

**K.K.MEHTA C.P.A ASSOCIATES PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

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April 30, 2018

SPIN International Inc  
240 W 37<sup>th</sup> Street  
Suite # 503  
New York, NY 10018

Dear Sir,

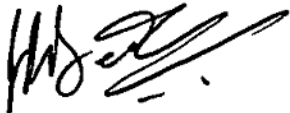
We have compiled the accompanying balance sheet, of SPIN International Inc. as of March 31, 2018 and related statements of income, changes in shareholders equity and statement of cash flows for the period from April 1, 2017 till March 31, 2018. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The Owners are 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the owners in presenting financial information in the form of financial statements without making undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

The Owners have elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the accrual basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Sincerely,  
For K.K. Mehta CPA Associates PLLC



Ravi Badlani, CPA  
*Partner*

SPIN INTERNATIONAL INC.  
(A WHOLLY-OWNED SUBSIDIARY OF J. J. EXPORTERS LTD., INDIA)

BALANCE SHEET

March 31, 2018

ASSETS

Current Assets

Cash and cash equivalents	\$ 22,629
Accounts receivable	\$ 118,777
Inventories	\$ 392,794
Prepaid expenses and other current assets	<u>\$ 696</u>

Total current assets \$ 534,896

Property and equipment, at cost, less accumulated depreciation \$ 1,964

Other Assets

Investment - Hilton	\$ 50,058
Security deposits	\$ 8,667

Total Assets \$ 595,585

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BALANCE SHEET

March 31, 2018

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities

Accounts payable	\$ 128,969
Accrued expenses and other current liabilities	\$ 788

Total current liabilities \$ 129,758

Total liabilities \$ 129,758

Shareholder's Equity

Common stock, no par value; 200 shares authorized; 100 shares issued and 1 shares outstanding	\$ 100,000
Retained earnings	\$ 464,827

\$ 564,827

Less: Cost of 99 shares held in treasury stock \$ (99,000)

Total shareholder's equity \$ 465,827

Total liabilities and shareholder's equity \$ 595,585

SPIN INTERNATIONAL INC.  
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STATEMENT OF INCOME

For the period from April 1, 2017 to March 31, 2018

Net sales	\$ 777,624
Cost of goods sold	<u>592,673</u>
Gross profit	184,952
Selling, general and administrative expenses	<u>296,033</u>
Income from operations	(111,081)
Other income	<u>7,353</u>
Income before income taxes	(103,729)
Income taxes	<u>1,167</u>
Net income	<u><u>\$ (104,896)</u></u>

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STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

March 31, 2018

	Total	Common Stock	Retained Earnings	Treasury Stock
Balance, April 1, 2017	\$ 570,723	\$ 100,000	\$ 569,723	(99,000)
Net income	(104,896)		(104,896)	
Balance, March 31, 2018	<u>\$ 465,827</u>	<u>\$ 100,000</u>	<u>\$ 464,827</u>	<u>\$ (99,000)</u>

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SUPPLEMENTARY INFORMATION

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

For the period from April 1, 2017 to March 31, 2018

Salaries Expense	125,957
FICA	9,636
FUTA	84
SUI	837
Bank Charges	9,398
Cleaning	890
Commissions	51
Depreciation	571
Dues and Subscriptions Exp	1,740
Insurance	6,236
Medical Insurance	15,497
Meals and Entertainment	442
Office	5,598
Postage and Courier	15,796
Professional fees	10,315
Rent	61,488
Real Estate Taxes	13,578
Repairs	268
Telephone	4,367
Travel	7,550
Utilities	3,733
Xmas gifts	2,000
Total selling, general and administrative expenses	<u>296,033</u>

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SUPPLEMENTARY INFORMATION

COST OF GOODS SOLD

For the period from April 1, 2017 to March 31, 2018

Inventories - beginning	\$ 433,174
Purchases	544,870
Custom clearing charges	7,423
Cost of goods available for sale	<u>985,467</u>
Less : Inventories - end	392,794
Cost of goods sold	<u><u>\$ 592,673</u></u>

SPIN INTERNATIONAL INC.  
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STATEMENT OF CASH FLOWS

For the period from April 1, 2017 to March 31, 2018

<i>Operating Activities</i>	
Net income	(104,896)
Adjustments to reconcile net income to net cash provided by operating activities	
Provision for doubtful accounts	
Depreciation expense	571
<i>Changes in operating assets and liabilities</i>	
Accounts receivables and due from factor	(17,529)
Advance to Employee	-
Inventories	40,380
Accounts payable	38,076
Commissions payable	(2,952)
Prepaid expenses and other current assets	358
Accrued expenses and other current liabilities	(427)
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Net cash provided by operating activities	(46,419)
<i>Investing activities</i>	
	-
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Net cash used in investing activities	-
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Net increase in cash and cash equivalents	(46,419)
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Cash and cash equivalents - beginning	69,048
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Cash and cash equivalents - end	22,629
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