

**Disclosure Statement**

**OTC Markets**



A Nevada Corporation

Yippy, Inc.

999 Brickell Avenue, Suite 610, Miami, FL 33133

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1-877-947-7901

[www.yippyinc.com](http://www.yippyinc.com)

[info@yippyinc.com](mailto:info@yippyinc.com)

CUSIP Number: 98584Y202

Tax ID Number:

98-0585450

SIC: 7374

**Period Ending**

August 31, 2019

As of June 11, 2019, the number of shares outstanding of our Common Stock was:

**74,975,377**

As of August 31, 2019, the number of shares outstanding of our Common Stock was:

**76,975,377**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:  No:

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes:  No:

**1) Name of the issuer and its predecessors (if any) in past five years: None**

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Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

**May 24, 2006 - Nevada**

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes:  No:

## 2) Security Information

Trading symbol: YIPI  
Exact title and class of securities outstanding: COMMON  
CUSIP: 98584Y202  
Par or stated value: \$.001

Total shares authorized: 100,000,000 as of date: 6/11/19  
Total shares outstanding: 76,975,377 as of date: 6/11/19  
Number of shares in the Public Float<sup>2</sup>: 9,180,000 as of date: 6/11/19  
Total number of shareholders of record: 226 as of date: 2/28/19

*Additional class of securities (if any): **None***

### Transfer Agent

Name: Pacific Stock Transfer  
Phone: 702-361-3033  
Email: info@pacificstocktransfer.com

Is the Transfer Agent registered under the Exchange Act? Yes:  No:

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

**None**

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

**None**

## 3) Issuance History

### **A. Changes to the Number of Outstanding Shares Past 2 Fiscal Years and Subsequent Periods**

Number of Shares outstanding as of <u>8/31/18</u>	<u>Opening Balance:</u> Common: <u>74,975,377</u> Preferred: <u>0</u>								
Date of Transaction	Transaction type (e.g. new issuance,	Number of Shares	Class of Securities	Value of shares issued	Were the shares issued at	Individual/Entity Shares were issued to	Reason for share issuance (e.g. for cash or debt	Restricted or Unrestricted	Exemption or

	cancellation, shares returned to treasury)	Issued (or cancelled)		(\$/per share) at Issuance	a discount to market price at the time of issuance? (Yes/No)	(entities must have individual with voting / investment control disclosed).	conversion) OR Nature of Services Provided (if applicable)	as of this filing?	Registration Type?
6/17/2019	New Issuance	2,000,000	Common	\$0.34	No	B. Villorani	Acquisition of Assets	Restricted	R-144
Shares Outstanding on <u>08/31/2019</u> :	<u>Ending Balance:</u>  Common: <u>76,975,377</u>  Preferred: 0								

#### **B. Debt Securities, Including Promissory and Convertible Notes Past Two Fiscal Years and Subsequent Periods**

Date of Note Issuance	Outstanding Balance (\$)	Princial Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
1-9-2018	25,000	50,000	2,250	1-9-2020	Convertible - \$0.30 Interest Paid Quarterly	Robert Aber	Loan
2-22-2018	80,000	80,000	2,674	2-22-2020	Convertible - \$0.60 Interest Paid Quarterly	Kevin Kennedy	Loan
5-16-2018	0	300,000	0	4-16-2019	Non-Convertible Monthly Payments	Gemini Capital	Loan
8-17-2018	200,000	200,000	18,550	8-17-2020	Convertible - \$0.20 Interest Accrued	Terry Clontz	Loan
10-15-2018	65,000	250,000	0	2-22-2020	Non-Convertible Monthly Payments	Vista Capital	Loan
2-25-2019	275,000	275,000	0	8-26-2019	Convertible - \$0.30 Balloon at Maturity	Octus Capital	Loan
8-1-2019	250,000	250,000	0	7-31-2020	Convertible -\$0.25 Interest Accrued	Terry Clontz	Loan
8-18-2019	200,000	200,000	0	8-18-2020	Convertible -\$0.25 Interest Accrued	Terry Clontz	Loan

#### **4) Financial Statements**

A. The following financial statements were prepared in accordance with:

U.S. GAAP  
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual): Name:

Title:

**Chief Financial Officer**

Relationship to Issuer: **Chief Financial Officer**

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

**See Exhibit 1 – Incorporated by Reference**

**5) Issuer's Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

**See Exhibit I**

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

**See Exhibit I**

- C. Describe the issuers' principal products or services, and their markets

**See Exhibit I**

**6) Issuer's Facilities**

**See Exhibit 1**

**7) Officers, Directors, and Control Persons**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/classes	Ownership Percentage of Class Outstanding	Note
Richard Granville	Officer	Miami, FL	34,902,376	Common	46%	
Ken Jolly	Director	Dallas, TX	0			
Errol Walsh	Director	Sebring, FL	150,000	Common	0.20%	

David Weild IV	Director	NY, NY	0			
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## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

**NO**

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

**NO**

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

**NO**

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

**NO**

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

**NONE**

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers: Securities Counsel

Name:	<u>Alan C. Ederer</u>
Firm:	<u>Westerman Ball Ederer Miller &amp; Sharfstein</u>
Address 1:	<u>1021 RXR Plaza</u>
Address 2:	<u>Uniondale, NY 11556</u>
Phone:	<u>516-622-9200</u>
Email:	<u>aederer@westermanllp.com</u>

Accountant or Auditor

Name: Steven M. Plumb CPA  
Firm: Clear Financial Solutions  
Address 1: 7600 West Tidwell, Suite 501  
Address 2: Houston TX 77040  
Phone: 713-780-0806  
Email: steven@clearfinancials.com

**10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below: I,

Richard Granville certify that:

1. I have reviewed this Quarterly Disclosure Statement of Yippy, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 31, 2019

/s/ Richard Granville CEO

*Principal Financial Officer:*

I, Steven M Plumb certify that:

1. I have reviewed this Quarterly Disclosure Statement of Yippy, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 31, 2019

/s/ Steven Plumb CFO

## EXHIBIT 1

**Quarterly Report**

Period Ended August 31, 2019



**YIPPY, Inc.**  
(a Nevada corporation)

Current Trading Symbol: **YIPI.PK**

CUSIP Number: **98584Y202**      Tax ID Number: **98-0585450**

WE PREVIOUSLY WERE A SHELL COMPANY AND ARE NOT CURRENTLY A REPORTING COMPANY AS THAT TERM IS DEFINED IN THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND THEREFORE, THE SAFE HARBOR EXEMPTION OFFERED PURSUANT TO RULE 144 IS NOT CURRENTLY AVAILABLE. ANYONE WHO PURCHASED SECURITIES DIRECTLY OR INDIRECTLY FROM US OR ANY OF OUR AFFILIATES IN A TRANSACTION OR SERIES OF TRANSACTIONS NOT INVOLVING A PUBLIC OFFERING CANNOT SELL SUCH SECURITIES IN AN OPEN MARKET TRANSACTION.

**ITEM I: The Exact Name of the Issuer and its Predecessors.**

- Yippy, Inc., a Nevada corporation (hereinafter referred to as the “Company” or “Yippy”).
- Formerly Cinnabar Ventures, Inc. until April 2010 (Certificate of Amendment to the Company’s Articles of Incorporation filed with the Nevada Secretary of State on April 15, 2010, as filed with the United States Securities and Exchange Commission (the “SEC”) as Exhibit 3.1 to the Company’s Current Report on Form 8-K on May 10, 2010).

**ITEM II: The Address of the Issuer’s Principal Executive Offices.**

Yippy, Inc.  
999 Brickell Ave STE 610  
Miami, FL 33131

Phone Number: 877-947-7901  
Email: info@yippyinc.com Website:  
[www.yippyinc.com](http://www.yippyinc.com)

**The Jurisdiction and Date of the Issuer’s Incorporation or Organization.**

The Company was originally organized under the corporate laws of the State of Nevada on May 24, 2006.

**ITEM III: Share Structure.**

**The Exact Title and Class of Securities Outstanding.**

Trading Symbol: YIPI

Class of Securities: Common

CUSIP Number: 98584Y202

Market: OTC

**Par or Stated Value and Description of the Security.**

***A. Par or Stated Value***

Common Stock, par value \$0.001 per share

## ***B. Description of Common Stock***

The holders of shares of common stock have no subscription, redemption, subscription, sinking fund or conversion rights. In addition, the holders of shares of common stock have no preemptive rights to maintain their percentage of ownership in future offerings or sales of our stock. The holders of shares of common stock have one vote per share in all elections of directors and on all other matters submitted to a vote of our stockholders. The holders of common stock are entitled to ratably receive dividends, if any, as and when declared from time to time by our board of directors out of funds legally available therefore. Upon liquidation, dissolution or winding up of our affairs, the holders of common stock will be entitled to participate equally and ratably, in proportion to the number of shares held, in our net assets available for distribution to holders of common stock. The shares of common stock currently outstanding are fully paid and non-assessable. There is no provision in the Company's articles of incorporation or bylaws that would delay, defer, or prevent a change in control of the issuer.

### **The Number of Shares of the Securities Outstanding for Each Class of Securities Authorized.**

	<b>PERIOD END DATE</b>		
	<b>August 31, 2019</b>	<b>May 31, 2019</b>	<b>May 31, 2018</b>
(1) Number of Authorized Shares	100,000,000	100,000,000	100,000,000
(2) Number of Outstanding Shares	76,975,377	74,975,377	74,375,377
(3) Public Float	9,180,000	9,180,000	9,180,000
(4) No. of Beneficial Shareholders	1169	1165	1127
(5) Total No. of Shareholders of Record	226	222	221

### **The Name and Address of the Transfer Agent**

PACIFIC STOCK TRANSFER COMPANY  
4045 South Spencer Street, Suite 403 Las  
Vegas, NV 89119  
Tel: (702) 361-3033  
Fax: (702) 433-1979  
E-mail: [info@pacificstocktransfer.com](mailto:info@pacificstocktransfer.com)

Pacific Stock Transfer Company is registered under the Exchange Act and is an SEC approved transfer agent, under the regulatory authority of the SEC.

### **Describe any trading suspension orders issued by the SEC in the past 12 months**

NONE

**List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months**

Yippy, Inc. acquired the assets of Bravera Holdings, LLC, an e-commerce business, on June 17, 2019.

**ITEM IV: Issuance history for the last two fiscal years.**

See Financial Footnotes in Exhibit A.

**ITEM V: Interim Financial Statements.**

The Company's interim financial statements for the period ended August 31, 2019 are attached hereto as Exhibit A.

**ITEM VI: Management's Discussion and Analysis of Financial Condition and Results of Operations.**

A. a description of the issuer's business operations; See Plan

of Operation.

B. Date and State (or Jurisdiction) of Incorporation:

Nevada

C. the issuer's primary and secondary SIC Codes; Primary

– 7374 Prepackaged Software

Secondary - None

D. the issuer's fiscal year end date; May

31

E. principal products or services, and their markets; See Plan

of Operation.

**Forward Looking Statements**

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes appearing elsewhere in this quarterly report. Various statements have been made in this report that may constitute "forward- looking statements." Forward-looking statements may also be made in Yippy's other reports filed with or furnished to the OTC Disclosure and News Service or the United States Securities and Exchange Commission, as well as in other documents. In addition, from time to time, Yippy, through its management, may make oral forward-looking statements. Forward-looking statements

are subject to risks and uncertainties, which could cause actual results to differ materially from such statements. The words “believe,” “expect,” “anticipate,” “optimistic,” “intend,” “plan,” “aim,” “will,” “may,” “should,” “could,” “would,” “likely” and similar expressions are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. Yippy undertakes no obligation to update or revise any forward-looking statements.

## **Plan of Operation**

The Company has several business and partnership opportunities that are in different stages of development. Each represents a potential role in the future business of Yippy. The business that Yippy represents offers vast opportunities in multiple vertical markets. Since inception, it has always been management’s goal to grow the business through internal development and strategic acquisitions of software, synergistic technology and companies that add value to the intellectual property of the Company and provide revenue growth.

## **Description of Business**

### General

Yippy is a data intelligence company committed to helping customers securely search and access data anywhere on earth. Over the past several years, Yippy has entered into a series of strategic partnerships and transactions designed to enhance Yippy’s product and service offerings. The Company’s foundation is built on its unlimited, perpetual, worldwide, non-exclusive license of the Velocity search platform and associated technologies which Yippy acquired in 2010 from Vivisimo, Inc. (“Vivisimo”). In 2012, International Business Machines Corporation (NYSE: IBM) (“IBM”) purchased Vivisimo and rebranded Velocity as IBM Watson Explorer® (“Watson”), and Yippy maintains its worldwide perpetual license of the technology.

Based upon Watson, which Yippy operates autonomously from IBM, and coupled with other internally developed and acquired technologies, the Company has developed a suite of technology solutions which enhance the underlying technology’s output while simplifying the deployment process. These solutions range from cloud, enterprise search, business intelligence, document security and data compression for MSS/FSS satellite and terrestrial wireless operators. Additionally, the Company has developed middleware, connectors and associated programs which enable deployments to be successful with substantially less resources and personnel as typically required in the industry.

### E-Commerce

Yippy acquired the assets of the e-commerce businesses owned by Bravera Holdings, LLC on June 17, 2019. Bravera Holdings, LLC was the owner and operator of various websites that generates customer leads and referral traffic for the purpose of marketing and selling various consumer products.

### EASE 360 Platform

In 2014, the Company released its EASE (Enterprise Application Service Environment) 360 platform. EASE 360 is fully managed in the cloud or on site by Yippy, and excels in five key areas:

## **1) Concept Clustering**

Yippy allows users to navigate data sets by topical categories dynamically which surfaces concepts and insights in data not previously known. Additional uses include entity extraction, discovery and language agnostic trending for sentiment analysis visualized to give true insight into an organization's data through proprietary technology.

## **2) Structured Navigation**

Yippy delivers faceted navigation filters allowing users to refine search attributes such as by date, price, author, location, content type or other customized filters, allowing for more effective search inquiries. Index filters can be used to create vertical data repositories on subjects, products or competitive businesses, all delivered in real time.

## **3) Relevancy Controls**

Yippy offers organizations the flexibility to control the information that is included in the index and displayed in search results including word proximity, synonyms, source, link analysis and relevancy. It allows users to tune the output of data in innovative ways which are unique to Yippy and its proprietary software. This function has proven to be useful for discovery in large volumes of unstructured and structured data simultaneously.

## **4) Security**

Flexible access control integration including, SSO, Active Directory (AD), LDAP and ACLs that provides early binding document and field level security. This ensures that only the documents or fields a user or group has permission to access will be available. Field level security is extremely useful in a variety of industries including but not limited to health care, customer service, inside sales, or banking due to the user not having to log in and out of multiple systems to access internal data. Yippy is designed for speed to information and helping organizations lock down abandoned files from their data systems to improve document security.

## **5) Managed Content Connectors**

Yippy maintains an unprecedented library of a fully documented connector source factory that monitors, maintains and updates the connectors on a 24/7 basis and that guarantees highly sustainable and scalable use. The Company's content connectors are available for federation and harvesting of public, private, structured or unstructured data in any format, across any location, including enterprise applications, social media and proprietary content sources. The Company's connectors are also platform agnostic, which is extremely helpful for companies with multiple disparate retrieval and information systems.

### **Blue Flame Appliance**

Yippy has developed an appliance-based deployment for the EASE 360 platform known as the Blue Flame appliance. We have delivered several appliances over the past year with very high marks from customers. The timing of its development was born through recommendations by

CIOs of major international companies we visited with during that period. The message was clear. Few, if any, major companies were going to put their all of their proprietary data on third party managed or shared systems (aka: Cloud) in the foreseeable future.

Yippy's second-generation Blue Flame appliance was developed to speed up the development and deployment processes. Some of the biggest logistical challenges in IT are the coordination of multiple departments, analyzing hardware and software solutions, and security checks which increase cost and personnel requirements. Successful deployments require several IT knowledge disciplines for coding, network and hardware architecture, which creates work flows that are not easily managed and inherently flawed in the process.

Management took a logical look at the processes of deploying a big data system and we endeavored to create a software stack from both acquired assets and internally developed technologies to greatly assist big data deployments reducing time on site by as much as 80%. The Company's Blue Flame appliances have been running in businesses for nearly three (3) years and have maintained a 100% uptime record for both software and hardware availability.

Yippy advanced search technologies offer many features in our user interface that our competition fails to provide. This includes social search collaboration, in search preview, concept clustering and complete search of the content in your emails and the attachments to name a few are significant competitive advantages. Our solutions are tailored on the needs of the client and scale easily.

The screenshot displays the Yippy Enterprise eDiscovery search interface. The top navigation bar includes links for 'Enterprise eDiscovery', 'Search', 'Refine', 'Actions', 'Save Query', and 'Details'. The search bar contains the query 'Search: HR hiring policy' with a note 'Your query can be expanded. Show Expansions'. The results section shows 'Results 1-10 of about 369'. The interface features several key components:

- Concept Clusters:** A sidebar on the left lists 'Top 301 Results' under 'remix', including categories like Human Resources (31), Law (14), Solutions, Payroll (21), Healthcare (12), Applicant Tracking (15), Talent Acquisition (5), Education (10), Schools (12), Webinar Compliance (4), and books, Research (9). It also includes 'Search within clusters' and 'Find' buttons.
- Refinements:** A sidebar on the left lists 'Filetype' (pdf (5), xml (2)) and 'Tag' (Competitor (1), Market Research (1), social tagging (1), web 2.0 (1)).
- Search Results:** The main area displays search results in a grid format. Each result includes a checkbox, document title, preview link, and 'show in clusters' and 'similar' links. The results are categorized into three groups:
  1. Course Portal, new window, preview, show in clusters, similar. Size: 138314. My Tags: add new comment, click to edit tags.
  2. HR Hiring Policy, new window, preview, show in clusters, similar. Size: 48173. My Tags: add new comment, click to edit tags.
  3. Employment Law Blog | Henderson, Franklin, Starnes & Holt, P.A., new window, preview, show in clusters, similar. Size: 128079. My Tags: add new comment, click to edit tags.
- Graphical Refinements:** A sidebar on the right allows users to 'Drag and drop results or files into personal or team folders. Yippy!'. It includes sections for 'Folders' (Yippy, Accounting, CIO, Competition, Sales, web, Web Resources), 'My Folders' (All Results, My Best Bets), and 'Add folder'.

Annotations with arrows point to specific features:

- An arrow points to the 'My Tags' section in the first result with the text 'Social collaboration features with team notes and voting or just your private notes !'.
- An arrow points to the 'My Tags' section in the third result with the text 'Refinement and social tagging at your fingertips'.
- An arrow points to the 'Folders' sidebar with the text 'Drag and drop results or files into personal or team folders. Yippy!'.

## Yippy Search Appliance

For over a decade, the leading on-premises enterprise search solution has been the Google Search Appliance (GSA). In February 2016, Google, Inc. (“Google”) announced that it was sun-setting the Google Search Appliance, its retirement to be effective in early 2019. That means that Chief Information Officers and small business owners alike are suddenly faced with the need to replace their GSA with another search solution. Google has generated significant revenue from the GSA, and based on third party sources and Yippy’s internal calculations, the Company estimates the current GSA market to be at least \$500 million per year and along with other third party market researchers, forecasts the search enterprise market to continue to grow exponentially.

Upon the news of Google’s departure from on premise appliance business, Yippy retooled its Blue Flame Appliance to create a separate search-based model called the Yippy Search Appliance (YSA). The YSA serves as a replacement for the GSA while delivering additional technology features for the benefit of the consumer. The YSA allows users to search and derive insights from all structured and unstructured data anywhere and allows enhanced data sampling. As an example, the YSA can search all of an organization’s content at once, while the GSA is only able to search 1000 files per search.

Google sells the GSA through a network of value-added resellers (termed Google for Work partners). These resellers (typically data consulting firms) rely upon GSA sales for their revenue. Yippy’s strategy for capturing a portion of the GSA market is to form a series of strategic partnerships with GSA resellers who are now seeking an enterprise search partner as a result of Google’s planned departure from the market. The Company’s YSA product is a cost-effective alternative to the GSA and, with the YSA’s additional features, Yippy believes it to be an upgrade for consumers currently using the GSA.

### Hybrid - Private Cloud

Yippy's EASE 360, Blue Flame and YSA technology stack provide organizations with a choice of public, private, and hybrid cloud options for internal and external content. This option and functionality is a key solution for the industry as companies continue to show hesitancy to entrust a cloud-based system as the sole source for storing and maintaining their sensitive and critical information.

Yippy appliance stacks create a premium Cloud with data federation abilities that unite an entire organization's knowledge base globally, without firewall breaches or other complications. Yippy's solution is platform and data agnostic, which means that the appliance stack can unify SAP, Oracle, Microsoft, Google, Jira, Confluence, Stack, Box or any other enterprise class business product without ever having to change the structure or location in which the data resides.

The Private Cloud-based enterprise unification market is growing quickly, at the expense of third party cloud, and the Company believes there is a market opportunity for a hybrid approach, where highly sensitive information is stored securely on-premises, while less sensitive information is stored off-site on the third party cloud. With the majority of information created in knowledge base systems being private in nature, the third-party cloud has limited use cases for major enterprises. For large organizations, the ability to migrate to the cloud incrementally without hard deadlines is a strong selling point for the Yippy's hybrid solution.

### Data Compression and Optimization

In November 2014, the Company began negotiations with Globalstar (NYSE: GSAT) to provide their subscribers private cloud data services utilizing Globalstar's satellite network and devices. The goal was to enhance Globalstar subscribers' speed to data making it easier to stay connected, efficiently maintain secure business operations and send and receive critical data, thereby making enterprise search accessible to remote workers.

In June 2015, the Company and Globalstar reached an agreement to build out a global ubiquitous network utilizing the Yippy EASE 360 platform. The private cloud architecture allows Globalstar subscribers to access online information as well as corporate data silos with enhanced download and upload speeds. Through proprietary data optimization and compression technology developed by the Company, Yippy has achieved better than 90% reduction of total file size downstream for webpage and document retrieval. These numbers were independently verified by Globalstar and outside consultants. The Company's compression technology has far reaching capabilities beyond MSS operations.

### Software Development

The Company engages in software development for hire in special situations that fit the overall objectives of the Company. Over the last five years, the Company has derived revenue from software development and deployment, and this is expected to continue.

## **Results of Operations**

***Three ended August 31, 2019 compared to three months ended August 31, 2018***

### *Revenues*

Revenues for the three months ended August 31, 2019 were \$286,912, compared to \$193,480 for the same period ended August 31, 2018. The increase for the three and nine months ended is mainly attributed to growth through our acquisition of media assets.

### *General and Administrative Expenses*

General and administrative expenses for the three months ended August 31, 2019, were \$561,564, compared to \$156,542 for the same period ended August 31, 2018. The increase for the three months ended was mainly attributable to higher interest expense and charges for acquisition of media group via asset purchase.

### *Share Based Compensation*

Share based compensation was \$0 for the three months ended August 31, 2019, compared to \$0 for the three months ended August 31, 2018.

### *Depreciation and Amortization Expense*

Amortization expense relates primarily to the amortization of intangible assets. Amortization expense was \$126,761 for the three months ended August 31, 2019, compared to \$126,761 for the same period ended August 31, 2018.

### *Net Loss*

The Company experienced a net loss of \$570,419 for the three months ended August 31, 2019, compared to a net loss of \$288,140 for the same period ended August 31, 2018. The increase in net loss for the three and nine months ended is due to an increase due to the asset purchase of media group.

## **Liquidity and Capital Resources**

As of August 31, 2019, the Company had cash on hand or on deposit funds in the amount of \$142,279 and \$1,115,511 in accounts receivables. The Company had total liabilities of \$2,882,230 and total assets \$5,169,250. We believe that we have sufficient cash on hand to meet our operating expense requirements for the next quarter. The Company may from time to time access the private or equity markets on a “as needed” basis.

### *Off-Balance Sheet Arrangements*

The Company does not have any off-balance sheet arrangements, financings, or other relationships with unconsolidated entities or other persons, also known as “special purpose entities” (SPEs).

## **ITEM VII: Property**

The Company does not currently own any facility. The Company currently maintains a leased Class A office, located at 999 Brickell Ave., Suite 610, Miami, FL 33131. The Company occupies approximately 2500 sq. ft. of the sixth floor of the building. The term of the lease is five years ending July 2023. We maintain networks and fulfillment operations in Dallas, GA, Atlanta, GA, Las Vegas, NV, and Singapore.

## **ITEM VIII: The Name of the Chief Executive Officer, Members of the Board of Directors, as well as Control Persons.**

### ***A. Officers and Directors***

The following table and text sets forth the names and ages of all our directors and executive officers and our key

management personnel as of August 15, 2019. All of our directors serve until the next annual meeting of stockholders and until their successors are elected and qualified, or until their earlier death, retirement, resignation or removal. Executive officers serve at the discretion of the board of directors, and are elected or appointed to serve until the next board of directors meeting following the annual meeting of stockholders. Also provided is a brief description of the business experience of each director and executive officer and the key management personnel and an indication of directorships held by each director in other companies subject to the reporting requirements under the Federal securities laws.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Richard Granville	50	Chief Executive Officer, Chairman
Errol Walsh	75	Director
Ken Jolly	55	Director
David Weild	61	Director

**Richard Granville, age 50, Chief Executive Officer, Chairman of the Board of Directors**

1. Full name

Richard S. Granville III

2. Business address

999 Brickell Ave., Suite 610, Miami, FL 33131

Employment history

Mr. Granville, has over twenty five years' experience in new technology development, sales and marketing experience. From November 2008 to present, Mr. Granville has served as the Managing Partner of Yippy Partnership Group and now is the Chief Executive Officer of Yippy, Inc. From November 2006 to September 2008, Mr. Granville served as Chief Executive Officer of Jack9 Entertainment, Inc ("Jack9"). Jack9 was one of the most successful IPTV units online and under Mr. Granville's direction, achieved a top 250 web property. From March 2003 to October 2006, Mr. Granville served as President of Southpaw, Inc., a Florida building contractor that served central Florida for residential and light commercial construction. From June 2001 to March 2003, Mr. Granville served as President of Granville Management Services, where he helped small emerging businesses in the "green" technologies sector. Mr. Granville invested time and capital into green home technology and automation, alternative energy research and grid management in the United States, Dominican Republic, Canada and Mexico.

From 1998 to 2000, Mr. Granville also served as the Chairman and Chief Executive Officer of Grace Development, Inc., a public telecommunications company serving customers in the southeast. Mr. Granville took the company to nearly a billion-dollar market cap before he was succeeded by Ben Holcomb the former President of Bell South International in Feb. 2000. Prior to Grace Development, Mr. Granville held executive and senior management positions for Fortune 500 companies and served honorably in the United States Navy.

4. Board memberships and other affiliations None.

5. Compensation by the issuer

Mr. Granville received no significant compensation from the Company since inception. Mr. Granville currently operates the business without an employment contract.

6. Number and class of the issuer's securities beneficially owned by each such person. 34,902,376 common shares and 500,000 common stock purchase warrants.

**Errol Walsh, age 75, Director**

1. Full name

Errol F. Walsh

2. Business address

999 Brickell Ave., Suite 610, Miami, FL 33131 Employment history

Mr. Walsh worked at IBM for 31 years, ending his career in an executive management role, responsible for a group of more than 7000 employees and an operating budget of 1.2 billion dollars prior to his retirement in 1993. After retiring from IBM, Errol served as the Chief Executive Officer of Technology Support Corp. ("TSC") until 2006. TSC was a contracted IBM consulting firm, responsible for the integration of all SAP modules together with the IT deliverables that created the IBM Fulfillment SAP Project. This project encompassed the prototype phase, validation of the prototype and the integration testing of newly developed systems and processes. Mr. Walsh most recently served as a chief consultant for Axiom Consulting, LLC ("Axiom"), until 2009. At Axiom, Mr. Walsh worked with applications development and project management to set up support for end users for major corporations such as Fluor and SAP. Mr. Walsh holds a BS in Computer Information Systems from Empire State College.

4. Board memberships and other affiliations None.

5. Compensation by the issuer

Errol Walsh is to receive 1,500,000 common stock purchase warrants in connection with his appointment to the Company's board of directors and retirement as Chief Operating Officer.

6. Number and class of the issuer's securities beneficially owned by each such person 150,000 common shares and 1,500,000 common stock purchase warrants.

**Kenneth Jolly, age 55, Director**

1. Full name

Kenneth C. Jolly

2. Business address

999 Brickell Ave., Suite 610, Miami, FL 33131

## Employment history

Mr. Jolly brings extensive board experience to the Company. He previously served as the Chairman of the Board of Directors for the National Football League Former Players Association (the "NFLFPA") in Washington, D.C., and also served as a member of the NFLFPA board from 1999-2006. Since 2006, Mr. Jolly has served as a Director of the Professional Athletes Foundation in Washington, DC, an organization that provides grants to former National Football League ("NFL") players in need, as well as develops programs to assist players as they transition to outside careers once their respective NFL careers conclude.

He has also served as a President and Director with multiple NFL chapter organizations, and is actively involved in promoting the health and wellness for all retired NFL players. Mr. Jolly played 2 years in the NFL and was a two-time special teams player of the year for the Kansas City Chiefs in 1984-1985 seasons. Mr. Jolly has owned and operated Jolly and Associates a sports apparel marketing firm for the past 20 years. Mr. Jolly graduated from Mid America Nazarene College with a BS in Biology.

4. Board memberships and other affiliations None.

5. Compensation by the issuer

Mr. Jolly received 500,000 common stock purchase warrants in connection with his appointment to the Company's board of directors.

6. Number and class of the issuer's securities beneficially owned by each such person

500,000 common stock purchase warrants.

## **David Weild, age 61, Director**

1. Full name

David Weild IV

2. Business address

999 Brickell Ave., Suite 610, Miami, FL 33131 Employment history

Mr. David Weild IV is the Chairman, CEO and founder of Weild & Co., a New York based investment bank. He is the World's foremost expert on how stock market structure that impacts public companies and capital formation. He was Vice Chairman of NASDAQ and is known for work that inspired a movement in Washington to examine how equity market structure changes

can increase the rate of capital formation, entrepreneurship, innovation and quality job creation. As a result of Weild's studies, he is referred to as "The father of the JOBS Act." This Act laid the groundwork for equity crowdfunding, new types of private placements and initial public offerings. It inspired an ongoing bipartisan legislative and policy movement (JOBS Act 2.0 and JOBS Act 3.0) that continues in Washington and at the SEC. Previously, Mr. Weild ran a leading investment bank and equity capital markets group where he priced over one thousand public equity offerings including the first public offering for Blackrock, the IPOs for Nvidia and Chesapeake Energy and an early offering for Celgene

4. Board memberships and other affiliations NONE

5. Compensation by the issuer

Mr. Weild is to receive 500,000 common stock purchase warrants in connection with his appointment to the Company's board of directors.

6. Number and class of the issuer's securities beneficially owned by each such person 500,000  
common stock purchase warrants.

***B. Legal/Disciplinary History***

During the past five years, none of the Company's officers or directors have been the subject of:

- (1) A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (2) The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court or competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;
- (3) A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated; or
- (4) The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

***C. Disclosure of Certain Family Relationships.***

There are no family relationships among the Company's directors, officers, or beneficial owners of more than five percent (5%) of the issuer's common stock.

***D. Disclosure of Related Party Transactions.***

On January 26, 2010, the Company issued 2,340,000 shares of its common stock in exchange for 100% of the issued and outstanding stock of Yippy Soft, Inc. At the time of the transaction, Mr. Granville was the Chief Executive Officer of both companies.

***E. Disclosure of Conflicts of Interest***

There are no conflicts of interest with any of the officers' or directors' personal or professional interests.

***F. Beneficial Owner***

The following table presents information concerning the beneficial ownership of the shares of our common stock as of August 31, 2019, By: (i) each of our named executive officers and current directors, (ii) all of our current executive officers and directors as a group and (iii) each person we know to be the beneficial owner of 5% of more of our outstanding shares of common stock. Unless otherwise specified, the address of each beneficial owner listed in the table is c/o Yippy, Inc., 999 Brickell Ave., Suite 610, Miami, FL 33131.

Name	Current Share Ownership	Percent of Class (1)	Total Beneficial Ownership	Percent of Class (2)
Richard Granville CEO - Chairman of the Board	35,001,979	46.6%	35,501,979	46.1%
Ken Jolly Director	0	0%	500,000	>1%
Errol Walsh Director	150,000	>1%	1,650,000	2%
David Weild Director	0	0%	500,000	>1%
All directors and officers as a Group (6 persons)	35,151,979	46.8%	38,151,979	49.5%
International Business Machines, Inc. (IBM)	5,250,000	7.0%	5,250,000	6.8%
Globalstar, Inc. (GSAT)	14,430,000	19.4%	14,430,000	18.7%

All directors, officers and 5% holders	54,831,979	73.1%	57,831,979	75%
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- (1) Based on 76,975,377 shares outstanding as of August 31, 2019.
- (2) Based on a total of 76,975,377 which includes (i) 74,975,377 shares outstanding as of August 31, 2019 and (ii) 2,000,000 common stock purchase warrants outstanding held by officers or directors.
- (3) Richard Granville is the current owner of 35,001,979 shares of the Company's common stock by virtue of his direct ownership of 23,324,376 shares and his control of entities that directly own 11,677,603. In addition, Mr. Granville is the beneficial owner of 35,501,979 by virtue of Granville's aforementioned current ownership and his beneficial ownership of common stock purchase warrant to purchase 500,000 shares of the Company's common stock.
- (4) Mr. Jolly and Mr. Weild do not directly own any common stock of the Company. Mr. Walsh owns directly approximately 147,000 shares of common stock. Mr. Walsh holds 1,500,000 warrants and Mr. Jolly and Mr. Weild hold 500,000 warrants respectively.

**ITEM IX:** The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure.

1. Investment Banker.

NONE

2. Promoters.

NONE

### 3. Counsel

Westerman Ball Ederer Miller &  
Sharfstein, LLP

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Uniondale, NY 11556  
Tel.: (516) 622-9200  
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Tel.: (310) 315-1700  
Fax: (310) 315-1701  
[www.gfc\\_llp.com](http://www.gfc_llp.com)

### 4. Accountant or Auditor

Accountant:

Clear Financial Solutions, Inc.  
  
710 N. Post Oak Rd., Suite 410  
Houston, TX 77096  
Tel.: (713) 780-0806  
Fax: (800) 861-1175  
[www.clearfinancials.com](http://www.clearfinancials.com)

Auditor:

LBB and Associates  
  
10260 Westheimer Road, Suite 310  
Houston, TX 77042  
Tel.: (713) 800-4343  
Fax: (713) 583-2263  
[www.lbbcpa.com](http://www.lbbcpa.com)

### 5. Public Relations Consultant.

NONE

### 6. Investor Relations Consultant.

NONE

### 7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

NONE

### **ITEM X: Legal Proceedings.**

From time to time we may become involved in legal proceedings which could adversely affect us. We are currently not involved in any litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any

of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our company's or our company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

**ITEM XI: Defaults Upon Senior Securities.**

NONE

**ITEM XII: Other Information.**

Not applicable.

**ITEM XIII: Exhibits.**

Exhibit A – Interim Financial Statements for August 31, 2019

**ITEM XIV: Issuer's Certifications.**

I, Richard Granville, certify that:

1. I have reviewed this disclosure statement of Yippy, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: 2/20/2020

/s/ Richard Granville

Richard Granville  
Chief Executive Officer

**Yippy, Inc.**  
**Financial Statements**  
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**Yippy, Inc.**  
**Consolidated Balance Sheets**  
**(Unaudited)**

	<u>August 31, 2019</u>	<u>May 31, 2019</u>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 142,279	\$ 81,836
Accounts receivable, net	1,115,511	1,148,537
Deposit	6,712	6,712
<b>Total current assets</b>	<u>1,264,502</u>	<u>1,237,085</u>
<b>Property and equipment, net</b>	47,731	30,602
<b>Intangible assets:</b>		
Software license	6,878,037	6,878,037
Software	902,150	902,150
Trademarks, brands and domains	2,452,587	1,528,380
	10,232,774	9,308,567
Less: Accumulated amortization	-6,378,091	-6,251,330
<b>Total intangible assets</b>	<u>3,854,683</u>	<u>3,057,237</u>
<b>Other asset</b>	200,000	200,000
<b>Total assets</b>	<u>\$ 5,166,917</u>	<u>\$ 4,524,924</u>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 37,607	\$ 118,348
Advances from related party	19,970	18,810
Accrued interest payable	625,920	480,802
Convertible notes payable, net	1,959,350	1,565,666
Notes payable	239,382	211,454
<b>Total current liabilities</b>	<u>2,882,230</u>	<u>2,395,080</u>
<b>Total liabilities</b>	<u>2,882,230</u>	<u>2,395,080</u>
<b>Commitments</b>		
<b>Stockholders' equity</b>		
Common stock, (\$0.001 par value, 100,000,000 shares authorized 76,975,377 and 74,975,377 issued and outstanding as of August 31, 2019 and May 31, 2019, respectively)	76,976	74,976
Additional paid in capital	29,956,711	29,290,711
Accumulated deficit	-27,749,000	-27,235,843
<b>Total stockholders' equity</b>	<u>2,284,687</u>	<u>2,129,844</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$ 5,166,917</u>	<u>\$ 4,524,924</u>

The accompanying footnotes are an integral part of these consolidated financial statements.

	<b>Three months ended August 31,</b>	
	<b>2019</b>	<b>2018</b>
Revenues	\$ 286,912	\$ 193,480
Operating expenses		
General and administrative expense	563,897	156,542
Depreciation and amortization expense	126,761	126,761
Total operating expenses	690,658	283,303
Income (Loss) from operations	(403,746)	(89,823)
Other (income) expense		
Interest expense	169,006	169,317
Loss on investments	-	29,000
Total other expense	169,006	198,317
Net loss	\$ (572,751)	\$ (288,140)
Net loss per common share - basic and diluted		\$0.00
Weighted average number of shares outstanding - basic and diluted	76,975,377	74,975,377

The accompanying footnotes are an integral part of these consolidated financial statements.

**Yippy, Inc**  
**Consolidated Statements of Stockholders' Equity**  
**(Unaudited)**

	<b>Common Stock</b>		<b>Additional Paid-in Capital</b>	<b>Accumulated Deficit</b>	<b>Total Stockholders' Equity</b>	
	<b>Shares</b>	<b>Amount</b>			<b>Shares</b>	<b>Amount</b>
Balances, May 31, 2018	\$ 74,975,377	\$ 74,976	\$ 29,275,011	\$ (25,888,344)	\$ 3,461,643	
Warrant exercise	-	-	-	-	-	-
Share based compensation	-	-	-	-	-	-
Debt discount	-	-	15,700	-		15,700
Net loss	-	-	-	(1,347,499)		(1,347,499)
Balances, May 31, 2019	74,975,377	74,976	29,290,711	-27,235,843		2,129,844
Shares Issued	2,000,000	2,000				
Debt discount	-	-				
Net loss	-	-				
Balances, August 31, 2019	<u>\$ 76,975,377</u>	<u>\$ 76,976</u>	<u>\$ 29,956,711</u>	<u>\$ (27,691,667)</u>	<u>\$</u>	<u>2,129,844</u>

The accompanying footnotes are an integral part of these consolidated financial statements.

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three months ended August 31, 2019 and 2018**  
**(Unaudited)**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Income (Loss)	\$ (572,751)	\$ (288,140)
Adjustments to Reconcile Net Income (Loss) to Net Cash Used in Operating Activities		
Amortization and depreciation	126,761	128,761
Acquired assets	(674,844)	
Intangible assets	(11,236)	-
Amortization of debt discount on convertible notes payable	3,377	95,963
Stock based compensation	-	-
Bad debt expense	-	-
Changes in Operating Assets and Liabilities		
Accounts receivable	80,100	(164,482)
Accounts payable and accrued liabilities	<u>143,959</u>	<u>71,830</u>
<b>Net Cash Generated by/(Used in) Operating Activities</b>	<u>(904,634)</u>	<u>(156,068)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
<b>Net Cash Provided / (Used) for Investing Activities</b>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Additional paid in capital	666,000	-
Common stock	2,000	-
Proceeds from convertible notes payable	450,000	200,000
Proceeds from short term credit lines	40,682	-
Proceeds from shareholder advances	-	-
Repayments of convertible notes payable	<u>(195,937)</u>	<u>(46,494)</u>
<b>Net Cash Provided from Financing Activities</b>	<u>962,745</u>	<u>153,506</u>
<b>Net Increase (Decrease) in Cash</b>	<b>58,111</b>	<b>(2,562)</b>
<b>Cash - Beginning of Period</b>	<b>81,836</b>	<b>408,113</b>
<b>Cash - End of Period</b>	<b><u>142,279</u></b>	<b><u>405,551</u></b>

The accompanying footnotes are an integral part of these consolidated financial statements.

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three months ended August 31, 2019 and 2018 (Unaudited)**

**Note 1. The Company and Summary of Significant Accounting Policies**

**The Company**

Yippy, Inc. (formerly known as Cinnabar Ventures, Inc.) (the “Company”) was incorporated in the State of Nevada on May 24, 2006. Yippy Soft, Inc., a Delaware corporation (formerly known as Yippy, Inc.), was incorporated in the State of Delaware on October 6, 2009, and was renamed Yippy Soft, Inc. on April 23, 2010. On January 26, 2010, the Company acquired Yippy Soft, Inc. for 4,680,000 common shares. The acquisition was accounted for as a combination of entities under common control. All historical financial information is presented as combined for all periods presented. On April 15, 2010, the Company changed its name from Cinnabar Ventures, Inc. to Yippy, Inc.

On December 5, 2011, the Company declared a 2-for-1 forward stock split. All per share and share amounts have been restated to reflect the forward stock split in the amounts presented.

On July 30, 2012, the Company formed a wholly owned subsidiary, Yippy Labs, Inc., (“Yippy Labs”) a corporation incorporated in British Columbia, Canada. On August 1, 2012, Yippy Labs acquired 100% of the issued and outstanding common stock of Macte! Labs, Inc. (“Macte”), a corporation incorporated in British Columbia, Canada. On March 31, 2013, Yippy Labs sold its interest in Macte.

On November 30, 2018, the Company formed a wholly owned subsidiary, Yippy SG PTE LTD, (“Yippy SG”) a corporation incorporated in Singapore, for the purpose of conducting business in Singapore.

Yippy provides specializes in the development of search-based applications, data normalization and aggregation through enterprise application service environments (EASE). Yippy's proprietary appliance and cloud-based product suites are deployed over private and/or public architecture providing all consumers secure, redundant and maintained data access services. Yippy also owns and operates several online news platforms with ecommerce affiliate site.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from estimates.

**Principles of Consolidation**

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all short-term investments purchased with original maturities of three months or less at the date of purchase to be cash equivalents.

**Intangible Assets**

Intangible assets include software license agreements with independent parties. Intangible assets have a definite life and are amortized on a straight-line basis, with estimated useful lives of two to seven years. Intangible assets with a definite life are tested for impairment whenever events or circumstances indicate that the carrying amount of an asset (asset group) may not be recoverable. An impairment loss is recognized when the carrying amount of an asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The amount of the impairment loss to be recorded is calculated by the excess of the asset's carrying value over its fair value. No impairment was recognized during the nine months ended August 31, 2019.

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three months ended August 31, 2019 and 2018 (Unaudited)**

**Note 1. The Company and Summary of Significant Accounting Policies – (continued)**

**Income Taxes**

Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income taxes and liabilities are determined based on the difference between financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

**Revenue Recognition**

Revenue is recognized when the price is fixed or determinable, persuasive evidence of an arrangement exists, the service is performed, and/or collectability of the related fee is reasonably assured. Revenue is derived primarily from IT consulting contracts, software development projects and equipment contracts and our contract with Globalstar, Inc. for compression technology.

**Accounts Receivable and Allowances**

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The Company maintains allowances for bad debts. The allowance for doubtful accounts is based on the best estimate of the amount of probable credit losses in existing accounts receivable. The Company determines the allowances based on historical write-off experience by industry and regional economic data and historical sales returns. The Company reviews the allowance for doubtful accounts periodically. The Company does not have any significant off-balance-sheet credit exposure related to its customers.

**Fair Value of Financial Instruments**

Under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820, “Fair Value Measurements and Disclosures”, we are permitted to elect to measure financial instruments and certain other items at fair value, with the change in fair value recorded in earnings. We elected not to measure any eligible items using the fair value option. Consistent with the Fair Value Measurement Topic of the FASB ASC 820, we implemented guidelines relating to the disclosure of our methodology for periodic measurement of our assets and liabilities recorded at fair market value.

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. A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three months ended August 31, 2019 and 2018 (Unaudited)**

**Note 1. The Company and Summary of Significant Accounting Policies – (continued)**

The carrying amounts of trade and other accounts receivable, trade accounts payable, accrued payroll, bonuses and team member benefits, and other accrued expenses approximate fair value because of the short maturity of those instruments.

**Earnings Per Share**

In accordance with accounting guidance now codified as ASC Topic 260, “Earnings per Share,” basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

Since the Company reflected net losses for the three months ended August 31, 2019 and 2018, the effect of considering any common stock equivalents, if outstanding, would have been anti-dilutive. A separate computation of diluted earnings (loss) per share is not presented.

**New Accounting Pronouncements**

Management does not expect adoption of recently issued but not yet effective pronouncements to have a material impact on the Company’s financial statements.

**Note 2. Accounts receivable**

At August 31, 2019, the Company the allowance for doubtful accounts was \$670,000. Accounts receivable at August 31, 2019 and May 31, 2019 consists of:

	August 31, 2019	May 31, 2019
Accounts receivable	\$ 1,325,681	\$ 1,818,537
Less: Allowance for doubtful accounts	670,000	670,000
Balance, accounts receivable	\$ 655,681	\$ 1,148,537

**Note 3. Intangible Assets**

On May 17, 2010, the Company entered into a license agreement (the “License Agreement”) with Vivisimo, Inc. (“Vivisimo”), granting the Company a non-exclusive, world-wide right to the use of “Velocity,” a software information optimization platform that unifies access to secure business repositories, presents relevant information and enables knowledge sharing across an enterprise, for use in connection with computer applications currently being developed by the Company. In connection with the License Agreement, the Company acquired the domain Clusty.com, a metasearch engine, and all sub-domains and scripts related thereto, pursuant to a related purchase agreement (the “Purchase Agreement”). Vivisimo agreed not to compete with the Company in the consumer search area for a period of two years. Total consideration paid to Vivisimo under the Purchase Agreement and License Agreement was approximately \$5,550,000 (the “Acquisition Price”). In May 2012, Vivisimo was acquired by IBM.

On December 10, 2015, the Company entered into a 20-year license agreement with Globalstar, Inc. (“Globalstar”) whereby the Company granted a limited exclusive (MSS industry) license to Globalstar for the use of the Company’s technology and Globalstar granted to the Company the right to market its services to Globalstar’s customers. The Company also received a carrier sales agreement for Globalstar services up to 20% of the network capacity with colocation and hosting in all the Globalstar network operation centers worldwide. The Company issued 14,430,000 shares of its common stock to Globalstar in exchange for the license agreement. The common stock had a market value of \$3,028,857 on the date of issuance.

On June 17, 2019, the Company entered into an asset purchase with Bravera Holdings, LLC., a Delaware Limited Liability Company, (the “Seller”), and acquired several domains including the content therein and associated software code. This included an email marketing platform and email marketing lists which are tied to ecommerce and affiliate sites. The Company issued 2,000,000 shares of its common stock to the principles. The common stock had a value of \$761,000.00 on the date of issuance.

**Yippy, Inc.**  
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The intangible assets included in the table below:

On an annual basis the Company will evaluate the carrying value of intangible assets and determine if impairment has occurred and if so, record a charge for impairment. Management has concluded no impairment exists as of August 31, 2019.

The Company recorded amortization expense of \$126,761 and \$126,761 for the three months ended August 31, 2019 and 2018, respectively, related to the intangible assets.

Description	August 31, 2019	May 31, 2019	Estimated Useful Life
Software license	\$ 4,529,207	\$ 3,849,180	5 - 7 years
Developed software	1,146,330	902,150	5 years
Trademarks, brands and domains	1,500,000	1,500,000	5 - 7 years
Domain names	28,380	28,380	10 years
Globalstar license	3,028,857	3,028,857	20 years
Total	10,232,774	9,308,567	
Less: accumulated amortization	(6,378,091)	(5,762,001)	
Intangible assets, net	\$ 3,854,683	\$ 3,546,566	

**Note 4. Property and equipment**

Property and equipment consist of the following at August 31, 2019 and May 31, 2019:

Description	August 31, 2019	May 31, 2019	Estimated Useful Life
Sailing vessels	\$ 18,117	\$ 18,117	15 years
Furniture and equipment	23,406	23,406	5 years
Vehicle	7,750	7,750	5 years
Total	49,273	49,273	
Less: accumulated amortization	(21,003)	(18,670)	
Property and equipment, net	\$ 28,270	\$ 30,603	

**Note 5. Convertible Notes Payable**

Convertible notes payable consists of the following at August 31, 2019 and May 31, 2019, respectively

	August 31, 2019	May 31, 2019
Loan payable, dated June 2, 2016, bearing interest at 18% due on July 1, 2017, convertible to common stock at \$0.20 per share.	\$ 120,000	\$ 120,000
Loan payable, dated June 2, 2016, bearing interest at 18% due on June 2, 2017, convertible to common stock at \$0.20 per share.	50,000	50,000
Loan payable, dated May 2, 2017, bearing interest at 18% due on May 2, 2018, convertible to common stock at \$0.60 per share.	175,000	150,000
Loan payable, dated May 2, 2017, bearing interest at 18% due on May 2, 2018, convertible to common stock at \$0.60 per share.	15,200	18,200
Loan payable, dated August 24, 2017, bearing interest at 18% due on August 24, 2018, convertible to common stock at \$0.60 per share.	115,000	115,000
Loan payable, dated August 29, 2017, bearing interest at 18% due on August 29, 2018, convertible to common stock at \$0.60 per share.	135,000	135,000

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three months ended August 31, 2019 and 2018 (Unaudited)**

Loan payable, dated October 31, 2017, bearing interest at 18% due on October 31, 2018, convertible to common stock at \$0.60 per share.	25,000	25,000
Loan payable, dated May 31, 2018, bearing interest at 18% due on May 31, 2019, convertible to common stock at \$0.60 per share.	65,000	65,000
Loan payable, dated January 9, 2018, bearing interest at 18% due on January 9, 2019, convertible to common stock at \$0.30 per share. The Company pays interest of \$2,250 per quarter to the note holder.	23,400	35,650
Loan payable, dated August 14, 2017, bearing interest at 18% due on August 14, 2018, convertible to common stock at \$0.30 per share.	300,000	300,000
Loan payable, dated February 22, 2018, bearing interest at 18.5% due on February 22, 2019, convertible to common stock at \$0.30 per share.	73,304	80,000
Loan payable, dated August 16, 2018, bearing interest at 18% due on August 15, 2019, convertible to common stock at \$0.20 per share.	200,000	200,000
Loan payable, dated February 25, 2019, bearing interest at 12% due on August 25, 2019, convertible to common stock at \$0.30 per share.	125,000	275,000
Loan payable, dated August 1, 2019, bearing interest at 15% due on July 31, 2020, convertible to common stock at \$0.25 per share.	250,000	-
Loan payable, dated August 19, 2019, bearing interest at 15% due on August 19, 2020, convertible to common stock at \$0.25 per share.	200,000	-
Less: Discounts	(972,904)	(972,904)
Plus: Amortization of Discounts	1,184,720	969,720
<b>Total Convertible Notes Payable</b>	<b><u>\$ 2,083,720</u></b>	<b><u>\$ 1,565,666</u></b>

**Yippy, Inc.**  
**Consolidated Statements of Cash Flow**  
**Three and Nine months ended August 31, 2019 and 2018**  
**(Unaudited)**

Accrued interest on convertible notes payable was \$374,964 and \$197,497 at August 31, 2019 and May 31, 2019, respectively.

**Note 6. Notes Payable**

Notes payable consists of the following at August 31, 2019 and May 31, 2019, respectively:

	<u>August 31, 2019</u>	<u>May 31, 2019</u>
Loan payable, dated May 16, 2018, bearing interest at 0% due on February 15, 2019, with a face value of \$300,000 and an original issue discount of \$50,000, payable in monthly installments of \$33,333.33 per month, starting June 15, 2018.	33,327	\$ 33,327
Revolving lines of credit, with various inception dates, bearing interest of 9% to 18% due on August 28, 2021	152,689	25,000
Loan payable, dated October 15, 2018, bearing 0%, due on July 15, 2019, with a face value of \$250,000 and an original issue discount of \$50,000, payable in monthly installments of \$27,778 per month, starting November 15, 2018.	34,444	64,444
Line of credit, dated April 16, 2019, bearing interest at 64.4%, due on January 20, 2020	14,791	17,728
Line of credit, dated May 13, 2019, bearing interest at 18%, due on May 13, 2020	32,825	45,000
Line of credit, dated March 28, 2019, bearing interest at 3%, due on March 28, 2020	28,200	34,197
Less: Discounts	(11,425)	(45,950)
Plus: Amortization of Discounts	42,790	37,708
<b>Total Notes Payable</b>	<b>\$ 299,440</b>	<b>\$ 211,454</b>

Accrued interest on notes payable was \$4,100 and \$4,537 at August 31, 2019 and May 31, 2019, respectively.

**Note 7. Going Concern**

As reflected in the accompanying financial statements, the Company has accumulated net losses of \$27,041,887 since inception and a net loss of \$572,751 for the quarter ended August 31, 2019.

The Company may seek additional funds to finance its immediate and long-term operations through debt and/or equity financing. The successful outcome of future financing activities cannot be determined at this time and there is no assurance that if achieved, the Company will have sufficient funds to execute its intended business plan or generate positive operating results.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

**Note 8. Related Party Transactions**

An officer and director of the Company and a shareholder advance funds to and from the Company from time to time. The balance due /from the sole director and officer and the shareholder is \$18,810 as of August 31, 2019.

**Note 9. Stockholders' Equity (Deficit)**

**Warrants**

The Company has issued warrants under employment agreements. The following warrants are outstanding as of August 31, 2019:

Date	Shares	Price (\$)	Term
December 30, 2014	1,500,000	0.15	5 years
July 1, 2016	1,000,000	0.35	5 years
August 4, 2016	1,325,000	0.53	5 years
February 25, 2019	310,483	0.40	7 years

