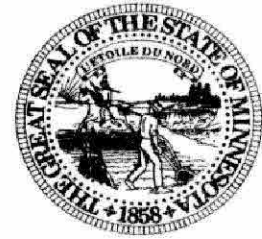


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Office of the Minnesota Secretary of State
Minnesota Public Benefit Corporation / Annual Benefit Report
Minnesota Statutes, Chapter 304A



Read the instructions before completing this form
Must be filed by March 31
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Finley's Barkery SBC

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

Please see attached Report

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Kyle Gallus

Signature of Public Benefit Corporation's Chief Executive Officer

1/28/2021

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

Kyle@Finleysbarkery.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Kyle Gallus

(612) 599-5581

Contact Name

Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?

Yes No

Finley's

ELEVATING PEOPLE & PETS

2020 Annual Report for Finley's Barkery SBC

Mission

Finley's Barkery SBC ("Finley's" or the "Company") is the feel good, do good dog treat company combating the nearly 80% unemployment rate of people with disabilities through our employment and giving initiatives. Over 1 billion people around the world are impacted by a disability. Since 2016, Finley's has created over 9,000 hours of paid work experience opportunities for 30 individuals at retail establishments where Finley's products are sold. In addition, since 2016 the Company has contributed over \$100,000 to advance the employment of persons with disabilities.

This report covers the period from January 1, 2020 to December 31, 2020. Finley's operated at a financial loss in 2020. The pandemic caused major disruption to the retail landscape nationwide. Many stores closed to in person traffic. New product launches were also cancelled or postponed. Finley's was prevented from expanding its brand ambassador initiative to aid in launching its products in new markets or with new partners. Finley's pivoted to launch its products in the online world and fought for mind share in a category with large competitors.

As 2020 closed and 2021 begins, the retail landscape is opening once again to in-person sales and new product launches. Finley's is launching its expanded product line with more online partners and new retail locations. The retail customer base continues to expand as the Company's mission gains more and more traction. New collaboration opportunities with non-profit partners and the expansion of the Company's brand ambassador initiative will allow more individuals and communities to be positively impacted in 2021.

Highlights

- Due to the pandemic restrictions in 2020, Finley's was forced to pivot away from community-based employment opportunities. The good news is that the Company discovered new ways to empower its ambassador teams. Among other things, a blogging team of ambassadors was hired to share their stories and address disability awareness topics on the Finley's website.
- Finley's ambassadors participated in sales presentations both in person and over Zoom. They presented to major retailers about the Company's mission and products. They helped the Company secure a partnership with Minnesota based Hy-Vee stores.

- In 2020, Finley's launched an online Brand Affiliate program through www.getfinleys.com, engaging 40 individuals across the country as brand and mission advocates to their communities.
- The Company grew its ambassador network 33% from 2019 to employ thirty (30) individuals with disabilities in Minnesota.
- Finley's launched a new product line of soft chew trainer bites. This product line maintains a clean ingredient panel, is low in calories, and is allergen friendly.
- The StarTribune ran a full feature story on Finley's and its mission.
- Finley's ran a social media campaign to support teachers during the pandemic. We received 68 nominations for Finley's Teacher Ambassador of the Year. Adianna Liranzo was chosen as our 2020 Teacher Ambassador and recipient of a \$200 donation toward supplies and sensory tools for her students. She was featured on WCCO Channel 4 News where she discussed Covid's impact on the education system and her students.
- Finley's continued to partner and advocate with its vendor partners to include the hiring of individuals with disabilities in each of their business models.
- Finley's partnered with Bethel University, Rise Inc., Vocational Rehabilitation Services, Pujols Family Foundation, and Best Buddies Minnesota.
- Finley's secured retail partnerships to bring its products to and expand its mission in Texas through a Texas vocational and rehabilitation program for individuals with disabilities. Additional partnerships will further the Company's mission in 2021 when Covid restrictions are lifted.
- The Company launched social media campaigns with partners in the disability community to bring awareness to its mission and products. These paid partnerships furthered the Company's mission of inclusion and will expand in 2021.

What Our Fans Are Saying

"Both my puppies love these biscuits and the company has an incredible purpose! I'll order these again and again."

- Amazon Customer, November 2020

"Both of our dogs crave these treats! Better yet...these products help support adults with disabilities... giving them new and real opportunities for employment! I can't say enough great things about this company and their products!"

- Amazon Customer, June 2020

"My dogs go crazy for Finley's products! If I'm starting to think about pumpkins and fall, I might as well have my furry friends join me! These treats are easy to break into smaller sizes and are happily gobbled down. One of my dogs has a sensitive tummy, but no issues with Finley's. The price is great for what you get, and they give back 50% of proceeds to help individuals with special needs. That's a win-win in my book!"

- Target.com Customer, November 2020

Strategic Goals For 2021

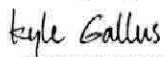
In order to significantly grow Finley's sales and impact, the following goals have been set for 2021:

- Increase distribution with retailers and distributors in a multi-channel approach focused on natural food/grocery, pet specialty, home/boutique, & ecommerce.
- Increase staff to include dedicated team members in sales, marketing, logistics, and operations. Currently we have 3 full-time team members. With increasing distribution, the Company needs to hire in key areas such as operations, logistics, marketing, and accounting.
- Increase collaborations with purpose driven retailers and businesses to increase marketing efforts to include the disability community. The disability community accounts for a large segment of consumer discretionary spending, yet it is often overlooked in marketing and advertising.


- Execute pilot brand ambassador programs into the key markets added in 2021 including Texas and Southern California.

CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all the directors of Finley's Barkery SBC, hereby acknowledge and certify that we have reviewed and approved the enclosed 2019 Annual Report.

DocuSigned by:

389CC846EAB3486

Kyle Gallus, CEO & co-founder

DocuSigned by:

5979A50838D648B

Angie Gallus, President & co-founder

DocuSigned by:

7875BE79E00E41B

Thomas G. Kamp, Board Member

DocuSigned by:

ED792AD025FD41E

Pete Espinosa, Board Member

DocuSigned by:

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Phil Huff, Board Member



Work Item 1214858000030
Original File Number 1090475200077

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
02/05/2021 11:59 PM

Steve Simon

Steve Simon
Secretary of State