

Sipsey River Oil Corporation
Statement of Assets, Liabilities, and Equity
Income Tax Basis
As of November 30, 2021

Assets

Current Assets

Cash in Bank - Bank of Vernon	\$ (38,808.81)
Cash in Bank - RJ O'Brien	74,156.27
Cash in Bank - Southern Oil	137,975.45
Accounts Receivable - Southern Oil	61,035.88
Credit Cards on Hand - Southern Oil	51,923.33
Receivable - Mayers Plaza	440,000.00
Inventory - Southern Oil	329,033.62
Prepaid expenses	13,968.27
Prepaid taxes	<u>9,244.00</u>

Total Current Assets	<u>1,078,528.01</u>
-----------------------------	---------------------

Property and Equipment

Land	3,079,598.12
Building	16,621,446.87
Fixtures and equipment	12,398,141.94
Buildings - Southern Oil	561,981.76
Machines & Equipment - Southern Oil	2,717,156.03
Furniture & Office Equipment - Southern Oil	54,530.35
Land - Southern Oil	851,359.08
Leasehold Improvements - Southern Oil	116,100.00
Other	8,928,034.39
Less Accumulated Depreciation	<u>(16,506,179.93)</u>

Net Property and Equipment	<u>28,822,168.61</u>
-----------------------------------	----------------------

Non Current Assets

Receivable from Elite Capital LLC	<u>1,823,772.75</u>
-----------------------------------	---------------------

Total Non Current Assets	<u>1,823,772.75</u>
---------------------------------	---------------------

Total Assets	<u><u>\$ 31,724,469.37</u></u>
---------------------	--------------------------------

No assurance is provided.
Substantially all disclosures are omitted.
We are not independent.

Sipsey River Oil Corporation
Statement of Assets, Liabilities, and Equity
Income Tax Basis
As of November 30, 2021

Liabilities and Stockholders' Equity

Current Liabilities

Accounts payable - Southern Oil	\$ 373,062.40
Accrued expenses - Southern Oil	13,750.00
Current portion of long term	<u>2,196,569.61</u>

Total Current Liabilities	<u>2,583,382.01</u>
----------------------------------	---------------------

Long-Term Liabilities

Notes payable-Southern Oil	822,243.29
Note payable - First National Bank #50100508	409,434.01
Note payable - Servis First #43937	7,934,032.45
Note payable -FNB #50102206	6,137,207.93
Note payable - Southern States	2,906,922.06
Note payable- 1st N'tl Bank #50100117	153,576.42
Note payable - Renasant #9004526	3,270,720.73
Note payable - Rensant #9008792-00004	29,895.19
Note payable -BOV #2978	33,592.12
Note payable - Servis Frist	1,598,784.09
Deferred Revenue	278,068.00
Current portion of long term	<u>(2,196,569.61)</u>

Total Long-Term Liabilities	<u>21,377,906.68</u>
------------------------------------	----------------------

Total Liabilities	<u>23,961,288.69</u>
--------------------------	----------------------

Stockholders' Equity

Capital Contributions	7,489.46
Capital Stock	1,000.00
Dividends	(119,691.00)
Retained earnings	6,680,418.17
Current Earnings	<u>1,193,964.05</u>

Total Stockholders' Equity	<u>7,763,180.68</u>
-----------------------------------	---------------------

Total Liabilities and Stockholders' Equity	<u>\$ 31,724,469.37</u>
---	-------------------------

No assurance is provided.
Substantially all disclosures are omitted.
We are not independent.

Sipsey River Oil Corporation
Statement of Revenues and Expenses
Income Tax Basis

	1 Month Ended November 30, 2021	Percent	11 Months Ended November 30, 2021	Percent
Sales				
Income	\$ 367,259.51	15.13 %	\$ 3,620,055.46	14.55 %
Sales - Southern Oil	<u>2,060,675.44</u>	<u>84.87</u>	<u>21,252,635.77</u>	<u>85.45</u>
Total Sales	<u>2,427,934.95</u>	<u>100.00</u>	<u>24,872,691.23</u>	<u>100.00</u>
Cost of Goods Sold				
Cost of Sales - Southern Oil	<u>1,989,049.19</u>	<u>81.92</u>	<u>20,508,397.75</u>	<u>82.45</u>
Total Cost of Goods Sold	<u>1,989,049.19</u>	<u>81.92</u>	<u>20,508,397.75</u>	<u>82.45</u>
Gross Profit	<u>438,885.76</u>	<u>18.08</u>	<u>4,364,293.48</u>	<u>17.55</u>
Operating Expenses				
Salaries - officers Southern Oil	0.00	0.00	10,000.00	0.04
Salaries - Southern Oil	11,172.76	0.46	133,375.48	0.54
Payroll taxes - Southern Oil	854.71	0.04	11,252.43	0.05
Other taxes and license	9,039.77	0.37	2,578.06	0.01
Other taxes & licenses	4,036.25	0.17	26,613.32	0.11
Pension - Southern Oil	217.73	0.01	2,610.00	0.01
Other labor	0.00	0.00	150.00	0.00
Office supplies	0.00	0.00	21.03	0.00
Office supplies - Southern Oil	925.00	0.04	5,861.84	0.02
Credit Card Fee - Southern Oil	17,508.19	0.72	198,665.61	0.80
Insurance	0.00	0.00	1,373.00	0.01
Insurance - Southern Oil	6,122.96	0.25	66,020.40	0.27
Travel - Southern Oil	0.00	0.00	329.11	0.00
Interest	81,200.25	3.34	922,150.54	3.71
Interest - Southern Oil	3,893.45	0.16	31,923.78	0.13
Legal and accounting	0.00	0.00	1,127.59	0.00
Rent - Southern Oil	24,333.11	1.00	260,754.70	1.05
Telephone - Southern Oil	480.80	0.02	5,323.30	0.02
Repairs - Southern Oil	3,563.15	0.15	36,847.69	0.15
Bank charges	76.00	0.00	340.00	0.00
Bank Charges - Southern Oil	29.35	0.00	271.96	0.00
Utilities - Southern Oil	297.81	0.01	3,860.78	0.02
Supplies -Southern Oil	435.53	0.02	4,444.97	0.02
Depreciation	140,000.00	5.77	1,714,000.00	6.89
Depreciation - Southern Oil	13,480.00	0.56	148,280.00	0.60
Pest control - Southern Oil	50.00	0.00	550.00	0.00
Management fees	5,000.00	0.21	55,000.00	0.22
Miscellaneous - Southern Oil	<u>508.24</u>	<u>0.02</u>	<u>2,085.83</u>	<u>0.01</u>
Total Operating Expenses	<u>323,225.06</u>	<u>13.31</u>	<u>3,645,811.42</u>	<u>14.66</u>
Operating Income (Loss)	<u>115,660.70</u>	<u>4.76</u>	<u>718,482.06</u>	<u>2.89</u>

No assurance is provided on them. Substantially all disclosures are omitted.
We are not independent.

Sipsey River Oil Corporation
Statement of Revenues and Expenses
Income Tax Basis

	1 Month Ended November 30, 2021	Percent	11 Months Ended November 30, 2021	Percent
Other Income (Expenses)				
Rebates - Southern Oil	7,000.46	0.29	7,000.46	0.03
Discounts Earned - Southern Oil	16,098.94	0.66	169,388.38	0.68
Rental Income - Southern Oil	18,850.00	0.78	189,919.00	0.76
Gain/Loss on sale of assets (Southern Oil)	0.00	0.00	11,764.93	0.05
Hedging Gain/Loss	0.00	0.00	8,484.00	0.03
Miscellaneous income	0.00	0.00	88,925.22	0.36
Total Other Income (Expenses)	<u>41,949.40</u>	<u>1.73</u>	<u>475,481.99</u>	<u>1.91</u>
Net Income (Loss) Before Taxes	<u>157,610.10</u>	<u>6.49</u>	<u>1,193,964.05</u>	<u>4.80</u>
 Net Income (Loss)	 <u>\$ 157,610.10</u>	 <u>6.49 %</u>	 <u>\$ 1,193,964.05</u>	 <u>4.80 %</u>

No assurance is provided on them. Substantially all disclosures are omitted.
We are not independent.