



**Financial Statements and Supplementary Information
(Together with Independent Auditors' Report)**

For the Years Ended March 31, 2020 and 2019

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

INDO COUNT GLOBAL INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

FOR THE YEARS ENDED MARCH 31, 2020 AND 2019

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Independent Auditors' Report

To Indo Count Global Inc.

We have audited the accompanying financial statements of Indo Count Global Inc. (a Delaware corporation), which comprise the balance sheets as of March 31, 2020 and 2019, and the related statements of income and retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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, we 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Indo Count Global Inc. as of March 31, 2020 and 2019, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 13 and 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Handwritten signature of Marks Pomeroy LLP in cursive script.

New York, New York
May 15, 2020

INDO COUNT GLOBAL INC.
BALANCE SHEETS
MARCH 31,

ASSETS	2020	2019
CURRENT ASSETS		
Cash	\$ 748,511	\$ 37,690
Due from factor	1,924,364	2,780,721
Inventories, net of allowance of approximately \$116,000 in 2020	2,633,654	6,248,022
Prepaid expenses	51,788	36,896
Prepaid income taxes	23,057	212,498
	<hr/>	<hr/>
Total Current Assets	5,381,374	9,315,827
DEFERRED TAX ASSET	51,000	33,000
PROPERTY AND EQUIPMENT, NET	270,284	477,996
RESTRICTED CASH	1,000,000	1,000,000
DEPOSITS	79,733	79,733
	<hr/>	<hr/>
TOTAL ASSETS	\$ 6,782,391	\$ 10,906,556
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 571,176	\$ 859,577
Due to customer	712,129	-
Due to factor	117,429	4,111,329
	<hr/>	<hr/>
Total Current Liabilities	1,400,734	4,970,906
DEFERRED TAX LIABILITY	-	41,000
DEFERRED RENT PAYABLE	23,201	41,761
	<hr/>	<hr/>
SUBORDINATED DEBT - RELATED PARTY	2,000,000	3,000,000
	<hr/>	<hr/>
STOCKHOLDER'S EQUITY		
Common stock, no par value, authorized 10,000 shares, issued and outstanding 500 shares	500,000	500,000
Additional paid in capital	300,000	300,000
Retained earnings	2,558,456	2,052,889
	<hr/>	<hr/>
TOTAL STOCKHOLDER'S EQUITY	3,358,456	2,852,889
	<hr/>	<hr/>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 6,782,391	\$ 10,906,556
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The accompanying notes are an integral part of these financial statements.

**INDO COUNT GLOBAL INC.
STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED MARCH 31,**

	2020	2019
SALES	\$ 26,835,079	\$ 24,850,202
LESS: SALES RETURNS, DISCOUNTS AND ALLOWANCES	2,688,537	3,362,853
NET SALES	24,146,542	21,487,349
COST OF GOODS SOLD	18,701,496	16,353,938
GROSS PROFIT	5,445,046	5,133,411
OPERATING EXPENSES		
Selling and shipping	1,828,794	1,991,710
General and administrative	2,697,171	2,544,121
Total Operating Expenses	4,525,965	4,535,831
INCOME BEFORE OTHER EXPENSES AND INCOME TAXES	919,081	597,580
OTHER EXPENSES		
Interest expense	102,608	150,518
Factoring expenses	176,908	59,373
Total Other Expenses	279,516	209,891
INCOME BEFORE INCOME TAXES	639,565	387,689
INCOME TAXES		
Current	192,998	68,903
Deferred tax (benefit)	(59,000)	50,000
	133,998	118,903
NET INCOME	505,567	268,786
RETAINED EARNINGS - beginning of year	2,052,889	1,784,103
RETAINED EARNINGS - end of year	\$ 2,558,456	\$ 2,052,889

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

**INDO COUNT GLOBAL INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH, 31**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 505,567	\$ 268,786
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	207,712	207,712
Deferred tax	(59,000)	50,000
Deferred rent payable	(18,560)	(18,560)
Allowance for inventory obsolescence	116,316	-
Changes in cash flows due to changes in operating assets and liabilities:		
Due from factor	856,357	(453,089)
Due to customer	712,129	-
Inventories	3,498,052	(2,730,096)
Prepaid expenses	(14,892)	4,164
Prepaid income taxes	189,441	166,781
Accounts payable and accrued expenses	(1,288,401)	304,541
Total adjustments	4,199,154	(2,468,547)
Net cash provided by (used in) in operating activities	4,704,721	(2,199,761)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	-	(15,300)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in due to factor	(3,993,900)	2,060,847
NET CHANGE IN CASH AND RESTRICTED CASH	710,821	(154,214)
CASH AND RESTRICTED CASH AT BEGINNING OF YEAR	1,037,690	1,191,904
CASH AND RESTRICTED CASH AT END OF YEAR	\$ 1,748,511	\$ 1,037,690
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the years for:		
Interest	\$ 102,608	\$ 150,518
Income taxes	\$ 3,557	\$ 589
SUPPLEMENTARY SCHEDULE OF NONCASH ACTIVITY:		
Reduction of subordinate debt in the amount of \$1,000,000 for the year ended March 31, 2020		

INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Indo Count Global Inc. (the "Company") was incorporated in the state of Delaware in January 2011. The Company is a wholesaler of linens to chain stores throughout the United States and Canada. The Company is a wholly owned subsidiary of an Indian corporation (the "Parent Company").

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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.

Inventories

The Company states inventory at the lower of average cost and net realizable value. A reserve for potentially obsolete or slow-moving inventory is provided based on management's analysis of inventory levels and future sales forecasts. Inventories consist of finished goods totaling \$2,633,654 which includes a reserve for slow moving inventory of approximately \$116,000 at March 31, 2020. Inventories consist of finished goods totaling \$6,248,022 at March 31, 2019. A reserve was not necessary for the year ended March 31, 2019.

Property and Equipment, Net

Property and equipment are stated at cost and include expenditures for major items. Maintenance, repairs and minor replacements are expensed. Depreciation and amortization are provided for under the straight-line method based on expected useful lives of the related assets. Leasehold improvements are amortized over the shorter of their estimated useful lives or the underlying lease term. Gains or losses on dispositions are reflected in income. The Company evaluates property and equipment for impairment using a discounted cash flows method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No events or changes occurred for the years ended March 31, 2020.

Revenue Recognition

Prior to April 1, 2019, the Company recognized revenue when the title passes to its customers, which is upon delivery to a common carrier. The Company recognizes revenue when the title passes to its customers, which is upon delivery to a common carrier.

Effective April 1, 2019, the Company recognizes revenue in accordance with the five- step model as prescribed by ASU 606, in which the Company evaluates the transfer of promised goods or services and recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to be entitled to receive in exchange for those goods or services. This requires the Company to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time, based on when control of goods and services transfers to a customer.

The Company's contracts with its customers have a single performance obligation which is to deliver products to its customers. The Company recognizes revenue when the title passes to its customers, which is upon delivery to a common carrier. The Company's payment terms are typically between 30 to 120 days.

INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the years ended March 31, 2020 and were approximately \$38,000 and \$3,000, respectively.

Deferred Rent Payable

Deferred rent represents the amount of excess rent expense on a straight-line basis based on the total rent commitment over the period of the leases and annual rent payable.

Shipping and Handling

A third-party service provider is used by the Company to warehouse the inventory and provide shipping services. Shipping and handling costs are included in selling and shipping expense in the accompanying statements of income and retained earnings, which totaled approximately \$780,000 and \$1,014,000 for the years ended March 31, 2020 and , respectively.

Income Taxes

The Company is a "C" Corporation and is subject to federal, state and local income taxes.

Deferred income taxes reflect the impact of "temporary differences" between the amounts of assets and liabilities for financial reporting purposes and such amounts measured by tax laws and regulations. The type of temporary differences that gave rise to deferred taxes at March 31, 2020, and are tax inventory capitalization costs, inventory obsolescence reserves, straight-lining of rent expense, net operating losses ("NOL") and depreciation.

The total deferred tax asset of \$51,000 and \$33,000 at March 31, 2020 and , respectively, has been recorded due to certain qualified costs deducted for financial reporting purposes being capitalized into the inventories for tax purposes, the straight-lining of rent expense for financial reporting purposes as compared to actual rent paid for tax purposes, net operating losses for tax purposes outstanding at March 31, 2018 but which were fully utilized at March 31, 2019, inventory obsolescence reserves and charitable contributions carry forward based on deduction limitations. When necessary, valuation allowances are established to reduce deferred tax assets to the amounts expected to be realized.

The deferred tax liability of \$41,000 at March 31, 2019, has been recorded due to depreciation for property and equipment being accelerated for tax purposes while straight-lined for financial reporting purposes.

FASB ASC Topic 740, *Income Taxes*, provides standards for establishing and classifying any tax provisions for uncertain tax positions and recognizing any interest and penalties.

The Company's policy is to recognize accrued interest and penalties related to unrecognized tax benefits as income tax expense. The Company is no longer subject to federal or state and local income tax examinations by tax authorities for years before the year ended March 31, 2017.

**INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, (Topic 606) *Revenue from Contracts with Customers*, which provides guidance for revenue recognition. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The two permitted transition methods under the guidance are the full retrospective approach or a cumulative effect adjustment to the opening retained earnings in the year of adoption. The Company adopted the new standard effective April 1, 2019 and has concluded that no changes are necessary to conform with the new standard and therefore, no transition method was required to be applied.

In February 2016, the FASB issued ASU 2016-02, (Topic 842) *Leases*, which establishes a right of use model (“ROU”) that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard requires a modified retrospective approach to adoption. The Company is currently evaluating the impact Topic 842 will have on its financial statements. This new standard is effective for annual periods beginning after December 15, 2020.

In November 2016, the FASB issued ASU 2016-18, (Topic 230): *Restricted Cash*, which eliminates the requirement that the total amount of cash at the beginning and end of the period shown in the statement of cash flows be the same as similarly titled line items in the balance sheet. Instead, when restricted cash appears in more than one-line item on the balance sheet, those amounts will be included with cash when reconciling beginning-of-period and end-of period total amounts shown in the statement of cash flows. Transfers between cash and amounts described as restricted cash will not be part of the Company’s operating, investing and financing activities, and details of those transfers will not be reported as cash flow activities in the statement of cash flows. Reconciliation of amounts, disaggregated by line item in which they appear in the balance sheet, shall sum to the total amount of cash and restricted cash in the statement of cash flows, and this disclosure shall be provided in either a narrative or tabular format. The Company adopted the new guidance retrospectively as of April 1, 2018. As a result, the beginning-of-period amount reported on the statement of cash flows increased by \$1,000,000 to include amounts previously reported as restricted cash. The adoption of this ASU did not affect net income or stockholder’s equity as previously reported.

NOTE 3 - PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following at March 31,:

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 1,054,578	\$ 1,054,578
Furniture and fixtures	79,929	79,929
Office equipment	<u>22,875</u>	<u>22,875</u>
	1,157,382	1,157,382
Less: Accumulated depreciation and amortization	<u>887,098</u>	<u>679,386</u>
Property and equipment, net	<u>\$ 270,284</u>	<u>\$ 477,996</u>

**INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019**

NOTE 3 - PROPERTY AND EQUIPMENT, NET (continued)

Depreciation and amortization amounted to approximately \$208,000 for each of the years ended March 31, 2020 and .

NOTE 4 - RESTRICTED CASH

The restricted cash balance at both March 31, 2020 and totaled \$1,000,000 and is used as collateral for the Company's borrowing facility.

For purposes of the statement of cash flows, the following table provides a reconciliation of cash and restricted cash reported within the balance sheets at March 31 that sum to the total of the same such amounts shown in the statement of cash flows.

	<u>2020</u>	<u>2019</u>
Cash	\$ 748,511	\$ 37,690
Restricted cash	<u>1,000,000</u>	<u>1,000,000</u>
Total cash and restricted cash shown in the statement of cash flows	<u>\$ 1,748,511</u>	<u>\$ 1,037,690</u>

NOTE 5 - DUE TO CUSTOMER

As of March 31, 2020, the Company had a net outstanding balance to a customer totaling approximately \$712,000. The outstanding balance will be utilized against future orders from the customer. This customer is one of the major customers noted in Note 8.

NOTE 6 - DUE TO / FROM FACTOR

On July 2, 2015, the Company entered into a factoring agreement with a financial institution where the Company sells approved accounts with or without recourse. The agreement also provides for a line of credit for advances based on a formula as defined in the agreement not to exceed \$19,000,000. On January 7, 2019, the factoring agreement has been amended to reduce the line of credit from \$19,000,000 to \$8,000,000. The interest is accrued on the loan at rates based on 90-day LIBOR plus 2%. The financial institution has been given a security interest in substantially all of the Company's assets. The loan also requires a deposit to be maintained as collateral during the term of the credit facility, which is discussed in Note 4. There is a limited guarantee by the parent company, up to \$7,000,000. The agreement contains certain restrictive covenants. As of March 31, 2020, the Company had outstanding borrowings against the credit facility in the amount of \$117,429, and outstanding factored balances due from the facility in the amount of \$1,924,364 for a net balance due from the factor in the amount of \$1,806,935. As of March 31, , the Company had outstanding borrowings against the credit facility in the amount of \$4,111,329, and outstanding factored balances due from the facility in the amount of \$2,780,721 for a net balance due to the Factor in the amount of \$1,330,608.

NOTE 7 - SUBORDINATED DEBT – RELATED-PARTY

As required by the factoring agreement noted in Note 6, the Company has subordinated trade payables due to its parent to the financial institution. On September 6, 2019, the subordination agreement has been amended to reduce the amount from \$3,000,000 to \$2,000,000. This loan is long-term and non-interest bearing.

**INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019**

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Concentration of Credit Risk

The Company maintains its cash at financial institutions, which are insured by the Federal Deposit Insurance Corporation ("FDIC") and are federally insured. Deposits held in non-interest-bearing transaction accounts are aggregated with any interest-bearing deposits up to the combined amount of \$250,000 per depositor, per insured financial institution.

At March 31, 2020, and , cash balances were in excess of FDIC insurance limits by approximately \$1,499,000 and \$788,000, respectively. All of the Company's cash was on deposit at one major bank for the years ended March 31, 2020 and .

Financial instruments, other than cash balances, that potentially subject the Company to concentration of credit risk, relate primarily to accounts receivable. At March 31, 2020 and , the Company had a balance due from three and two major customers, respectively, which is considered a concentration.

Operating Leases

In June 2016, the Company signed an operating lease for showroom space that will expire in June 2021. The minimum annual lease payments (exclusive of real estate taxes, insurance, etc.) are approximately as follows:

<u>Years Ending March 31,</u>	<u>Amount</u>
2021	\$ 412,000
2022	<u>103,000</u>
	<u>\$ 515,000</u>

Rent expense charged to operations was approximately \$492,000 and \$458,000 for the years ended March 31, 2020 and , respectively.

Major Customers

The Company sold 84% of its product to three customers for the year ended March 31, 2020. The total amount due from two of these customers was approximately \$1,046,000 at March 31, 2020. The balance due to one of the customers was approximately \$712,000 and is disclosed separately on the balance sheet and in Note 5.

The Company sold 94% of its product to two customers for the year ended . The total amount due from these customers was approximately \$2,488,000 at .

Related Party and Major Supplier

The Company purchased 100% of its products from the overseas Parent Company for the years ended March 31, 2020 and . The balance owed to the Parent Company for such trade payables was \$2,239,247 and \$3,540,396, of which \$2,000,000 and \$3,000,00 was subordinated to the financial institution, at March 31, 2020 and , respectively.

**INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019**

NOTE 9 - 401(K) PLAN

On June 1, 2015, the Company adopted a defined contributions 401(K) Plan covering all eligible employees of the Company. Employees are eligible to become contributing participants of the Plan on the first day of employment. The Plan is subject to the provisions of Employee Retirement Income Security Act of 1974 ("ERISA"). The Company's discretionary contribution to the Plan for the years ended March 31, 2020 and was approximately \$31,000 and \$30,000, respectively, and is included in general and administrative expenses on the statements of income and retained earnings.

NOTE 10 - INCOME TAXES

The components of income tax expense (benefit) are:

<u>March 31, 2020</u>	<u>Federal</u>	<u>State & Local</u>	<u>Total</u>
Current	\$ 163,919	\$ 29,079	\$ 192,998
Deferred benefit	<u>(53,000)</u>	<u>(6,000)</u>	<u>(59,000)</u>
	<u>\$ 110,919</u>	<u>\$ 23,079</u>	<u>\$ 133,998</u>
<u>March 31, 2019</u>	<u>Federal</u>	<u>State & Local</u>	<u>Total</u>
Current	\$ 55,000	\$ 13,903	\$ 68,903
Deferred	<u>43,000</u>	<u>7,000</u>	<u>50,000</u>
	<u>\$ 98,000</u>	<u>\$ 20,903</u>	<u>\$ 118,903</u>

NOTE 11 - ROYALTIES

In the year ended March 31, 2016, the Company and its Parent Company entered into an agreement with a non-related entity. The agreement grants both entities the right to distribute merchandise under a patent. The Parent Company will make all the required payments under the agreement.

On May 10, 2016, the Company entered into a design licensing agreement with another company, the licensing agreement allows the Company to use certain designs and brands with the Company products in accordance with the terms of the agreement. The agreement calls for quarterly royalty payments to be made based upon specific percentages of the sales of the covered products. The agreement expires on September 30, 2020 with an option to renew.

On March 1, 2019, the Company entered into a licensing agreement with another company, the licensing agreement allows the Company to use designs and brands with the Company products in accordance with the terms of the agreement. The agreement calls for quarterly royalty payments to be made based upon specific percentages of the sales of the covered products. In addition to the royalty percentages, there is an annual payment due for marketing support. The agreement expires on March 1, 2021 with an option to renew. The Company sells the product to one of the major customers in Note 8 as well as to the licensor. As of March 31, 2020, the balance due to the licensor was approximately \$84,000 and the balance due from the licensor was approximately \$148,000.

**INDO COUNT GLOBAL INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020 AND 2019**

NOTE 11 – ROYALTIES (continued)

Royalties charged to operations for the years ended March 31, 2020 and were approximately \$194,000 and \$13,000, respectively. Advertising expense related to the licensing agreement for the year ended March 31, 2020 was approximately \$37,000.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the balance sheet through May 15, 2020 the date the financial statements were available to be issued.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. While the disruption is currently expected to be temporary, there is uncertainty around the duration. While the Company expects this matter to negatively impact its business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

**INDO COUNT GLOBAL INC.
SUPPLEMENTARY INFORMATION
SCHEDULES OF COST OF GOODS SOLD
FOR THE YEARS ENDED MARCH 31,**

	2020	2019
Inventories – beginning	\$ 6,248,022	\$ 3,517,926
Purchases	15,087,128	19,084,034
	21,335,150	22,601,960
Inventories – ending	(2,633,654)	(6,248,022)
Total Cost of Goods Sold	\$ 18,701,496	\$ 16,353,938

**INDO COUNT GLOBAL INC.
SUPPLEMENTARY INFORMATION
SCHEDULES OF OPERATING EXPENSES
FOR THE YEARS ENDED MARCH 31,**

	<u>2020</u>	<u>2019</u>
Selling and Shipping		
Warehouse expenses	\$ 779,974	\$ 1,013,572
Showroom expenses	398,664	448,925
Commissions	364,123	432,950
Royalty expense	194,269	13,047
Travel and entertainment	53,599	80,216
Advertising and promotion	38,165	3,000
	<u>1,828,794</u>	<u>1,991,710</u>
Total Selling and Shipping Expenses	<u>\$ 1,828,794</u>	<u>\$ 1,991,710</u>
General and Administrative		
Salaries and benefits	\$ 1,242,102	\$ 966,119
Rent and utilities	504,873	471,854
Professional fees	413,101	593,397
Depreciation and amortization	207,712	207,712
Computer expenses	182,410	163,430
Office, stationery and printing	83,412	55,180
Bank charges and other fees	29,971	30,283
Insurance	21,590	23,590
Charitable contributions	12,000	15,000
Commercial rent tax	-	17,556
	<u>2,697,171</u>	<u>2,544,121</u>
Total General and Administrative Expenses	<u>\$ 2,697,171</u>	<u>\$ 2,544,121</u>