used in) financing activities	3,315,522
Increase (decrease) in cash	478,772
Cash, beginning of year	275,537
Cash, end of year	\$ 203,235
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid during the year for interest	\$ 38,502
Cash paid during the year for income taxes	\$ -
OTHER NONCASH INVESTING AND FINANCING ACTIVITIES AND SUPPLEMENTAL DISCLOSURES	
Purchase of property and equipment not yet paid for	\$ -
Issuance of equity in return for note	\$ -
Issuance of equity in return for accrued payroll and other liabilities	\$ -
Issuance of common stock as equity issuance costs	\$ -

See accompanying notes to the financial statements

RAD Technologies Inc
NOTES TO FINANCIAL STATEMENTS RESTATED
FOR YEAR ENDED TO DECEMBER 31, 2022, AND DECEMBER 31, 2021

1. NATURE OF OPERATIONS

RAD Technologies Inc. ('the Company'), is a Delaware advertising technology corporation formed on July 6, 2018. The Company provides a content AI technology solution to digital marketing teams at various enterprises which aims to improve the performance of their articles, advertisements, emails, and product descriptions.

In August 2019, the Company acquired Zumby Media LLC, a venture funded technology startup that uses AI and machine learning to achieve influencer marketing automation. In July 2021, the Company acquired Atomic Reach Inc., a content AI technology company based in Toronto through its Canadian subsidiary, RAD Canada Inc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("US GAAP"). The Company has adopted the calendar year as its basis of reporting.

Basis of Consolidation

The consolidated financial statements include the assets, liabilities and the results of operations and cash flows of RAD Technologies, Inc. and its wholly owned subsidiary. Intra-entity balances, and income and expenses arising from intra-entity transactions, are eliminated in preparing the consolidated financial statements. The integration of the subsidiary into the consolidated financial statements is based on consistent accounting and valuation methods for similar transactions and other occurrences under similar circumstances.

Use of Estimates

The preparation of financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks. The Company's cash is deposited in demand accounts at financial institutions that management believes are creditworthy. The Company's cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of December 31, 2022, the Company's cash and cash equivalents did not exceed FDIC insured limits.

Accounts Receivable

Accounts receivable are recorded at a net realizable value or the amount that the Company expects to collect on gross customer trade receivables. The Company estimates losses on receivables based on known troubled accounts and historical experience of losses incurred. Receivables are considered impaired and written-off when it is probable that all contractual payments due will not be collected in accordance with the terms of the agreement. For the year 2022, the Company determined that no reserve allocation was necessary and that there is no significant risk that material uncollectible accounts will exist at the end of the year.

RAD Technologies Inc
NOTES TO FINANCIAL STATEMENTS RESTATED
FOR YEAR ENDED TO DECEMBER 31, 2022, AND DECEMBER 31, 2021

Property and Equipment

Property and equipment are stated at cost. Normal repairs and maintenance costs are charged to earnings as incurred and additions and major improvements are capitalized. The cost of assets retired or otherwise disposed of, and the related depreciation are eliminated from the accounts in the period of disposal and the resulting gain or loss is credited or charged to earnings.

Depreciation is computed over the estimated useful lives of the related asset type or term of the operating lease using the straight-line method for financial statement purposes. The estimated service lives for property and equipment consist of furniture and computers and depreciation is based on a useful life of 5 years.

Intangible Assets

Intangible assets are stated at their historical cost and an adjustment is made for any impairment. Intangible items acquired must be recognized as assets separately from goodwill if they meet the definition of an asset, are either separable or arise from contractual or other legal rights, and their fair value can be measured reliably. Intangible assets recognized on Company books consist of Software development costs incurred to establish technological feasibility of its platform. Additionally, the account includes balances that relate to the acquisition of Zumby Media LLC, and Atomic Reach, Inc.

The Company evaluates the recoverability of intangible assets whenever events or changes in circumstances indicate that an intangible asset's carrying amount may not be recoverable. Such circumstances include but are not limited to the following: 1) a significant decrease in the market value of the asset, 2) a significant adverse change in the extent or manner in which an asset is used 3) an accumulation of costs significantly in excess of the amount originally expected for the acquisition of the asset. The Company measures the carrying amount of the asset against the estimated undiscounted future cash flows associated with it. Should the sum of the expected future net cash flows be less than the carrying value of the asset being evaluated, an impairment loss would be recognized. The impairment loss would be calculated as the amount by which the carrying value of the asset exceeds its fair value. The fair value is measured based on quoted market prices, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including the discounted value of the estimated future cash flows. The evaluation of asset impairment requires the Company to make assumptions about future cash flows over the life of the asset being evaluated. These assumptions require significant judgement and actual results may differ from assumed and estimated amounts.

No impairment charges were made as of December 31, 2022.

Impairment of Long-lived Assets

Long-lived assets, such as property, equipment, and identifiable intangibles with finite useful lives, are periodically evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We look for indicators of a trigger event for asset impairment and pay special attention to any adverse change in the extent or manner in which the asset is being used or in its physical condition. Assets are grouped and evaluated for impairment at the lowest level of which there are identifiable cash flows, which is generally at a location level. Assets are reviewed using factors including, but not limited to, our future operating plans and projected cash flows. The determination of whether impairment has occurred is based on an estimate of undiscounted future cash flows directly related to the assets, compared to the carrying value of the assets. If the sum of the undiscounted future cash flows of the assets does not exceed the carrying value of the assets, full or partial impairment may exist. If the asset carrying amount exceeds its fair value, an impairment charge is recognized in the amount by which the carrying amount exceeds the fair value of the asset. Fair value is determined using an income approach, which requires discounting the estimated future cash flows associated with the asset.

RAD Technologies Inc
NOTES TO FINANCIAL STATEMENTS RESTATED
FOR YEAR ENDED TO DECEMBER 31, 2022, AND DECEMBER 31, 2021

Related Party Transactions

The Company follows FASB Accounting Standards Codification (“ASC”) subtopic 850-10, “Related Party Disclosures”, for the identification of related parties and disclosure of related party transactions. Pursuant to ASC 850, related parties include: a) affiliates of the Company; b) entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d) principal owners of the Company; e) management of the Company; f) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Income Taxes

RAD Technologies, Inc. is a C corporation for income tax purposes. The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the deferred tax asset will not be realized. The Company records interest, net of any applicable related income tax benefit, on potential income tax contingencies as a component of income tax expense. The Company records tax positions taken, or expected to be taken, in a tax return based upon the amount that is more likely than not to be realized or paid, including in connection with the resolution of any related appeals or other legal processes. Accordingly, the Company recognizes liabilities for certain unrecognized tax benefits based on the amounts that are more likely than not to be settled with the relevant taxing authority. The Company recognizes interest and/or penalties related to unrecognized tax benefits as a component of income tax expense.

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America which it believes to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

Revenue Recognition

The Company recognizes revenues in accordance with FASB ASC 606, Revenue from Contracts with Customers, when delivery of services is the sole performance obligation in its contracts with customers. The Company typically invoices the Customer at the beginning of the agreed upon campaign but recognizes the associated revenue throughout the campaign. Therefore, deferring revenues over multiple months and releasing monthly until the campaign has come to an end.

The Company derives its revenues from campaign-based influencer marketing and recurring subscription fees for having access to our AI platform. With respect to campaign-based influencer marketing, Customers engage with the Company to by confirming a total budget amount they have dedicated for a specific campaign. The Company then executes the influencer campaign deliverables while taking into consideration budget, margin and Customer expectations. On the other hand, when Customers engage the Company to access the AI platform, they are paying to have access to the AI

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platform for content ranking, optimization and recommendation tools. These tools typically improve content strategy, email programs, blogs and website copy.

Cost of Revenue

Cost of revenue represents direct payouts to recipients who have earned the monies and/or have incurred direct expenses associated with events held. Cost of revenue can include:

1. Hard fees associated with talent and/or influencer procurement
2. Cost of technology hosting; The AI platform is the major reason why The Company wins. For this reason, hosting costs and fees must be included as part of our cost of revenue.
3. Hard fees associated with any special hires and/or contractors engaged to service the campaign requirements.

Advertising and Promotion

Advertising and promotional costs are expensed as incurred. Advertising and promotional expenses for the years ended December 31, 2022, RAD Technologies, Inc amounted to \$275,597, which is included in sales and marketing expenses.

Research and Development Costs

Costs incurred in the research and development of the Company's products are expensed as incurred.

Net Loss per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive. There were no potentially dilutive items outstanding as of December 31, 2022.

Deferred Offering Costs

The Company complies with the requirements of FASB ASC 340-10-S99-1 with regards to offering costs. Prior to the completion of an offering, offering costs are capitalized. The deferred offering costs are charged to stockholders' equity upon the completion of an offering or to expense if the offering is not completed.

Fair Value of Financial Instruments

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to the short-term nature of such instruments).

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1—Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2—Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

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Level 3—Unobservable inputs reflecting the Company’s assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The Company’s convertible note (see Note 8) is valued using the fair value option under ASU 2020-06. The primary reason for electing the fair value option is for simplification of accounting for the convertible note at fair value in its entirety versus bifurcation of the embedded derivatives. The significant inputs to the valuation of the convertible note at fair value are Level 3 inputs since they are not observable directly. The fair value was determined using the intrinsic value of the notes using the fair value of the underlying common stock price per a 409a valuation at \$0.178 per share and the determined conversion price of \$0.142 derived from a 20% discount on the Company’s Regulation A offering at \$0.178 per share.

The following table presents the activity of the convertible note:

	<u>Convertible Note Payable</u>
Convertible note payable December 31, 2021	\$ -
Issuance of convertible note	500,000
Change in fair value	<u>125,000</u>
Convertible note payable December 31, 2022	<u>\$ 625,000</u>

In August 2020, FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity; Own Equity (“ASU 2020-06”), as part of its overall simplification initiative to reduce costs and complexity of applying accounting standards while maintaining or improving the usefulness of the information provided to users of financial statements. Among other changes, the new guidance removes from GAAP separation models for convertible debt that require the convertible debt to be separated into a debt and equity component, unless the conversion feature is required to be bifurcated and accounted for as a derivative or the debt is issued at a substantial premium. As a result, after adopting the guidance, entities will no longer separately present such embedded conversion features in equity, and will instead account for the convertible debt wholly as debt. The new guidance also requires use of the “if-converted” method when calculating the dilutive impact of convertible debt on earnings per share, which is consistent with the Company’s current accounting treatment under the current guidance. The guidance is effective for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted, but only at the beginning of the fiscal year. The Company adopted ASU 2020-06 on January 1, 2022. Refer to above for the fair value option elected by the Company pertaining to its convertible note.

COVID-19

In March 2021, the outbreak and spread of the COVID-19 virus was classified as a global pandemic by the World Health Organization. This widespread disease impacted the Company’s business operations, including its employees, customers, vendors, and communities. The COVID-19 pandemic may continue to impact the Company’s business operations and financial operating results, and there is substantial uncertainty in the nature and degree of its continued effects over time. The extent to which the pandemic impacts the business going forward will depend on numerous evolving factors management cannot reliably predict, including the duration and scope of the pandemic; governmental, business, and individuals’ actions in response to the pandemic; and the impact on economic activity including the possibility of recession or financial market instability. These factors may adversely impact consumer and business spending on products as well as customers’ ability to pay for products and services on an ongoing basis. This uncertainty also affects management’s accounting estimates and assumptions, which could result in greater variability in a variety of areas that depend on these estimates and assumptions, including investments, receivables, and forward-looking guidance.

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Subsequent Events

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through November 18, 2023, which is the date the financial statements were issued.

Recently Issued and Adopted Accounting Pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

Lease Accounting

In February 2016, the FASB issued ASU No. 2016-02, Leases (*Topic 842*). The new standard introduces a new lessee model that brings substantially all leases onto the balance sheets. The amendments in the ASU are effective for fiscal years beginning after December 15, 2021.

We adopted the standard effective January 1, 2022, using the modified retrospective adoption method which allowed us to initially apply the new standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of accumulated deficit. In connection with our adoption of the new lease pronouncement, we recorded a charge to retained earnings.

As of December 31, 2022, the Company was not a party to a lease requiring adoption of the ASU No. 2016-02, leases (*Topic 842*).

3. RESTATEMENT

The company has restated its previously reported financial statements as at and for the year ended December 31, 2022, and related disclosures. The total cumulative impact of the restatement through December 31, 2022, is to decrease shareholders' equity by \$625,000. The \$625,000 total cumulative impact on shareholders' equity as of December 31, 2022 comprised of decrease in additional paid-in capital in the amount of \$500,000, and a decrease in retained earnings of \$125,000 resulting from a correction and reclassification of a convertible note in the amount of \$500,000 and recognition of an increase in the fair value of the convertible notes of \$125,000.

The following summarizes the changes made to the December 31, 2022, balance sheet.

	<u>As Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Convertible notes	\$ -	\$ 625,000	\$ 625,000
Total liabilities	\$ 691,828	\$ 625,000	\$ 1,316,828
Additional paid-in capital	\$ 10,149,308	\$ (500,000)	\$ 9,649,308
Retained earnings	\$ (6,277,675)	\$ (125,000)	\$ (6,402,675)
Total shareholders' equity	\$ 3,961,951	\$ (625,000)	\$ 3,336,951

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The following summarizes the changes made to the December 31, 2022, statement of operations.

	<u>As Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Income (loss) from operations	\$ (3,716,508)	\$ (20)	\$ (3,716,528)
Change in fair value of convertible note:	\$ -	\$ (125,000)	\$ (125,000)
Net Income	\$ 3,752,371	\$ (125,020)	\$ 3,627,351

The following table summarizes the changes made to the December 31, 2022, statement of cash flows.

	<u>As Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Net cash provided (used) by operating activities	\$ (2,823,130)	\$ (20)	\$ (2,823,150)
Net cash provided by (used in) investing activities	\$ (13,600)	\$ -	\$ (13,600)
Net cash provided by (used in) financing activities	\$ 3,315,502	\$ 20	\$ 3,315,522

4. OTHER LIABILITIES

As of December 31, 2022, other liabilities consist of:

<u>As of December 31,</u>	<u>2022</u>
Accrued Liabilities	\$ 16,188
Deferred Revenue	982
GST/HST Payable	(14,182)
Corporate Taxes Payable	(6,144)
Director's Advance	8,863
	<u>\$ 5,707</u>

5. PROPERTY AND EQUIPMENT

As of December 31, 2022, property and equipment consist of:

<u>As of December 31,</u>	<u>2022</u>
Computers	\$ 17,053
Furniture	25,434
Property and equipment, cost	<u>42,487</u>
Accumulated depreciation	<u>(21,077)</u>
Property and equipment, net	<u>\$ 21,410</u>

Depreciation expenses for property and equipment for the fiscal year ended December 31, 2022, was in the amount of \$8,046.

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6. INTANGIBLE ASSETS

As of December 31, 2022, intangible assets consist of:

As of December 31,	2022
RAD Ads Software and Platform	\$ 333,233
Website	50,256
Intellectual property	3,924,544
Intangible assets, cost	4,308,033
Accumulated amortization	(154,716)
Intangible assets, net	<u>\$ 4,153,317</u>

Amortization expense for intangible assets for the fiscal year ended December 31, 2022, was in the amount of \$41,356.

7. CAPITALIZATION AND EQUITY TRANSACTIONS

Common Stock

The Company is authorized to issue 150,000,000 Common Shares at a par value of \$0.0001. As of December 31, 2022, RAD Technologies, Inc Common Shares in the amount of 70,855,799 were issued and outstanding.

8. DEBT

Economic Injury Disaster (EIDL) loan

The Company obtained an Economic Injury Disaster (EIDL) loan for \$250,000 on April 10, 2020., and on August 16, 2021 the Company obtained a second loan in the amount of \$250,000.

The EIDL is a low interest, fixed-rate, long term loan obtained directly from the U.S. Small Business administration (SBA) to help overcome the effects of the pandemic by providing working capital to meet operating expenses. The loan bears interest at a rate of 3.75% per annum and matures 30 years from the date of the loan. Moreover, the loan is secured by assets of the Company. As of December 31, 2022, the Company had not made any payments on this loan. Accrued interest on the loan as of December 31, 2022, amounted to \$39,062.

Convertible Notes

The company entered into a \$500,000 convertible note with a related party (Holder) on October 17, 2022. Unless earlier retired or converted into Conversion Shares (as defined below), the outstanding balance of this Note will be due and payable by the Company at any time on or after October 16, 2028 (the "Maturity Date") at the Company's election or upon demand by the Holder. The note is secured by all assets of the company.

The Company may satisfy this Note in full by repaying the Principal Amount at any time within 12 months from the Date of Issuance; by repaying 130% of the Principal Amount at any time after 12 months from the Date of Issuance and prior to 24 months from the Date of Issuance: by repaying 160% of the Principal Amount at any time after 24 months from

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the Date of Issuance and prior to 36 months from the Date of Issuance; or, by repaying 200% of the Principal Amount at any time after 36 months from the Date of Issuance. The Holder may accelerate the payment of this Note at any time after 24 months from the Date of Issuance and require Company satisfy the Note in full by repaying the Principal Amount.

At any time on or after the Date of Issuance, at the election of the Holder, the note will convert into that number of Common Shares equal to the quotient (rounded down to the nearest whole share) obtained by dividing the outstanding principal balance of this note on the date of such conversion by the applicable Conversion Price. Conversion Price means (rounded to the nearest 1/10th of one cent) the lower of: (i) the product of 100% less the Discount of 20% and (y) the lowest per share purchase price of the equity securities issued in the Next Equity Financing; and (ii) the lowest per share purchase price of the equity securities issued in the Crowd Funding Financing. Crowd Funding Financing means the sale (or series of related sales) by the Company of its Equity Securities through the WeFunder crowd funding platform which was launched in 2022.

9. RELATED PARTY

Due to/from Shareholders

Officers of the Company advance funds to the Company in the normal course of business. As of December 31, 2022, the Company made loans for a total of \$38,134 to its officers.

Convertible note

On October 7, 2022, the Company issued a convertible note in the amount of \$500,000 to an existing major shareholder. See Note 8 Debt for further information.

10. EQUITY INCENTIVE PLAN

The Company's Board of Directors adopted an Equity Incentive Plan in 2019, to attract, incentivize and retain Employees, Outside Directors and Consultants through the grant of Awards. Options granted under the Plan may be ISOs (Incentive Stock Options) intended to qualify under Code Section 422 or NSOs (Non-statutory Stock Options) or Restricted stock and only Employees are eligible for the grant of ISOs. The plan is effective for a term of ten years from the date of its adoption. The maximum aggregate number of shares that may be issued under the plan is 26,556,462 shares of common stock.

To the extent that the aggregate Fair Market Value of Shares with respect to which options designated as incentive stock options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds \$100,000, such excess options will be treated as non-statutory stock options.

The term of each option cannot be no more than 10 years from the date of grant or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be 5 years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

The exercise price of each option is determined as follows:

- In the case of an Incentive Stock Option: The Exercise Price cannot be less than 100% of the Fair Market Value of a Share on the Date of Grant.

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- If the option was granted to an employee who at the time of grant is a Ten Percent Holder, the per Share exercise price can be no less than 110% of the Fair Market Value on the date of grant.
- In the case of a Non-statutory Stock Option: The Exercise Price is determined by the Administrator, provided that, if the per Share exercise price is less than 100% of the Fair Market Value on the date of grant, it shall otherwise comply with all Applicable Laws.

As of December 31, 2022, the company has issued 26,556,462 shares of ISO and NSO Common Stock options. For the year ended December 31, 2022, the Company reported \$713,337 in stock-based compensation expense.

11. INCOME TAXES

The provision for income taxes for the year ended December 31, 2022, RAD Technologies, Inc consists of the following:

As of December 31,	2022
Net operating loss	\$ (1,157,013)
Valuation allowance	1,157,013
	<u>\$ -</u>

Significant components of the Company's deferred tax assets and liabilities on December 31, 2022, RAD Technologies, Inc are as follows:

As of December 31,	2022
Net operating loss	\$ (1,910,564)
Valuation allowance	1,910,564
	<u>\$ -</u>

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of December 31, 2022. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased.

For the fiscal year ending December 31, 2022, the Company had federal cumulative net operating loss ("NOL") carryforwards of \$6,402,695, and the Company had state net operating loss ("NOL") carryforwards of approximately \$6,402,695. Utilization of some of the federal and state NOL carryforwards to reduce future income taxes will depend on the Company's ability to generate sufficient taxable income prior to the expiration of the carryforwards. The federal net operating loss carryforward is subject to an 80% limitation on taxable income, does not expire, and will carry on indefinitely.

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The Company recognizes the impact of a tax position in the financial statements if that position is more likely than not to be sustained on a tax return upon examination by the relevant taxing authority, based on the technical merits of the position. As of December 31, 2022, the Company had no unrecognized tax benefits.

The Company recognizes interest and penalties related to income tax matters in income tax expense. As of December 31, 2022, RAD Technologies, Inc the Company had no accrued interest and penalties related to uncertain tax positions.

12. COMMITMENTS AND CONTINGENCIES

Contingencies

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

Litigation and Claims

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2022, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

13. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the period from December 31, 2022, through September 21, 2023, which is the date the financial statements were available to be issued.

In April 2023, the Company completed a financing round pursuant to Regulation CF, issuing 23,321,698 shares of Class A Common Stock, representing \$4,152,018 in gross proceeds.

In October 2023, the Company completed a financing round pursuant to rule 506(c) of Regulation D, issuing 3,015,797 shares of Class A Common Stock, representing \$575,191 in gross proceeds.

In October 2023, the Company amended its Articles of Incorporation to create a new class of non-voting Common Stock, Class B Common Stock, authorizing 50,000,000 shares for issuance.

Finally, in October 2023, the Company launched an additional financing round pursuant to Regulation CF. The Company issued approximately 5,604,439 shares of Class B Common Stock, representing \$1,432,127 in gross proceeds. This amount is subject to change based on the final closing out of escrow.

There have been no other events or transactions during this time which would have a material effect on these financial statements.

14. GOING CONCERN

The Company has evaluated whether there are certain conditions and events, considered in the aggregate, that raise a substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated profits since inception and has sustained net losses of \$3,877,391 for the year ended December 31, 2022.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results.

Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. During the next twelve months, the Company intends to fund its operations through debt and/or equity financing.

There are no assurances that management will be able to raise capital on terms acceptable to the Company. If it is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its business, financial condition, and operating results. The accompanying financial statements do not include any adjustments that might result from these uncertainties.