250,000 Shares of Common Stock
$2,500,000 at $10 per share
HYDROGREEN, INC.
25758 472ND Ave.
Renner, SD 57055

December 27, 2016

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF HYDROGREEN, INC. (THE “COMPANY”), THE TERMS OF THIS OFFERING AND THE MERITS AND RISKS OF THIS INVESTMENT. THE SHARES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY STATE SECURITIES COMMISSION, AND NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAVE PASSED ON ACCURACY OR ADEQUACY OF THIS CONFIDENTIAL OFFERING MEMORANDUM OR THE MERITS OF THIS OFFERING AND IT IS NOT INTENDED THAT THEY WILL DO SO. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. AN INVESTMENT IN THE SHARES IS ILLIQUID, SPECULATIVE, AND INVOLVES A HIGH DEGREE OF RISK. SEE “RISK FACTORS” AT PAGE 6.

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You should rely only on the information contained in this Confidential Offering Memorandum. We have not authorized anyone to provide you with information that is different. You should assume that information appearing in this Confidential Offering Memorandum is accurate only as of the date of the Confidential Offering Memorandum.

Contents

OFFERING SUMMARY

This summary may not contain all of the information that may be important to you. You should read this entire Confidential Offering Memorandum before making an investment decision.

You should pay special attention to the "Risk Factors" section beginning on page 6 of this Confidential Offering Memorandum in determining whether an investment in our Common Stock is appropriate for you.

In this Confidential Offering Memorandum, references to the "Company," "we," "us," "our," and "HydroGreen" refer to HydroGreen, Inc.

The Company	**HydroGreen, Inc. is a South Dakota corporation with offices at 25758 472nd Avenue, Renner, SD 57055. The Company's telephone number is (605) 277-7271. The Company was incorporated on August 24, 2015, for the purpose of manufacturing equipment to grow hydroponic livestock feed.**
The Business	HydroGreen is an agricultural-based company which manufactures patent pending equipment to grow hydroponic livestock feed. HydroGreen is a leader in the development of automated equipment to aid in the hydroponic production of livestock feed. Utilizing this equipment allows farmers to utilize valuable acreage for food production, rather than livestock feed. It reduces production costs and is environmentally friendly.
Securities	Common Stock, par value $10 per share.
Number of Shares	250,000
Offering Price	$10
Maximum Proceeds	$2,500,000
Common Stock Outstanding After Offering (if maximum sold)	1,000,000
Minimum Subscription	Minimum purchase of five hundred shares ($5,000) and maximum purchase of 250,000 shares ($2,500,000)
Plan of Distribution	Shares will be offered and sold by employees and directors of the Company. Such sales will not be subject to sales commissions, underwriting fees or other remuneration for the sale of shares. The Company may elect to employ brokers in order to offer shares, in which case sales commissions, underwriting fees, and other remuneration for the sale of such shares will be paid. See "Plan of Distribution" below for additional information.
Use of Proceeds	We estimate our net proceeds from the sale of shares in this offering, after deducting offering expenses, will be

	approximately $2,445,000 if the maximum number of shares in the offering is sold without the use of brokers. We intend to use the net proceeds for general corporate purposes, including working capital, product sales, marketing, continued funding of research and development, and operating expenses.
Offering Period	The offering will continue for up to one year. The Company may extend the offering.
Risk Factors	There are significant risks associated with this offering. See "Risk Factors" beginning on page 6 for a discussion of the risk factors you should carefully consider before deciding to invest in this offering.
Suitability	The shares will be sold to investors who are "accredited investors" within the meaning of Regulation D adopted by the U.S. Securities and Exchange Commission and up to 35 non-accredited investors. For natural persons, an accredited investor generally means a person with an income of $200,000 (or $300,000 with your spouse) for the last two years and the expectation of this amount of income for this year or net worth of $1 million exclusive of your income.
Restricted Transferability	The Common Stock will be subject to restrictions on transfer, which will be represented with a legend on the stock certificates. The shares have not been registered with the SEC or any state securities regulatory authority and cannot be transferred without registration or opinion of counsel that registration is not necessary. An attempt to transfer the stock by prohibited transfer will result in the Company placing a stop transfer order with its transfer agent. There is no market for the sale or purchase of the shares and it is unlikely that one will develop in the foreseeable future.
Dividends	The Company has not declared or paid cash dividends to its shareholders and will not for the foreseeable future. Cash dividends will not be available to offset the illiquidity of the Stock.
Investor Due Diligence	You should investigate the Company, the offering and investment by asking questions before you invest. If you do not believe you can evaluate the investment, let us know and we will help you to engage a representative independent of us to advise you. If you have questions, please contact Dihl Grohs, our CEO, or Craig Livingston, our President, at (605) 277-7271. We file reports and documents with the SEC. They are available on our website www.HydroGreeninc.com, and from the SEC at sec.gov.

SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this are forward-looking. These are made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, and include estimates and assumptions related to legislative, competitive, and economic developments. You may determine that a statement is forward-looking if it includes words such as “expects,” “intends,” “anticipates,” “plans,” “believes,” “estimates,” “will” or words of similar meaning, and include but not limited to statements regarding the outlook of our business and financial performance. These forward-looking statements are subject to change and uncertainty, often beyond our control. These have been made based on our expectations and beliefs concerning future developments and their potential effect upon us. We are unable to assure you that our expectations will align with future developments. There is no guarantee that the future will align with our expectations. Our forward-looking statements are by no means a guarantee of future performance, which will involve risks and uncertainty. Below are listed important factors that may affect future performance of the Company. This list is a sampling and is not meant to be exhaustive.

- General economic conditions and financial factors, including the performance and fluctuations of fixed income, equity, real estate, credit capital and other financial markets;
- Differences between actual experience regarding expected supply prices and actual prices;
- The effect of lower demand than anticipated;
- Unexpected changes in commodities prices;
- Unexpected changes in agricultural asset values;
- Adverse determinations in litigation or regulatory affairs;
- Investment losses and defaults;
- Competition in our product lines;
- Attraction and retention of qualified employees;
- Ineffective risk-management procedures;
- Interest rate fluctuations;
- Domestic or international military actions;
- Changes in tax and securities law;
- Changes in statutory or U.S. generally accepted accounting principles (“GAAP”), practices or policies;
- Regulatory or legislative changes or developments;
- The effects of unanticipated events on our disaster recovery and business continuity planning;
- Failures or limitations of our computer, data security, and administrative systems;
- Risks of employee error or misconduct; and
- The availability of capital to expand our business.

As a policy, we do not make specific projections relating to future earnings; we do not endorse any projections regarding performance made by others. Additionally, we do not publicly update or revise forward-looking statements based on the outcome of developments.

RISK FACTORS

Your investment in our Stock involves risk. You should carefully consider the risks described below, as well as other information included or incorporated by reference in this Confidential Offering Memorandum, before deciding to buy our Common Stock. If any of the following risks occurs, our business could be materially harmed. In that case, the value of our Common Stock could decline, and you may lose all or part of your investment. You also should refer to the other information in this Confidential Offering Memorandum including our financial statements and the related notes.

Risks Related to Our Business

Research and Development has largely been completed, while product sales and marketing are commencing in the first quarter of 2017. Therefore, the Company has registered $0 profits as of the end of 2016. In its initial phase, the Company has developed patent pending equipment to grow hydroponic livestock feed.

The Company is in the start-up phase and has no history of income.

Although we anticipate demand from clients, as described in the Management Discussion Section below, the Company has not been profitable and has not received income. The product development phase has been funded by the company owner and system inventor, Dihl Grohs, which has been focused on asset acquisition, automation, and research and development. The Company spent $221,506 on Research and Development in 2015. In 2016, the Company is on pace to spend $1,000,000 on Research and Development. Our financial projections are not based on historical data and are therefore less reliable than projections based on historical data. Within the next five years, the business model will go from direct sales to the majority of sales expected to take place through exclusive HydroGreen distributors.

The Company's health will be affected by changes in the agricultural industry.

Farmers are the Company's target market. The ability of farmers to make equipment purchases such as those offered by HydroGreen are dependent on an individual's funds, as well as many elements of the agricultural industry. Depressed prices in the futures market and the broader economy could negatively affect demand for HydroGreen's products. In addition, the lowered cost of livestock feed in comparison to HydroGreen system cost would affect customer demand. Finally, low market prices in the following livestock industries would negatively affect demand for HydroGreen's products: Dairy cattle, beef cattle, buffalo, horses, donkeys, mules, goats, sheep, pigs, hogs, chickens, turkeys, ducks, geese, llamas, and alpacas. In addition, the company has several major suppliers. In the event that any of its major suppliers does not continue its business relationship with HydroGreen, the Company's production will be affected. The Company is aware of other suppliers, who the Company may in the future enter into a business relationship should current supplier contracts be changed. However, pricing, timeline, and other factors may be affected by such a change.

The economic environment could dampen demand for HydroGreen products.
The U.S. economy has struggled in the past decade and has been unable to fully recover. Under any market conditions, such factors as credit, consumer spending, investment, capital market conditions and inflation affect our business. Lack of capital, as well as other such factors, will limit customers' ability to purchase HydroGreen products.

The Company is awaiting approval of pending patents.
An affiliate of the Company, PBR, LLC, has submitted 2 Patents with 29 claims. PBR, LLC and HydroGreen have an agreement allowing HydroGreen the use of the patents. Approval of these patents is needed to protect the intellectual property being used by the Company. Until approval is received, there will remain a risk that the U.S. Patent Office will disapprove of the patents. Disapproval will open the Company up to competitors who may utilize HydroGreen's methods to compete with HydroGreen's products.

If this Offering raises less than a significant portion of the investment sought, our business will be affected.
The Company is seeking $2,500,000.00 in investment to be used to fund the Company's initial sales and overall business plan. If the Company raises significantly less than that amount, it will not be able to invest in its business plan in the planned timeframe. Instead, the Company will have to scale back its business plan, which will affect revenues. It may negatively impact our growth plan for HydroGreen.

Competition from other companies may affect our ability to attract and retain customers and sales representatives.
The only competitor within a 5-state region is Iowa Farm Tech, which produces a manual fodder growing system using pans, and high labor costs. The HydroGreen system utilizes a self-contained, automated system that requires almost no labor. It is likely to have stronger financial assets and current customers. As a start-up, HydroGreen has no current market share in this market. In addition, established competitors have greater capital, technological and marketing resources.

Risks to Ownership of Common Stock
Our common stock does not have a public or other market. We have no plans to list our stock on an exchange or trading system. If, in the future, we do decide to list our stock on a public trading market, there is no guarantee that we will meet the requirements of such a system.

The Company does not plan to pay cash dividends on Common Stock, and you may not receive funds without selling your Common Stock.

HydroGreen has not paid cash dividends on our Common Stock in the past. We do not anticipate paying such dividends in the foreseeable future. Our funds are intended to be used for operations and growth. Our board of directors will determine any future dividends in its discretion. For more information, see Description of Securities below. To garner cash from your investment, you may need to sell your Common Stock. There is no market for the stock, and you may not be able to sell your Stock at all, or you may not be able to sell your Stock at the price of your investment. Because there is no market for your shares, consider this investment only if you have sufficient liquid assets to manage the lack of liquidity in this investment.

Your Stock will experience an immediate dilution in the net tangible book value of your Shares. See "Dilution" discussion on page 11 for more information.

The Company's Board of Directors will use the net proceeds of this offering in its discretion.

The net proceeds of this offering will be used for growth and operations. The Board will have broad discretion as to the outlay of how the funds raised will be used. The Company will be able to allocate funds as it sees fit, and investors will be dependent on the Company's decisions in that regard. See Use of Proceeds below for more information.

This offering has not been independently reviewed.

We are offering the shares of Common Stock directly through employees, officers, and directors. We have reserved the right to place our offering with an investment banker, but most likely the shares will be sold without the services of such an investment banker. No independent review of the offering has been, or will likely be, made by any investment banker.

Our management has set the offering price of the Common Stock.

The Board of Directors has set the offering price informed by the Company's assets, operations, and business plan. However, investors should be aware that the valuation is not based on a market value such as assets, earnings, and recent arm's length sales. The offering is for shares that will have no set market value. Investors may not be able to sell their shares for the price paid. See Determination of Offering Price and Market Data below for more information.

The Company and its agents must comply with federal 'broker' and 'dealer' laws, and failure to comply with these laws would materially and adversely affect our financial condition.

The Company plans to offer the shares through some of our employees, officers, and directors and may in addition use the services of one or more broker/dealer to sell the shares. See Plan of Distribution below for additional information. No employee, officer, or director who is offering the Company's shares has registered with FINRA as a 'broker' or 'dealer.' Should it be determined that the offering of the shares by our employees, officers, or directors required registration of the Company as a broker or dealer or would have required the employees, officers, or directors to register as agents of a broker-dealer, the offering could be delayed or disrupted and the Company and the employees, officers, and directors subjected to penalties and disabilities under applicable state and federal securities laws.

The loss of key personnel could threaten our business.
We employ several key personnel whose participation will be assumed in our business plan. For instance, Dihl Grohs, Craig Livingston, and Ryan Joens are employees each with large responsibilities. The loss of the services of these employees would likely adversely affect our operations in a material way. HydroGreen maintains key man insurance of $1,000,000 on Dihl Grohs and Craig Livingston.

Our founder will continue to have substantial control over the Company.
Founder Dihl Grohs will have at least 60% of the Common Stock after the offering. In the event that all of the offered stock is sold in this offering, he will own approximately 60% of the outstanding shares. See Security Ownership of Certain Beneficial Owners and Management below for more information. As a result, the officers and directors will be able to continue to influence decisions requiring shareholder approval, including election of directors and corporate actions. This could limit the ability of stockholders in this offering to influence Company actions.

TERMS OF THE OFFERING

<u>Accredited Investors.</u> This offering is limited to accredited investors and up to 35 non-accredited investors. Accredited investors are:

(1) A natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $ 1,000,000 exclusive of the person's primary residence and any indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence;

(2) Natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;
(3) A director or executive officer of the Company;
(4) An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(5) A private business development company as defined in section 202(a) (22) of the Investment Advisers Act of 1940;

(6) An organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

(7) Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(bx2xii) of Regulation D; and

(8) Any entity in which all of the equity owners are accredited investors.

Subscription Agreement. To invest in the Common Stock, you will be required to sign and agree to the terms of the Subscription Agreement which is attached to this Confidential Offering Memorandum. The Subscription Agreement is intended to be a contract with the Company in which you represent and warrant to us that you

- are or are not an accredited investor;
- have read the Confidential Offering Memorandum;
- have had all of your questions about the Company and this investment answered by the Company;
- are not relying on any written or verbal disclosures that are not included in this Confidential Offering Memorandum; and
- are acquiring the shares for investment and that you have no plans to sell or transfer the shares.
- You will also be asked to acknowledge and agree that you are aware that your investment is illiquid;
- your certificate for Common Stock will bear a legend to the effect that the sale, transfer or disposition of your shares is restricted; and
- in the event of a dispute with the Company over this investment, the dispute will be resolved by arbitration administered by the American Arbitration Association.

USE OF PROCEEDS

The Company will use the proceeds of this Offering for advertising, sales positions, and marketing, as well as operations. We may use up to 15% of the proceeds to pay the offering costs. The Company may utilize the proceeds for working capital. The proceeds of each subscription in the Offering will be available to the Company when the Company accepts the subscription. The proceeds will not be kept separate until a minimum number of shares is sold.

The following shows what the Company anticipates the use of the proceeds will be, assuming all shares are sold that are offered. These are estimates only, and will be affected should less than all of the offered shares be sold.

	Maximum Offering of 250,000 shares
Offering Expenses (Legal, accounting, office and printing)	$55,000
Facilities	$450,000
Property	$400,000
Operating/Working Capital	$595,000
Research and Development	$550,000
Research studies	$200,000
Equipment	$250,000
	$2,500,000

Such fees include expenses for legal, accounting, filing, and printing and mailing costs of the offering. Overhead is included.
Net proceeds will be used in the following priority: sales and marketing and working capital. These priorities may be changed as needed by the Company.

DETERMINATION OF OFFERING PRICE AND MARKET DATA

The shares are not subject to a public market and, therefore, the shares have no readily ascertainable market value. The Company arbitrarily has determined the price of the shares being offered by this Confidential Offering Memorandum, and no third party has provided input about such price. The offering price bears no relationship to assets, earnings, recent arms'-length private sales or any other valuation criteria. No assurance can be given that the Common Stock offered hereby will have a market value or that they may be sold at this, or at any price. The shares are offered only as a long-term investment for those who can afford the risk of loss of their entire investment and who can foresee no need to liquidate their investment in the near future.

DILUTION

As of December 31, 2016, the Company had 750,000 Shares of Common Stock outstanding. The outstanding stock has a book value of $376,046.87. Net book value per share represents the Company's total assets less liabilities, divided by the number of shares of Common Stock outstanding or subscribed. The net book value per share is approximately $.50.
After the offering, if $2,500,000 is raised through the sale of 250,000 shares, we will have 1,000,000 shares outstanding. The net book value will be raised by approximately $2,500,000, less the costs of the offering. In that case, our net book value would be approximately $2.82 per share. New shares will experience an immediate dilution in their net book value per share from the purchase price. Such dilution represents the difference between the offering price per share and the net book value per share immediately after the

offering, assuming no change in net book value other than from the sale of shares. The current shareholder will see an increase in book value per share due to cash paid by new shareholders for their shares.

PLAN OF DISTRIBUTION

The Company is offering 250,000 shares of Common Stock through our employees, officers, and directors using their best efforts. These individuals will not be paid a sale commission or other remuneration for sales of the shares. In addition, the Company may elect to employ the services of broker/dealer(s) to offer the sale of shares. This offering is limited to accredited investors, as defined by the U.S. Securities and Exchange Commission in Regulation D and up to 35 unaccredited investors.

DESCRIPTION OF SECURITIES

Capital Stock

The authorized capital stock of the Company as of December 31, 2016 is unlimited, but the Company is in the process of amending its corporate documents such that the authorized capital stock shall be 1,250,000 shares of Common Stock, with no set par value. Seven hundred and fifty thousand shares are outstanding as of December 31, 2016.

Common Stock

In the event of liquidation, holders of the shares of Common Stock are entitled to participate equally per Share in all of our assets, if any, remaining after the payment of all liabilities and any liquidation preference on our preferred stock if any is outstanding with a liquidation preference. Holders of the shares of our Common Stock are entitled to such dividends as the Board of Directors, in its discretion, may declare out of funds available therefore, subject to any preference in favor of outstanding shares of preferred stock, if any. The holders of shares are entitled to one vote for each share held of record in each matter submitted to a vote of shareholders. A majority of the outstanding shares of stock entitled to vote constitutes a quorum at any shareholder meeting. There are no preemptive or other subscription rights, conversion rights, cumulative voting, and registration or redemption provisions with respect to any shares of Common Stock. The rights, preferences, and privileges of holders of Common Stock are subject to, and may be adversely affected by, the rights of the owners of any series of Preferred Stock that we may designate and issue in the future.

BUSINESS

Business Development

HydroGreen, Inc. manufactures patent pending equipment to grow hydroponic livestock feed daily. HydroGreen is the first automated hydroponic growing system on the market. Water can be controlled and monitored remotely. As such, it will be affected by certain changes in the agricultural industry. As farmers continue to face higher land prices, HydroGreen systems provide a solution, as livestock feed can be grown continuously on a fraction of the land needed for traditional feed. Drought and flooding will affect farmers’ ability to make investments into agricultural products like those of HydroGreen. However, HydroGreen's hydroponic equipment actually helps farmers to avoid the effects of such weather events on feed availability. HydroGreen's feed is grown in an environmentally controlled structure without regard to exterior conditions such as heat, cold, rain, or drought and without the need for fertilizers, insecticides, pesticides, or herbicides.

Competition

HydroGreen has the following competitors. These companies manufacture fodder systems, which are similar in results but utilize different methods from HydroGreen's.

- Crop King – Lodi, OH
- Farm Tek – Dyersville, IA
- All Seasons Green – Kalispell, MT
- Fodder Solutions – based in Australia
- Fodder Tech – Sandy, UT
- Fodder Feeds – Bend, OR

The hydroponic agricultural industry is in its infancy. Early adopters, such as HydroGreen and its competitors, are both exploring and helping to create a market. Competition for customers and to establish a name brand in this developing field will be each competitor's aims. HydroGreen, Inc. is first on the market with a fully automated hydroponic growing system. The Company's initial market area is within 150 miles of Sioux Falls, South Dakota. The next stage of sales will target a 6-state region surrounding South Dakota.

EMPLOYEES

As of November 15, 2016, HydroGreen, Inc. employed 9 full-time employees and 0 part-time employees.

PROPERTIES

HydroGreen, Inc. leases and operates a 32-acre farm owned by HydroGreen Land and Cattle, LLC, which utilizes HydroGreen hydroponics systems. The farm has 280 head of cattle and operates a feed lot. The main function of the HydroGreen Farm is to prove the benefits of feeding HydroGreen to livestock. These benefits include the health of the animals; the gains in weight, production and/or breeding success; and the reductions in feed costs. The secondary function of the HydroGreen Farm is to create a showplace of all types of livestock. This showplace will be used to give visual proof, to buyers of HydroGreen Equipment, of the benefits of feeding HydroGreen.

LEGAL PROCEEDINGS

The Company is not subject to any pending legal proceedings. There are no proceedings involving any director, officer, affiliate, or shareholder of the Company having a material adverse effect on the Company.

MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND SMALL BUSINESS ISSUER PURCHASES OF EQUITY SECURITIES

(a) Market Information

There is no established public market for the shares of the Company. This will limit trading of the Company's common stock.

(i)Shareholders

As of December 31, 2016, one shareholder held 750,000 shares.

(ii) Dividends

The Company has no history of paying out cash dividends. The Board of Directors of the Company has not adopted a dividend payment policy; however, dividends must necessarily depend upon the Company's earnings and financial condition, applicable legal restrictions, and other factors relevant at the time the Board of Directors considers a dividend policy. Cash available for dividends to shareholders of the Company must initially come from income and capital gains earned on its investment portfolio and dividends paid by the Company's subsidiaries.

(iii) Securities Authorized for Issuance Under Equity Compensation Plans.

There are currently no plans under which equity securities are authorized for issuance.

SELECTED HISTORICAL FINANCIAL INFORMATION

Because the Company has not yet begun its sales drive, it has only expended expenses and costs in its initial phase. The following shows expenses and costs spent by the Company through November 15, 2016.

MANAGEMENT DISCUSSION

HydroGreen, Inc. has developed patent pending automated hydroponic equipment to grow livestock feed. The Company has heavily invested in the research and development of this equipment technology and is preparing to begin its sales program. Feed is placed on a specially designed film and grown in 6 or 7 days to a live green healthy livestock feed that is 8" – 10" tall. One pound of seed will grow about six pounds of feed in as little as six days. The hydroponically grown feed is grown in an environmentally controlled structure without regard for exterior conditions, such as heat, cold, rain or drought. As a result, there is no need for chemicals such as fertilizers, insecticides, pesticides, or herbicides.

Because the Company has not yet begun its sales program, it does not have historical financial data. The below Financial Plan lays out our financial projections, based on current assumptions and projections.

FINANCIAL PLAN

Balance Sheet

The HydroGreen Balance Sheet represents the potential growth in valuation from 2017 to 2012. HydroGreen anticipates minimal Accounts Receivable due to a 50% deposit requirement on all product orders and the fact that the materials to manufacture the systems are not ordered until after a sale is made.
Currently the company has no debt due to all investment capital through 2016 coming from the inventor and majority stock holder, Dihl Grohs.

BALANCE SHEET December 31	2017	2018	2019	2020	2021
ASSETS					
Current Assets					
Cash in Checking	837,929	5,184,188	8,907,938	14,153,180	21,060,464
Accounts Receivable	241,916	469,000	582,562	800,295	1,066,304
Inventory	59,997	107,687	167,040	238,320	351,724
Total Current Assets	**1,139,842**	**5,760,875**	**9,657,540**	**15,191,795**	**22,478,492**
Fixed Assets					
Equipment	240,472	240,472	240,472	240,472	240,472
Vehicles	130,686	180,686	280,686	430,686	430,686
Less: accumulated depreciation	(60,491)	(130,982)	(212,473)	(332,964)	(453,455)
Total Fixed Assets	**310,667**	**290,176**	**308,685**	**338,194**	**217,703**
TOTAL ASSETS	**1,450,509**	**6,051,051**	**9,966,225**	**15,529,989**	**22,696,195**
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities					
Accounts Payable	116,465	209,039	324,254	462,620	682,759
Total Current Liabilities	**116,465**	**209,039**	**324,254**	**462,620**	**682,759**
STOCKHOLDERS' EQUITY					
Common Stock	251,000	751,000	751,000	751,000	751,000
Additional Paid in Capital	511,474	511,474	511,474	511,474	511,474
Retained Earnings	571,570	4,579,538	8,379,497	13,804,895	20,750,962
Total Stockholders' Equity	**1,334,044**	**5,842,012**	**9,641,971**	**15,067,369**	**22,013,436**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**1,450,509**	**6,051,051**	**9,966,225**	**15,529,989**	**22,696,195**

Revenue Forecast HydroGreen Global Technologies

HydroGreen Global Technologies revenues are based on the sales of HydroGreen Grow Systems, HydroGreen Enterprise Systems and HydroGreen Research Farm livestock and produce sales. Revenues presented below are projected for the five-year plan from 2017 to 2021.

TOTAL HYDROGREEN	2017	2018	2019	2020	2021	Total
REVENUES	$5,805,970	$11,256,008	$13,981,470	$19,207,084	$25,591,300	$75,841,832
COST OF GOODS SOLD	$2,117,539	$3,800,698	$5,895,527	$8,411,276	$12,413,799	$32,638,839
GROSS PROFIT	$3,688,431	$7,455,310	$8,085,943	$10,795,808	$13,177,501	$43,202,994
GROSS PROFIT %	64%	66%	58%	56%	51%	57%
NET INCOME	$877,867	$4,007,968	$3,799,959	$5,425,398	$6,946,067	$21,057,259

Total HydroGreen Financial Chart

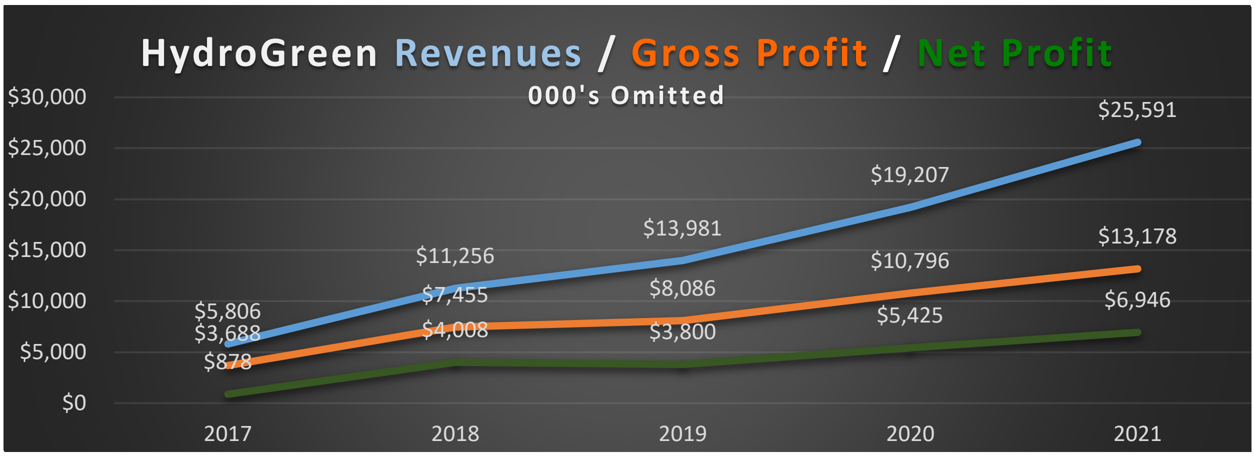

Chart represents the relationships between Revenue, Gross Profit and Net Profit. Revenues show a steady increase over the 5-year plan with Gross Profit Dollars decreasing in the third year due to sales switching from direct retail sales to distributor sales.

HydroGreen Grow Systems 5-Year Plan Revenues

GROW SYSTEM REVENUES	2017 Units / Dollars	2018 Units / Dollars	2019 Units / Dollars	2020 Units / Dollars	2021 Units / Dollars	Total Units / Dollars
Grow System 1 Section	1 $41,000	3 $120,233	7 $259,490	9 $338,400	12 $420,000	**32** **$1,179,123**
Grow System 2 Section	4 $208,000	6 $304,980	12 $556,050	18 $835,200	30 $1,281,000	**70** **$3,185,230**
Grow System 3 Section	8 $504,000	31 $1,909,058	44 $2,483,690	48 $3,237,600	89 $4,672,500	**220** **$12,806,848**
Grow System 4 Section	18 $1,554,000	40 $3,255,075	57 $4,008,615	86 $5,641,600	105 $6,394,500	**306** **$20,853,790**
Grow System 5 Section	20 $1,360,000	25 $1,661,750	32 $1,895,625	44 $2,888,000	69 $4,830,000	**190** **$12,635,375**
Grow System 6 Section	12 $1,152,000	19 $1,782,960	26 $2,212,405	36 $3,081,600	55 $4,350,500	**148** **$12,579,465**
TOTAL REVENUES GROW SYSTEMS	**63** **$4,819,000**	**124** **$9,034,055**	**178** **$11,415,875**	**241** **$16,022,400**	**360** **$21,948,500**	**966** **$63,239,830**

HydroGreen Grow System Revenue Plan Synopsis

HydroGreen Grow Systems are manufactured in 6 sizes to meet the needs of produces with operations of a few head to several thousand head. The HydroGreen Grow System is a fully automated product that delivers live green feed, daily.

Revenue estimates above represent a conservative forecast of sales over the next 5 years. Revenues are based on the majority of the sales being in the larger sized units. Current interest in the Grow Systems has shown more interest in larger units with most producers interested in multiple large units.

TOTAL GROW SYSTEMS	2017	2018	2019	2020	2021	Total
REVENUES	$4,819,000	$9,034,055	$11,415,875	$16,022,400	$21,948,500	$63,239,830
COST OF GOODS	$1,698,219	$2,793,038	$4,601,258	$6,769,376	$10,272,107	$26,133,999
GROSS PROFIT	$3,120,781	$6,241,017	$6,814,617	$9,253,024	$11,676,393	$37,105,831
GROSS PROFIT %	65%	69%	60%	58%	53%	59%

HydroGreen Grow Systems Revenue & Gross Profit Summary

Revenues increase through increases in volume which are less in relationship to unit increases due to an increase in sales through distributors. This increase in distributor sales is also represented in the reductions in margins over the plan period. Sales through exclusive HydroGreen Distributors will increase from none in 2017 to 60% of sales through distributors in 2021.

HydroGreen Enterprise Systems 5-Year Plan Revenues

ENTERPRISE SYSTEM REVENUES	2017 Units / Dollars	2018 Units / Dollars	2019 Units / Dollars	2020 Units / Dollars	2021 Units / Dollars	Total Units / Dollars
Enterprise System 3x1	6 $19,116	7 $20,523	9 $27,540	11 $39,160	14 $50,400	47 $156,739
Enterprise System 3x2	16 $76,176	29 $127,054	35 $160,650	42 $209,328	53 $254,400	175 $827,608
Enterprise System 6x1	19 $117,648	22 $125,356	26 $159,120	32 $205,056	40 $240,000	139 $847,180
Enterprise System 6x2	20 $173,520	43 $343,305	51 $390,150	62 $485,584	78 $561,600	254 $1,954,159
Enterprise System 6x3	30 $363,690	81 $903,624	96 $1,028,160	116 $1,238,880	145 $1,392,000	468 $4,926,354
Enterprise System 6x4	15 $193,320	55 $652,290	65 $745,875	78 $888,576	98 $999,600	311 $3,479,661
TOTAL REVENUES ENTERPRISE SYSTEMS	106 $943,470	237 $2,172,153	282 $2,511,495	341 $3,066,584	428 $3,498,000	1394 $12,191,702

HydroGreen Enterprise System Revenue Plan Synopsis

HydroGreen Enterprise Systems are designed to be used to feed smaller groups of animals. The smallest unit (3 levels tall x 1 section long 3x1) would be capable of feeding 1 to 2 horses or 10 to 50 chickens, the largest unit (6 levels tall by 4 sections long 6x4) would be capable of feeding over 20 horses and several hundred chickens. These systems come in 6 sizes options, 3 levels tall or 6 levels tall in 1 to 4 sections long, to meet the requirements of all types of hobby farmers.

Planned sales represent a conservative estimate of sales over the 5-year plan. The planned sales will be made through the HydroGreen sales staff and a distributor organization.

TOTAL ENTERPRISE SYSTEMS	2017	2018	2019	2020	2021	Total
REVENUES	$943,470	$2,172,153	$2,511,495	$3,066,584	$3,498,000	$12,191,702
COST OF GOODS SOLD	$419,320	$1,007,660	$1,294,268	$1,641,900	$2,141,692	$6,504,839
GROSS PROFIT	$524,150	$1,164,494	$1,217,227	$1,424,684	$1,356,308	$5,686,863
GROSS PROFIT %	56%	54%	48%	46%	39%	47%

HydroGreen Enterprise Systems Revenue & Gross Profit Summary

Revenues increase through a larger volume of unit sales which are less in relationship to unit increases due to an increase in sales through distributors. This increase in distributor sales is also represented in the reductions in margins over the plan period. Sales through exclusive HydroGreen Distributors will increase from 25% in 2017 to 80% of sales through distributors in 2021.

HydroGreen Farms

RESEARCH FARM REVENUES	2017 Units / Dollars	2018 Units / Dollars	2019 Units / Dollars	2020 Units / Dollars	2021 Units / Dollars	Total
Equine	20 $3,000	35 $7,000	35 $7,000	50 $10,000	60 $12,000	$39,000
Cattle (Cow/Calf)	35 $2,100	40 $2,600	60 $4,800	80 $6,400	100 $8,000	$23,900
Cattle (Finishing)	40 $38,400	40 $38,400	40 $38,400	100 $96,000	120 $115,200	$326,400
Cattle (Dairy)	0 $0	4 $0	4 $0	4 $0	4 $0	$0
Sheep / Goats	0 $0	10 $1,800	10 $1,800	20 $3,600	30 $5,400	$12,600
Poultry	20 $0	20 $0	20 $0	20 $0	20 $0	$0
Swine	0 $0	0 $0	10 $2,100	10 $2,100	20 $4,200	$8,400
TOTAL REVENUES RESEARCH FARM	**75 $43,500**	**94 $49,800**	**124 $54,100**	**214 $118,100**	**274 $144,800**	**$410,300**

HydroGreen Farms Plan Synopsis

The main function of the HydroGreen Farm is to prove the benefits of feeding HydroGreen to livestock. These benefits include the health of the animals; the gains in weight, production and/or breeding success; and the reductions in feed costs. The secondary function of the HydroGreen Farm is to create a showplace of all types of livestock. This showplace will be used to give visual proof, to buyers of HydroGreen Equipment, the benefits of feeding HydroGreen.

OPERATING EXPENSES	2017	2018	2019	2020	2021	Total
Salary	$1,063,285	$1,527,687	$2,014,932	$2,344,440	$2,696,106	**$9,646,450**
Employee Related Expenses	$233,486	$287,306	$347,980	$389,832	$448,307	**$1,706,911**
Group Insurance	$78,000	$92,000	$114,000	$124,000	$142,600	**$550,600**
Marketing & Promotions	$83,000	$92,000	$130,600	$170,400	$195,960	**$671,960**
Sales Commission / Bonus	$271,336	$431,946	$532,789	$788,865	$907,195	**$2,932,131**
Professional Fees	$187,000	$38,000	$42,000	$54,000	$62,100	**$383,100**
Product Insurance	$108,534	$172,778	$213,116	$315,546	$362,878	**$1,172,852**
Warranty	$27,134	$43,195	$53,279	$78,887	$90,720	**$293,215**
Occupancy Expenses	$74,400	$130,000	$135,000	$140,000	$161,000	**$640,400**
Engineering	$68,566	$52,400	$98,754	$106,889	$122,922	**$449,531**
Research Projects	$86,000	$140,000	$60,000	$60,000	$80,000	**$426,000**
Livestock Feeds	$26,250	$32,900	$43,400	$74,900	$95,900	**$273,350**
Travel	$84,000	$95,000	$156,000	$252,000	$289,800	**$876,800**
Shop Supplies	$24,154	$35,642	$46,699	$57,788	$66,456	**$230,739**
Office Supplies	$21,641	$33,210	$38,411	$42,260	$48,599	**$184,121**
Business Insurance	$38,514	$42,260	$51,505	$72,583	$83,470	**$288,332**
Leases	$18,000	$64,000	$68,000	$94,000	$108,100	**$352,100**
Research & Development	$265,247	$75,000	$62,500	$102,000	$117,300	**$622,047**
Contingency	$50,000	$60,000	$75,000	$100,000	$150,000	**$435,000**
TOTAL EXPENSES	**$2,810,564**	**$3,447,342**	**$4,285,984**	**$5,370,410**	**$6,231,435**	**$22,145,735**
NET INCOME	**$877,867**	**$4,007,968**	**$3,799,959**	**$5,425,398**	**$6,946,067**	**$21,057,259**

The discussion and analysis of our financial projections are based on estimates and assumptions we have made. We base our estimates on historical factors and on other factors and assumptions we believe are reasonable under the circumstances, including judgments about assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Marketing

HydroGreen will use the following marketing tactics to reach its target market of livestock feeders. Commissions or bonuses may be used to incentivize sales by employees.

- Trade shows
- Direct mail
- Website marketing
- News releases to print media
- Farm periodical media advertising

The Company has created a marketing program with five distinct phases. Upon the completion of each phase's goals, the Company will move into the next phase. The phases are:

- Phase I – Initial marketing within 150-mile radius of factory
- Phase II – South Dakota and surrounding states
- Phase III – Distributor Network Establishment
- Phase IV – North America
- Phase V – International

The detail description of each phase and a summary of the goals to be accomplished is shown below.

Phase I Marketing

The first marketing phase will commence within 150 miles of our factory in Sioux Falls. This area will be targeted and sales made with close support from the sales staff and the factory in all aspects of setup, operation, and growing results.

Once a specific set of criteria is met we can then expand beyond this 150-mile radius. The reasons for this limitation are quite obvious. We work all of the bugs out of the new processes and the new equipment while it is all within easy reach of the factory. Learn by doing. Specific goals to proceed to Phase II are:

1. Installation of a minimum of 10 HydroGreen Grow Systems.
2. Daily operation of a minimum of 5 Systems for a minimum of 4 weeks.
3. No operational failures occurring the preceding 4-week period.
4. Customer testimonials with positive feedback from 4 producers.
5. Management consensus that HydroGreen has the right equipment, marketing, sales staff, installation staff and support staff to successfully handle a larger territory.

Phase II Marketing

The second phase of the product roll out will cover an area of 7 states. This are will cover Montana, Wyoming, Nebraska, Iowa, Minnesota, North Dakota, and South Dakota. During Phase II the training of sales and support staff along with supporting a larger marketing area will be extremely important. Specific Goals to proceed to Phase III are:

1. Sales of 20 HydroGreen Grow Systems.
2. Installation of 12 HydroGreen Grow Systems.
3. Daily operation of a minimum of 10 systems for a minimum of 4 weeks.
4. No operational failures lasting more than 1 day occurring in the preceding 4-week period.
5. Customer testimonials with positive feedback from 10 producers.
6. Establishment of a distributor program and support structure.
7. Management consensus that HydroGreen has the right equipment, marketing, sales staff, installation staff and support staff to successful handle a larger territory.

Phase III Marketing

This phase of the marketing changes the focus from direct producer sales to the establishment of an exclusive distributor network outside of the Phase II Marketing territory. Goals to move into the next phase include:

1. Ability to find, train and support a distributor network.
2. Successful implementation of a distributor organization.
3. Ability to deliver quality equipment and support through a distributor network.
4. Implement and manage programs to insure customer satisfaction.
5. Necessary regulatory approvals for movement into Canada and Mexico.
6. Management consensus that HydroGreen has the appropriate manufacturing, equipment, marketing, sales staff, installation staff and support staff to successfully handle distributorships in a larger territory.

Phase IV Marketing

Starting with the United States and expanding into Canada and Mexico this phase of the marketing will start the change in focus to include international markets.

1. Ability to support a large distributor network.
2. Technology and management in place for a global manufacturing, sales, and support staff.
3. Necessary regulatory approvals for entry into global markets.
4. Implementation of appropriate patent protections.

Phase V Marketing

Conquer the World. The main goal of HydroGreen Global Technologies is to assist in the delivery of healthy food to the inhabitants of the entire globe. And, we may not want to stop on just the Earth.

Marketing Methodology

The first marketing message will be a direct mail piece. This marketing message will focus on the innovations that now reduce operation costs through automation and the overall cost savings of implementing a HydroGreen solution. Demonstration of the automation and revolutionary process will be the central theme for this target market group.

The next marketing message will be developed providing education on the benefits of hydroponic growth feed versus traditional methods of feed growth. This message will include information on the increased livestock health benefits and the availability of live green feed year-round. This message will be focused more on education of the product's benefits, ensuring that the buying decision is easily cost justifiable. This message will also contain the innovations only available with the HydroGreen solutions.

Support from South Dakota State University and the South Dakota Department of Agriculture have been provided to HydroGreen. This support includes research on the benefits of hydroponic feed solutions, and the returns on using hydroponic feed. These studies will be used to prove on a local basis what livestock producers' hands-on experience has already proved by using competitive hydroponic feed growing systems.

Positioning

HydroGreen will improve the overall livestock production process.

For ranchers, farmers and hobbyist who are looking for a better, healthier, and cost effective source of feed for their cattle, horses, goats, and other livestock.

For those who make decisions that impact the success of their operations or the health of their animals, HydroGreen delivers the equipment that will define the future of livestock feed. Unlike all competitive systems on the market, HydroGreen has features that enables all livestock feeders, from novice to expert, to make smart decisions easily and confidently.

We will position HydroGreen in a completely different light than the competition. We have equipment that makes the livestock producers' life easier, more secure, and most importantly puts more money in their pockets. We are not the same as the competition and we will take advantage of that fact.

Pricing

The design and simplicity of the system have resulted in a product that could have a price point less than most competition while maintaining higher margins than the competitor's system. But we have determined that we will initially price the systems higher than competitive systems to represent the higher quality and reduced operation costs that are part of the HydroGreen systems. These higher margins will also allow HydroGreen to deliver unsurpassed customer service to enhance an already superior product.

Promotion

Promotion for HydroGreen equipment will be spearheaded by news releases and public relations backed up by a comprehensive web presence. Along with this inexpensive advertising we will start a direct mail campaign that will target the potential customer of the systems. The next step will be magazine advertising which will bring more and more brand awareness to HydroGreen.

We will commence advertising in local farm periodicals followed by national publications. Marketing programs will focus on news articles explaining the future of livestock feed and how HydroGreen is to livestock feed what Kleenex is to tissue.

Competitive Edge

HydroGreen Global Technologies has many competitive advantages in the patent pending equipment and process for growing hydroponic feed for livestock producers over the competition. In fact, a case could be made that we don't have any competition.

Although there are a few other manufacturers of systems that grow livestock feed, those systems are resource intensive to manage and require labor throughout each step of the growth process. Those systems require at a minimum one-man hour per ton of feed being produced. In comparison, a HydroGreen system can deliver that same ton of feed in just a couple of minutes. And, with almost no manual labor other than pushing a button.

Typically, what would be known as a competitive system would be growing "fodder" in plastic trays which would have to be manually seeded, harvested, cleaned, and seeded again. Growing this fodder is labor intensive and time consuming. Just the opposite of growing "hydroponic feed" on a HydroGreen fully automated system.

The fully automated HydroGreen systems allow for future growth potential in self-sustaining, self-contained systems, providing unique alternatives to humanitarian and livestock growth.

Sales Plan

The first systems that will be sold by HydroGreen will be sold, installed, and supported by our employed commissioned sales force. Our sales force will sell the systems directly to the livestock producers.

As the company grows we will establish a distributor network and the staff to support that network. We will continue our expansion efforts with these exclusive distributors to increase our market size by performing the sales and support functions outside of our established sales territories.

Sales Activities

Growing Systems for larger producers will require direct sales contact from the sales representative. The representative will do a site inspection, site plan and system sizing plan. These plans will include all aspects of the feeding operation including utility requirements, building size, waste disposal, equipment requirements, consumable needs, startup requirements and cost justifications. Sales representative will become an integral part of the installation and operation of the equipment with a key emphasis placed on follow up.

Federal Income Taxes

Because HydroGreen has not received income as of November 15, 2016, it has not paid income taxes in 2015 and is not expected to file a return in 2016. In addition, there is no history of net income per share.

Liquidity and Capital Resources

The Company's operations have solely been financed through the investment of the founder. The next phase of the operations will be financed through this Offering.

Although the Company has no history of liquidity or capital resources, please see *marketing* section for information on expectations.

FORWARD LOOKING INFORMATION

Certain statements contained herein are forward-looking statements. The forward-looking statements are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, and include estimates and assumptions related to economic, competitive, and legislative developments. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "estimates," "will" or words of similar meaning; and include, but are not limited to, statements regarding the outlook of our business and financial performance. These forward-looking statements are subject to change and uncertainty, which are, in many instances, beyond our control and have been made based upon our expectations and beliefs concerning future developments and their potential effect upon us. There can be no assurance that future developments will be in accordance with our expectations, or that the effect of future developments on us will be as anticipated. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties. There are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. These factors include among others:

- general economic conditions and financial factors, including the performance and fluctuations of fixed income, equity, real estate, credit capital and other financial markets;
- differences between actual experience regarding mortality, morbidity, persistency, surrenders, investment returns, and our pricing assumptions establishing liabilities and reserves or for other purposes;

- the effect of increased claims activity from natural or man-made catastrophes, pandemic disease, or other events resulting in catastrophic loss of life;
- adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including and in connection with our divestiture or winding down of businesses;
- inherent uncertainties in the determination of investment allowances and impairments and in the determination of the valuation allowance on the deferred income tax asset;
- investment losses and defaults;
- competition in our product lines;
- attraction and retention of qualified employees and agents;
- ineffectiveness of risk management policies and procedures in identifying, monitoring, and managing risks;
- interest rate fluctuations;
- domestic or international military actions;
- the effects of extensive government regulation of the agricultural industry;
- changes in tax and securities law;
- changes in statutory or U.S. generally accepted accounting principles ('GAAP"), practices or policies;
- regulatory or legislative changes or developments;
- the effects of unanticipated events on our disaster recovery and business continuity planning;
- failures or limitations of our computer, data security and administration systems;
- risks of employee error or misconduct;
- the availability of capital to expand our business.

It is not our corporate policy to make specific projections relating to future earnings, and we do not endorse any projections regarding future performance made by others. Additionally, we do not publicly update or revise forward-looking statements based on the outcome of various foreseeable or unforeseeable developments.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have had no disagreements with our accountants on accounting or financial disclosure issues.

DIRECTORS AND EXECUTIVE OFFICERS

The following sets forth information concerning each executive officer and director as of the date of this Confidential Offering Memorandum. The Board of Directors is comprised of only one class. Our directors will serve until the next annual meeting of shareholders and until their successors are elected and qualified, or until their earlier death, retirement, resignation, or removal. The following also includes a brief description of our executive officers and directors' business experience.

Dihl Grohs, CEO, serves on HydroGreen's executive team and provides organizational leadership, company direction and strategies, aligning resources and structures and communicating the direction of the Company. Dihl also serves on the board of directors.

Craig Livingston, President, serves on HydroGreen's executive team, provides organizational leadership, company direction and strategies, aligning resources and structures and communicating the direction of the Company. Craig also serves on the board of directors.

Ryan Joens, Vice President of Operations, manages activities related to design, production, and management.

Wayne Grohs, serves as a member of the board of directors.

There is a family relationship between one director and one officer.

Compensation of officers and directors is determined by the CEO. The Board of Directors nominates members of the Board, which are then submitted to the shareholders for confirmation.

The Company's Board of Directors consists of three members, two of whom are executive officers and employees. One Director is not an officer or director of the Company. The Company has established an Advisory Committee of independent professionals to advise the Board on various matters at the request of the Board. This Advisory Committee is uncompensated. The Company may in the future adjust the structure or existence of the Advisory Committee.

BOARD LEADERSHIP STRUCTURE AND ROLE IN RISK MANAGEMENT

Shareholders elect the Board of Directors to oversee operations and management and serve the far-reaching interests of the shareholders. The Board considers the interests of shareholders as well as customers, employees, and community. The Board meets regularly throughout the year to discuss management decision and oversight of Company performance. The Board also oversees business strategies and major corporate activities, evaluating and mitigating risks, determining compensation of CEO and succession planning, advice to CEO, oversight, development, evaluation, and compensation of senior management, and installation of processes for company financial reporting.

DIRECTOR COMPENSATION

Directors who are not employees of the Company will receive an annual retainer of $1,000 plus $100 for expenses for each Board of Directors meeting they attend. The Company may adjust the Board compensation on an ongoing basis.

OTHER COMPENSATION

The CEO establishes the compensation structure for executives and employees. The CEO's goal is to attract and retain excellent executives and employees, who feel rewarded for excellence. Compensation consists of base salary, commission, bonuses, 401(k) plan, and health and dental insurance plans. Compensation considers the Company's financial capability, as well as what is required to attract and retain excellent employees and management.

No executive officers were paid compensation above $100,000 for the year 2016. The Company plans to compensate the CEO a salary of $150,000 and the President a salary of $90,000 in 2017, depending on Company financials. The Company may in the future adjust compensation levels. Dihl Grohs was owed deferred compensation for services during the period 2012 through September of 2016 in the amount of $725,000, which has been paid out in stock ownership.

SECURITY OWNERSHIP

As of the Record Date, Dihl Grohs owns all outstanding shares (750,000 shares) issued prior to the Offering.

DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, the Company has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to certain reporting requirements. You can request copies of all public reports from Dihl Grohs and via the EDGAR database, www.sec.gov. Such documents and Company's website are not part of this Confidential Offering Memorandum.