



05/26/2022

Dear Shareholders,

First, on behalf of Team Takeover, we would like to thank you for your trust and patience. The many twists and turns have caused whiplash.

We are excited to announce our products are now carried in stores with more to come. We look forward to growth with shareholders. In our year together, we are turning heads. World champions wear our logo and use our products. If you are with us, you are part of the dreamers, the underdogs, those that are winning space against significantly older competitors while also charting a course into untapped markets. We like the odds as we Takeover together.

The auditor has informed us that they have completed the major elements in their review of Takeover Industries Inc. financial statements. Certain requests carried into March 2022; those were provided with ease. The auditing team had eight items to address; that is getting handled. The items were related to overlap between the 2021 and 2022 expansion and restructuring of endorsement agreements. Upon completion, the financial statements will go back to the auditor for final review. When they sign off, we will be attaching the legal paperwork required to complete a Form S-1 registration statement. The Form S-1 will then be filed with the U.S. Securities and Exchange Commission.

As many are aware, Takeover Industries is spinning out from Labor Smart, Inc. Shareholders in Labor Smart will receive common shares in Takeover Industries on a pro rata basis. Shareholders of Labor Smart will retain their shares in Labor Smart. Our transfer agent will transfer the Takeover common shares to the Labor Smart shareholders without further action on the part of the Labor Smart shareholders. Going public and completing the spin out allows Takeover to trade on its own symbol free from any historic issues of Labor Smart. Additionally, the spin out allows shareholders to benefit from the continued success of Takeover. We have a plan for Labor Smart and it will be addressed after the spin out is completed.

The Labor Smart team expended significant funds and time attempting to secure the documents necessary to complete the steps sufficient to satisfy the regulatory requirements needed to become a reporting company with the SEC and current in its filings with the OTC Market. The Labor Smart management team that existed before February 2021, did not maintain the records needed to satisfy any requirement. Takeover's executive team has indicated that they were not aware that these documents did not exist. Unfortunately, this caused a long delay.

We allowed the delay to occur due to representations by the prior management that documents could and would be provided to management and our various firms. When it became obvious this was not based in reality, the Labor Smart directors voted to spin out the common shares Labor Smart held in Takeover.

As I have learned, a spin out does not occur overnight. I believe that it is worth it simply because it allows our shareholders to benefit. We examined all of the available options and immediately ruled out any way forward that would have diluted the equity held by our shareholders.

When Takeover is a publicly-traded company, we will communicate with our shareholders through an investor relations department. The days of our team wasting time replying to manipulative stock trolls using sad tactics from real and fake accounts are done.

We endure regular attacks on social media, phone threats, text and other threats to us, our contractors, families, and vendors by villainous scum who stand in the way of capitalism. In the face of the hateful trolls, we have stayed on a road that will allow shareholders to benefit.

*Simply put, we are going to take care of shareholders whether you want to hate on us or not.*

Social media has created an environment that can help and harm your bottom line. The trolls that wish to hurt your bottom line are why we are hesitant to prematurely release exciting developments. I understand that this may create frustration and speculation. As President of one of the fastest growing performance beverage companies, I, with our team, have a duty to create results. Our team cannot create results if the very announcement could injure or kill a potential result.

I was not part of the original mess that was created at Labor Smart. Our Takeover team is 100% responsible for our collective future.

A little more than a year ago, Toby and Joe had an idea for a beverage company. No physical product existed, just ideas on paper.

### **Takeover Industries results, year ONE:**

- Launched five products. Secured and continue store and online distribution of four.
- NXT LVL Hydrogen Water was named CSP's Retailers Choice for Best New Product beating out industry leaders that included Coca Cola's Smart Water+.
- Products have generated over a million dollars in sales, are available in stores, on websites, on Amazon, and through an affiliate program (new site in development).
- Aggressive roll out schedule for store resets in 2022.
- As of the authoring of this letter, NXT LVL Hydrogen Infused Water is available IN over 500 physical stores across the US.
- NXT LVL Hydrogen Water is the Official Water of the Professional Fighters League (PFL).
- Developed and launched a Winners Juice flavored Gamer Shot with T-Pain, a Grammy Award winning artist and Esports influencer.
- Developed and rolled out a second Gamer Shot in berry flavor.
- Gamer Shots are on track to be in over 40K stores.
- Brought on a list of notable advisors and entered into targeted endorsements and specific joint venture agreements for various strategic reasons with the likes of boxing legend

Manny Pacquiao, MMA Champion Anthony Pettis, boxer and politician Jessie Vargas, country singer Mitchell Tenpenny (who this past year played ACM Awards and Stagecoach), DeeJay Silver, Chris Manhertz, Dan Caldwell, and others.

- Been a topic of discussion on CNBC, Fox News, CBS Sports, ESPN, ESPN2, TMZ, and of course, the NXT LVL Nation trends on Twitter.

While accomplishing the list above and more, we also managed to thwart theft in our own house and deal with parties that worked against our long-term goals and objectives. Not bad for a startup that could not trade for most of the year.

For perspective and color:

- Red Bull GmbH was founded in 1984
- Bang Energy was founded in 1993
- Living Essentials, LLC launched in 2004
- Celsius Holdings, Inc. was founded in 2004
- G Fuel was founded in 2008
- H-Factor was founded in 2014

*TAKEOVER INDUSTRIES AND ITS NXT LVL BRAND OF PERFORMANCE BEVERAGES WERE CREATED AND LAUNCHED IN 2021.*

We believe that we are on the home stretch of the first hurdle. Once trading, we believe we have no ceiling. I hope that you choose to stay on this journey.

Sincerely,

Jason Tucker, President  
Takeover Industries, Inc.

**Forward Looking Statements:**

This release includes "forward-looking statements" within the meaning of the U.S. federal securities laws, which statements may include information regarding the plans, intentions, expectations, future financial performance, or future operating performance of Labor Smart, Inc. ("Labor Smart" or the "Company"). Forward-looking statements are based on the expectations, estimates, or projections of the Company's management as of the date of this press release. Although Labor Smart's management believes these expectations, estimates, or projections to be reasonable as of the date of this presentation, forward-looking statements are inherently subject to significant business risks, economic and competitive uncertainties, or other contingencies, which could cause the Company's actual results or performance to differ materially from what may be expressed or implied in the forward-looking statements. Important factors that could cause Labor Smart's actual results or performance to differ materially from the forward-looking statements include those set forth in the "Risk Factors" sections in the Company's filings with the Securities and Exchange Commission, which are available for viewing on the SEC's EDGAR website. These forward-looking statements speak only as of the date of this press release and, except as required by law, Labor Smart, Inc. and Takeover Industries, Inc. specifically disclaims any obligation to update these forward-looking statements, even if new information becomes available in the future.