



**HIS CONSTRUCTORS, INC. AND SUBSIDIARIES AND AFFILIATES**  
**UNAUDITED CONSOLIDATING AND COMBINING BALANCE SHEET**  
**November 30, 2023**

|   | HIS Constructors, Inc. | HIS Transport, LLC | Eliminations | Blue River Enviro & Restoration | HIS Management, Inc. | BRC Land Holdings, LLC | Eliminations    | Consolidated  |
|---|------------------------|--------------------|--------------|---------------------------------|----------------------|------------------------|-----------------|---------------|
| <b>ASSETS</b>                                   |                        |                    |              |                                 |                      |                        |                 |               |
| <b>CURRENT ASSETS</b>                           |                        |                    |              |                                 |                      |                        |                 |               |
| Cash and equivalents                            | \$ -                   | \$ -               | \$ -         | \$ -                            | \$ -                 | \$ 34,772              | \$ -            | \$ 34,772     |
| Accounts receivable:                            |                        |                    |              |                                 |                      |                        |                 |               |
| Contracts, less allowance for doubtful accounts | 15,277,672             | 484,143            | -            | 4,872,370                       | -                    | -                      | -               | 20,634,185    |
| Contracts and other - related parties           | 22,151,126             | 1,066,008          | (1,873,582)  | 10,927,448                      | 42,019,623           | -                      | (74,249,903)    | 40,720        |
| Other receivables                               | 525,431                | -                  | -            | 3,915                           | 115,900              | -                      | -               | 645,246       |
|   | 37,954,229             | 1,550,151          | (1,873,582)  | 15,803,733                      | 42,135,523           | 34,772                 | (74,249,903)    | 21,354,923    |
| Notes receivable                                | 610,271                | -                  | -            | -                               | -                    | -                      | -               | 610,271       |
| Inventory                                       | 3,260,355              | 119,448            | -            | 34,211                          | -                    | -                      | -               | 3,414,014     |
| Prepaid and others                              | 36,059                 | 1,413              | -            | 86,633                          | 479,518              | -                      | -               | 603,623       |
| Contract assets                                 | 9,944,718              | -                  | -            | 166,729                         | -                    | -                      | -               | 10,111,447    |
| <b>TOTAL CURRENT ASSETS</b>                     | 51,805,632             | 1,671,012          | (1,873,582)  | 16,091,306                      | 42,615,041           | 34,772                 | (74,249,903)    | 36,094,278    |
| <b>OTHER ASSETS</b>                             |                        |                    |              |                                 |                      |                        |                 |               |
| Right of use asset                              | 1,433,219              | 470,577            | -            | 313,310                         | 5,055,329            | -                      | (5,055,329)     | 2,217,106     |
| Deferred income taxes                           | -                      | -                  | -            | -                               | 306,000              | -                      | -               | 306,000       |
| Deferred rent                                   | 7,520                  | 9,323              | -            | 24,052                          | 27,984               | -                      | (27,653)        | 41,226        |
| Investment (loss) in investee companies         | (2,708,364)            | -                  | 2,708,364    | -                               | -                    | -                      | -               | -             |
|   | (1,267,625)            | 479,900            | 2,708,364    | 337,362                         | 5,389,313            | -                      | (5,082,982)     | 2,564,332     |
| <b>PROPERTY AND EQUIPMENT</b>                   |                        |                    |              |                                 |                      |                        |                 |               |
| Land  | -                      | -                  | -            | -                               | -                    | 659,115                | -               | 659,115       |
| Building  | -                      | -                  | -            | -                               | -                    | 5,226,511              | -               | 5,226,511     |
| Capital lease asset                             | -                      | 239,815            | -            | -                               | -                    | -                      | -               | 239,815       |
| Machinery, vehicles, and equipment              | 2,776,312              | 2,404,984          | -            | 677,940                         | -                    | 12,700                 | -               | 5,871,936     |
| Office and computer equipment                   | 519,586                | -                  | -            | 75,521                          | 333,351              | -                      | -               | 928,458       |
| Construction equipment                          | 14,514,647             | 36,484             | -            | -                               | -                    | -                      | -               | 14,551,131    |
| Leasehold improvements                          | 533,071                | -                  | -            | 33,556                          | 413,939              | -                      | -               | 980,566       |
| Small equipment and tools                       | 998,142                | 50,770             | -            | 647,856                         | -                    | -                      | -               | 1,696,768     |
|   | 19,341,758             | 2,732,053          | -            | 1,434,873                       | 747,290              | 5,898,326              | -               | 30,154,300    |
| Less accumulated depreciation/amortization      | 7,398,599              | 1,220,197          | -            | 979,807                         | 358,513              | 223,381                | -               | 10,180,497    |
|   | 11,943,159             | 1,511,856          | -            | 455,066                         | 388,777              | 5,674,945              | -               | 19,973,803    |
|   | \$ 62,481,166          | \$ 3,662,768       | \$ 834,782   | \$ 16,883,734                   | \$ 48,393,131        | \$ 5,709,717           | \$ (79,332,885) | \$ 58,632,413 |



**HIS CONSTRUCTORS, INC. AND SUBSIDIARIES AND AFFILIATES**  
**UNAUDITED CONSOLIDATING AND COMBINING BALANCE SHEET**  
**November 30, 2023**

| HIS Constructors, Inc.                                       | HIS Transport, LLC   | Eliminations        | Blue River Enviro & Restoration | HIS Management, Inc. | BRC Land Holdings, LLC | Eliminations        | Consolidated           |
|--|----------------------|---------------------|---------------------------------|----------------------|------------------------|---------------------|------------------------|
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY/MEMBERS' CAPITAL</b> |                      |                     |                                 |                      |                        |                     |                        |
| <b>CURRENT LIABILITIES</b>                                   |                      |                     |                                 |                      |                        |                     |                        |
| Current maturities of long-term debt                         | \$ 1,731,993         | \$ 168,867          | \$ -                            | \$ 37,500            | \$ 633,335             | \$ 182,583          | \$ 2,754,278           |
| Current portion of lease obligations                         | 352,308              | 324,588             | -                               | 86,395               | 235,338                | -                   | 763,291                |
| Accounts payable   | 8,843,896            | 102,344             | -                               | 2,734,857            | 2,973,530              | -                   | 14,654,627             |
| Accounts payable - related parties                           | 38,210,833           | 5,055,678           | (1,873,582)                     | 3,411,321            | 29,447,771             | -                   | 2,118                  |
| Accrued salaries, wages and benefits                         | 421,931              | 66,920              | -                               | 52,619               | 393,337                | -                   | 934,807                |
| Accrued taxes  | 27,409               | -                   | -                               | 15,800               | 2,870                  | -                   | 46,079                 |
| Accrued distributions  | -                    | -                   | -                               | -                    | -                      | -                   | -                      |
| Accrued professional fees                                    | 40,300               | -                   | -                               | 12,055               | 7,165                  | -                   | 59,520                 |
| Deferred rent  | 7,638                | -                   | -                               | -                    | 254                    | -                   | 7,892                  |
| Contract liabilities   | 1,332,533            | -                   | -                               | 47,001               | -                      | -                   | 1,379,534              |
| <b>TOTAL CURRENT LIABILITIES</b>                             | <b>50,968,841</b>    | <b>5,718,397</b>    | <b>(1,873,582)</b>              | <b>6,397,548</b>     | <b>33,693,600</b>      | <b>182,583</b>      | <b>20,602,146</b>      |
| <b>LONG-TERM DEBT</b>  |                      |                     |                                 |                      |                        |                     |                        |
| Bank lines of credit   | -                    | -                   | -                               | -                    | 10,161,028             | -                   | 10,161,028             |
| Notes payable, less current maturities                       | 2,314,486            | 343,270             | -                               | -                    | -                      | 4,303,894           | 6,961,650              |
| Lease obligations, less current portion                      | 1,065,302            | 309,465             | -                               | 240,699              | 4,847,644              | -                   | 1,615,466              |
|  | <b>3,379,788</b>     | <b>652,735</b>      | <b>-</b>                        | <b>240,699</b>       | <b>15,008,672</b>      | <b>4,303,894</b>    | <b>18,738,144</b>      |
| <b>STOCKHOLDERS' EQUITY/MEMBERS' CAPITAL</b>                 |                      |                     |                                 |                      |                        |                     |                        |
| Common Stock   | 155                  | -                   | -                               | -                    | 100                    | -                   | 255                    |
| Capital in excess of stated value                            | 1,519,812            | -                   | -                               | 750                  | 527,607                | -                   | 2,048,169              |
| Members' capital   | -                    | (2,708,364)         | 2,708,364                       | -                    | -                      | -                   | -                      |
| Retained earnings (Accumulated deficit)                      | 6,696,658            | -                   | -                               | 10,244,737           | (836,848)              | 1,223,240           | 17,327,787             |
|  | <b>8,216,625</b>     | <b>(2,708,364)</b>  | <b>2,708,364</b>                | <b>10,245,487</b>    | <b>(309,141)</b>       | <b>1,223,240</b>    | <b>19,376,211</b>      |
| Less cost of shares acquired for treasury                    | 84,088               | -                   | -                               | -                    | -                      | -                   | 84,088                 |
|  | <b>8,132,537</b>     | <b>(2,708,364)</b>  | <b>2,708,364</b>                | <b>10,245,487</b>    | <b>(309,141)</b>       | <b>1,223,240</b>    | <b>19,292,123</b>      |
|  | <b>\$ 62,481,166</b> | <b>\$ 3,662,768</b> | <b>\$ 834,782</b>               | <b>\$ 16,883,734</b> | <b>\$ 48,393,131</b>   | <b>\$ 5,709,717</b> | <b>\$ (79,332,885)</b> |
|  |                      |                     |                                 |                      |                        |                     | <b>\$ 58,632,413</b>   |



**HIS CONSTRUCTORS, INC. AND SUBSIDIARIES AND AFFILIATES**  
**UNAUDITED CONSOLIDATING AND COMBINING STATEMENTS OF INCOME**  
 Eleven month period ended November 30, 2023

|   | HIS<br>Constructors,<br>Inc. | HIS<br>Transport,<br>LLC | Eliminations | Blue River<br>Enviro &<br>Restoration | HIS<br>Management,<br>Inc. | Eliminations | Consolidated        | Budgeted            |
|---|------------------------------|--------------------------|--------------|---------------------------------------|----------------------------|--------------|---------------------|---------------------|
| Revenues earned   | \$ 56,187,273                | \$ 2,553,461             | \$ -         | \$ 7,285,946                          | \$ -                       | \$ -         | \$ 66,026,680       | \$ 74,212,275       |
| Cost of revenues earned   | 43,668,317                   | 2,259,226                | -            | 5,337,553                             | -                          | -            | 51,265,096          | 62,234,739          |
| <b>GROSS PROFIT</b>   | 12,518,956                   | 294,235                  | -            | 1,948,393                             | -                          | -            | 14,761,584          | 11,977,536          |
| Operating expenses:   |                              |                          |              |                                       |                            |              |                     |                     |
| Selling and administrative  | 1,446,878                    | 177,189                  | -            | 1,973,358                             | 4,614,181                  | -            | 8,211,606           | 6,939,794           |
| <b>OPERATING INCOME (LOSS)</b>  | 11,072,078                   | 117,046                  | -            | (24,965)                              | (4,614,181)                | -            | 6,549,978           | 5,037,742           |
| Other income (expense):   |                              |                          |              |                                       |                            |              |                     |                     |
| Management fees   | (2,823,150)                  | (446,572)                | -            | (1,670,829)                           | 4,940,551                  | -            | -                   | -                   |
| Gain (Loss) on sale of assets   | -                            | -                        | -            | -                                     | -                          | -            | -                   | -                   |
| Interest expense  | (333,414)                    | (23,526)                 | -            | -                                     | (578,835)                  | -            | (935,775)           | (464,500)           |
| Other   | (3,648,407)                  | (1,814)                  | -            | 514,985                               | (37,318)                   | -            | (3,172,554)         | -                   |
|   | (6,804,971)                  | (471,912)                | -            | (1,155,844)                           | 4,324,398                  | -            | (4,108,329)         | (464,500)           |
| <b>NET INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY<br/>IN NET EARNINGS IN INVESTEE COPMANIES</b> | 4,267,107                    | (354,866)                | -            | (1,180,809)                           | (289,783)                  | -            | 2,441,649           | 4,573,242           |
| Benefit (Provision) for income taxes  | -                            | -                        | -            | -                                     | -                          | -            | -                   | -                   |
| <b>NET INCOME (LOSS) BEFORE EQUITY IN<br/>NET EARNINGS IN INVESTEE COPMANIES</b>                  | 4,267,107                    | (354,866)                | -            | (1,180,809)                           | (289,783)                  | -            | 2,441,649           | 4,573,242           |
| Equity in net earnings (losses) of investee companies   | -                            | -                        | -            | -                                     | -                          | -            | -                   | -                   |
| <b>NET INCOME (LOSS) \$</b>   | <b>4,267,107</b>             | <b>\$ (354,866)</b>      | <b>\$ -</b>  | <b>\$ (1,180,809)</b>                 | <b>\$ (289,783)</b>        | <b>\$ -</b>  | <b>\$ 2,441,649</b> | <b>\$ 4,573,242</b> |



**HIS CONSTRUCTORS, INC.**  
**UNAUDITED STATEMENT OF INCOME**  
 Month ended November 30, 2023

|   | <div> <div>HIS<br/>Constructors,<br/>Inc.</div> <div>Budgeted</div> </div> |              | <div> <div>HIS<br/>Constructors,<br/>Inc.</div> <div>Budgeted</div> </div> |              | <div> <div>HIS<br/>Constructors,<br/>Inc.</div> <div>Budgeted</div> </div> |               |
|---|--|--------------|--|--------------|--|---------------|
|   | MONTH-TO-DATE  |              | QUARTER-TO-DATE  |              | YEAR-TO-DATE   |               |
| Revenues earned   | \$ 7,490,105   | \$ 4,518,555 | \$ 11,568,747  | \$ 9,562,110 | \$ 56,187,273  | \$ 47,259,105 |
| Cost of revenues earned   | 2,918,038  | 4,061,197    | 6,980,717  | 8,514,193    | 43,668,317   | 42,299,066    |
| <b>GROSS PROFIT</b>   | 4,572,067  | 457,358      | 4,588,030  | 1,047,917    | 12,518,956   | 4,960,039     |
| Operating expenses:   |  |              |  |              |  |               |
| Selling and administrative  | 177,614  | 54,000       | 293,960  | 101,000      | 1,446,878  | 713,000       |
| <b>OPERATING INCOME (LOSS)</b>  | 4,394,453  | 403,358      | 4,294,070  | 946,917      | 11,072,078   | 4,247,039     |
| Other income (expense):   |  |              |  |              |  |               |
| Management fees   | (219,927)  | (197,176)    | (439,854)  | (394,352)    | (2,823,150)  | (2,168,936)   |
| Gain (Loss) on sale of assets   | -  | -            | -  | -            | -  | -             |
| Interest expense  | (35,849)   | (35,000)     | (43,287)   | (70,000)     | (333,414)  | (415,000)     |
| Other   | (2,000,555)  | -            | (1,970,085)  | -            | (3,648,407)  | -             |
|   | (2,256,331)  | (232,176)    | (2,453,226)  | (464,352)    | (6,804,971)  | (2,583,936)   |
| <b>NET INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY<br/>IN NET EARNINGS IN INVESTEE COPMANIES</b> | 2,138,122  | 171,182      | 1,840,844  | 482,565      | 4,267,107  | 1,663,103     |
| Benefit (Provision) for income taxes  | -  | -            | -  | -            | -  | -             |
| <b>NET INCOME (LOSS) BEFORE EQUITY IN<br/>NET EARNINGS IN INVESTEE COPMANIES</b>                  | 2,138,122  | 171,182      | 1,840,844  | 482,565      | 4,267,107  | 1,663,103     |
| Equity in net earnings (losses) of investee companies   | -  | -            | -  | -            | -  | -             |
| <b>NET INCOME (LOSS)</b>  | \$ 2,138,122   | \$ 171,182   | \$ 1,840,844   | \$ 482,565   | \$ 4,267,107   | \$ 1,663,103  |




**BLUE RIVER ENVIRONMENTAL AND RESTORATION, INC.**  
**UNAUDITED STATEMENT OF INCOME**  
**Month ended November 30, 2023**

|   | Blue River<br>Enviro &<br>Restoration |           | Budgeted     | Blue River<br>Enviro &<br>Restoration |           | Budgeted     | Blue River<br>Enviro &<br>Restoration |             | Budgeted      |
|---|---------------------------------------|-----------|--------------|---------------------------------------|-----------|--------------|---------------------------------------|-------------|---------------|
|   | MONTH-TO-DATE                         |           |              | QUARTER-TO-DATE                       |           |              | YEAR-TO-DATE                          |             |               |
| Revenues earned   | \$                                    | 875,972   | \$ 2,075,000 | \$                                    | 1,773,174 | \$ 4,250,000 | \$                                    | 7,285,946   | \$ 23,395,000 |
| Cost of revenues earned   |                                       | 852,392   | 1,439,568    |                                       | 1,518,050 | 2,955,196    |                                       | 5,337,553   | 17,036,068    |
| <b>GROSS PROFIT</b>   |                                       | 23,580    | 635,432      |                                       | 255,124   | 1,294,804    |                                       | 1,948,393   | 6,358,932     |
| Operating expenses:   |                                       |           |              |                                       |           |              |                                       |             |               |
| Selling and administrative  |                                       | 185,866   | 197,688      |                                       | 350,550   | 364,912      |                                       | 1,973,358   | 1,886,483     |
| <b>OPERATING INCOME (LOSS)</b>  |                                       | (162,286) | 437,744      |                                       | (95,426)  | 929,892      |                                       | (24,965)    | 4,472,449     |
| Other income (expense):   |                                       |           |              |                                       |           |              |                                       |             |               |
| Management fees   |                                       | (121,650) | (144,090)    |                                       | (243,253) | (288,180)    |                                       | (1,670,829) | (1,584,990)   |
| Gain (Loss) on sale of assets   |                                       | -         | -            |                                       | -         | -            |                                       | -           | -             |
| Interest expense  |                                       | -         | -            |                                       | -         | -            |                                       | -           | -             |
| Other   |                                       | (1,042)   | -            |                                       | (471)     | -            |                                       | 514,985     | -             |
|   |                                       | (122,692) | (144,090)    |                                       | (243,724) | (288,180)    |                                       | (1,155,844) | (1,584,990)   |
| <b>NET INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY<br/>IN NET EARNINGS IN INVESTEE COPMANIES</b> |                                       | (284,978) | 293,654      |                                       | (339,150) | 641,712      |                                       | (1,180,809) | 2,887,459     |
| Benefit (Provision) for income taxes  |                                       | -         | -            |                                       | -         | -            |                                       | -           | -             |
| <b>NET INCOME (LOSS) BEFORE EQUITY IN<br/>NET EARNINGS IN INVESTEE COPMANIES</b>                  |                                       | (284,978) | 293,654      |                                       | (339,150) | 641,712      |                                       | (1,180,809) | 2,887,459     |
| Equity in net earnings (losses) of investee companies   |                                       | -         | -            |                                       | -         | -            |                                       | -           | -             |
| <b>NET INCOME (LOSS)</b>  | \$                                    | (284,978) | \$ 293,654   | \$                                    | (339,150) | \$ 641,712   | \$                                    | (1,180,809) | \$ 2,887,459  |



**HIS TRANSPORT, LLC**  
**UNAUDITED STATEMENT OF INCOME**  
**Month ended November 30, 2023**



|   | <table> <tr> <th>HIS Transport, LLC</th> <th>Budgeted</th> </tr> </table> |                 | HIS Transport, LLC | Budgeted        | <table> <tr> <th>HIS Transport, LLC</th> <th>Budgeted</th> </tr> </table> |                  | HIS Transport, LLC | Budgeted | <table> <tr> <th>HIS Transport, LLC</th> <th>Budgeted</th> </tr> </table> |  | HIS Transport, LLC | Budgeted |
|---|---|-----------------|--------------------|-----------------|---|------------------|--------------------|----------|---|--|--------------------|----------|
| HIS Transport, LLC  | Budgeted  |                 |                    |                 |   |                  |                    |          |   |  |                    |          |
| HIS Transport, LLC  | Budgeted  |                 |                    |                 |   |                  |                    |          |   |  |                    |          |
| HIS Transport, LLC  | Budgeted  |                 |                    |                 |   |                  |                    |          |   |  |                    |          |
|   | MONTH-TO-DATE   |                 | QUARTER-TO-DATE    |                 | YEAR-TO-DATE  |                  |                    |          |   |  |                    |          |
| Revenues earned   | \$ 194,753  | \$ 315,970      | \$ 467,224         | \$ 672,440      | \$ 2,553,461  | \$ 3,558,170     |                    |          |   |  |                    |          |
| Cost of revenues earned   | 178,075   | 261,523         | 393,782            | 555,008         | 2,259,226   | 2,899,605        |                    |          |   |  |                    |          |
| <b>GROSS PROFIT</b>   | 16,678  | 54,447          | 73,442             | 117,432         | 294,235   | 658,565          |                    |          |   |  |                    |          |
| Operating expenses:   |   |                 |                    |                 |   |                  |                    |          |   |  |                    |          |
| Selling and administrative  | 15,690  | 16,000          | 28,600             | 27,500          | 177,189   | 176,000          |                    |          |   |  |                    |          |
| <b>OPERATING INCOME (LOSS)</b>  | 988   | 38,447          | 44,842             | 89,932          | 117,046   | 482,565          |                    |          |   |  |                    |          |
| Other income (expense):   |   |                 |                    |                 |   |                  |                    |          |   |  |                    |          |
| Management fees   | (37,918)  | (37,918)        | (75,836)           | (75,836)        | (446,572)   | (417,098)        |                    |          |   |  |                    |          |
| Gain (Loss) on sale of assets   | -   | -               | -                  | -               | -   | -                |                    |          |   |  |                    |          |
| Interest expense  | (1,418)   | (4,500)         | (2,872)            | (9,000)         | (23,526)  | (49,500)         |                    |          |   |  |                    |          |
| Other   | (3,853)   | -               | (1,946)            | -               | (1,814)   | -                |                    |          |   |  |                    |          |
|   | <u>(43,189)</u>   | <u>(42,418)</u> | <u>(80,654)</u>    | <u>(84,836)</u> | <u>(471,912)</u>  | <u>(466,598)</u> |                    |          |   |  |                    |          |
| <b>NET INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY IN NET EARNINGS IN INVESTEE COPMANIES</b> | (42,201)  | (3,971)         | (35,812)           | 5,096           | (354,866)   | 15,967           |                    |          |   |  |                    |          |
| Benefit (Provision) for income taxes  | -   | -               | -                  | -               | -   | -                |                    |          |   |  |                    |          |
| <b>NET INCOME (LOSS) BEFORE EQUITY IN NET EARNINGS IN INVESTEE COPMANIES</b>                  | (42,201)  | (3,971)         | (35,812)           | 5,096           | (354,866)   | 15,967           |                    |          |   |  |                    |          |
| Equity in net earnings (losses) of investee companies   | -   | -               | -                  | -               | -   | -                |                    |          |   |  |                    |          |
| <b>NET INCOME (LOSS)</b>  | \$ (42,201)   | \$ (3,971)      | \$ (35,812)        | \$ 5,096        | \$ (354,866)  | \$ 15,967        |                    |          |   |  |                    |          |