Shee Atiká

Annual Report 2022

Keepers of the Torch

Introduced in October 2022, the new Shee Atiká logo represents a torch and a flame. This torch has been passed on from generation to generation since time immemorial. The flame is our culture, songs, stories, dances, languages, and art forms.

As each new generation is handed the torch, we stoke the flame and nurture all that it represents. We honor, thank, and acknowledge the culture bearers who stoked this flame before us. Today, we nurture this flame so we may one day hand it off, bigger and brighter to future generations.

TABLE OF CONTENTS

Board of Directors


Rob Allen
Chairman


Roxanne Drake-Burkhart
Vice-Chair


Norma J. Perkins
Secretary


Alysha Guthrie
Treasurer


James Craig
Board Member


Lowell Frank
Board Member


Larry Garrity
Board Member


Steve Karpstein
Board Member


Ken Truitt
Board Member

Staff


Tim Castro
President & Chief Executive Officer


Ptarmica Garnick
Chief Financial Officer


Colleen Bryan
Communications & Marketing Director


Faleene Worrell
Corporate Compliance Manager


Kori Lindstrom
Shareholder Relations Manager


Lauren Estes
Payroll & Benefits Manager


Kevin Mosher
Accountant


Carmill Goldsberry
Accountant


Megan Roderick
Accounting Technician


Heleena van Veen
Accounting Technician


Tracy Orona
Janitorial & Clerical

Corporate Office

315 Lincoln Street, Suite 300
Sitka, Alaska 99835
(907) 747-3534
(800) 478-3534 *(shareholder line)*

Independent Auditors

BDO USA, LLP
601 Union Street, Ste. 2300
Seattle, WA 98101

Corporate Counsel

Sorensen & Edwards, P.S.
701 Fifth Avenue, Suite 3300
Seattle, WA 98104

Stock Transfers

Shee Atiká, Incorporated
Attn: Stock Transfers

Senior Subsidiary Management

Tim Castro
President & CEO, *Shee Atiká, Inc.*
President, *Shee Atiká Government Services, LLC*

Mo Evans
President, *American Technical Solutions, LLC*
President, *Lakota Solutions, LLC*

Michael Schovel
President, *Shee Atiká Enterprises, LLC*

Christopher Turnham
President, *Alaska Northstar Resources, LLC*

Letter from the Board Chair

Dear Shee Atiká shareholders,

Welcome to the annual report for Shee Atiká, Inc., and its subsidiaries for 2022. Your company is sound and grew in most aspects over the past year, notwithstanding a leadership change and a few rough spots.

It is my pleasure to introduce you to Tim Castro, our new President & Chief Executive Officer. Tim joined our family of companies in 2019 as President of Shee Atiká Government Services, LLC, which is a holding company for our government contracting subsidiaries. Tim has been the driving force of the growth and profitability of our subsidiaries, and the board is grateful to him for stepping into his new role as CEO.

Last year, we introduced a committee structure to the board with a Finance and Audit Committee, Partnership Committee (with a focus on governance), and a Shareholder Relations Committee. I am pleased to report that board engagement has increased dramatically. The board and staff are working together to implement our updated strategic plan. Watch for opportunities in the newsletter to join the Shareholder Relations Committee.

Throughout this report you will find information on our profitability. Tim's letter provides an overview of our subsidiaries, which delivered excellent results in 2022. Our property leasing also continues to generate profits. Our investment accounts suffered due to negative trends in the economy and stock and bond markets last year. Our investment policy is designed for the long term with such down years expected. We are confident in the long-term growth potential for our investments.

Our board and its Shareholder Relations Committee are focused on using our profits to increase benefits in a meaningful way for every shareholder, regardless of the number of shares they own. In 2022, we awarded 118 scholarships totaling approximately $148,000. Annual academic scholarship award amounts increased by 25%, short-term scholarships by 4%, and youth scholarships by 67%. We have also increased our funeral benefit amount by 37% from $875 to $1,200.

Shee Atiká made significant progress on our communication plan in 2022. The redesigned website and the addition of the shareholder portal *MySheeAtiká* were key accomplishments to increase communication between staff, board, and shareholders. We also have a more consistent schedule for the newsletter. Shareholder information meetings are on the schedule in the fall in Sitka, Juneau, Anchorage, and Seattle. Our annual meeting will be held in person on May 20th in Sitka and streamed on the web.

It continues to be an honor and a privilege to serve on the board of Shee Atiká. I am proud to be part of this growing and expanding corporation. We are a dynamic organization that invests its resources strategically. You have a strong board and staff guiding its growth and capably handling the inevitable challenges of business.

On behalf of the entire board and staff of Shee Atiká, thank you for your support. We look forward to seeing you at the annual meeting in person or hope you will join us online.

Sincerely,

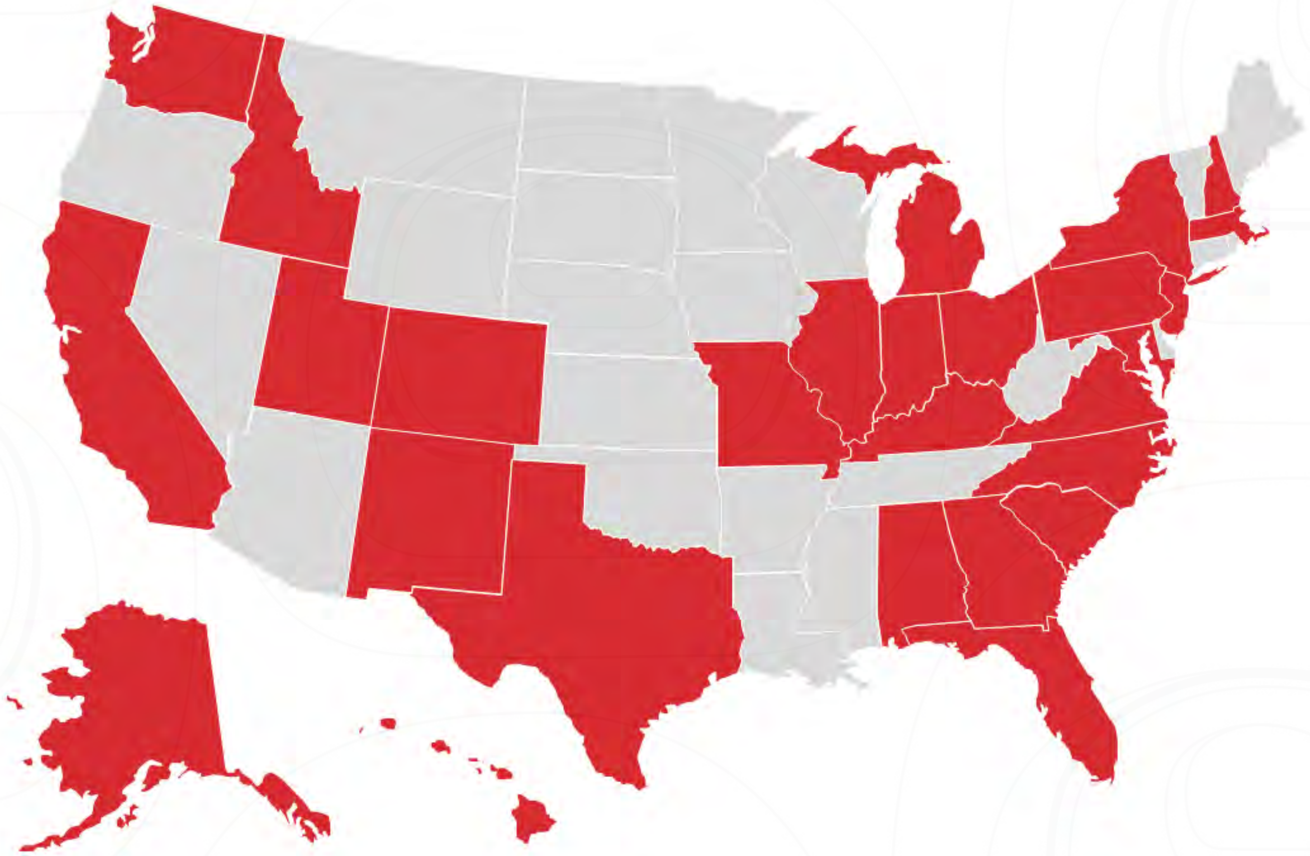
Rob Allen
Board Chair, **Shee Atiká**

Shee Atiká Employees Nationwide

284 EMPLOYEES

27 STATES

as of publication



Letter from the President & CEO

Dear Shee Atiká shareholders,

It's often said that change is the only constant in life. How Shee Atiká adapted to changes in 2022 has only made us a stronger team with a renewed commitment to our mission, vision, and values. Across the Shee Atiká family of companies, we are setting the stage for a new era of growth and stability. As CEO, it's my priority to ensure that our companies are successful in order to provide meaningful benefits and opportunities to our shareholders. I'm excited to share some of our highlights from 2022:

Commitment to improving shareholder communication

- **New Branding** Redesigned logo and branding to better share the story of Shee Atiká's people.
- **New Website** Improved communication with shareholders and the public.
- **New Shareholder Portal (*MySheeAtiká*)** Improved access to shareholder services and resources.

Winning big for our shareholders and our customers

- **Shee Atiká Government Services (SGS)** Continues building out our shared services model that supports our rapidly growing businesses in government contracting. Together with Balanced Accounting Solutions (BAS), SGS now offers full-service accounting, human resource management, clearance support, recruiting, business development/marketing, and IT support services to our subsidiaries. This talented team supports nearly 300 employees across 27 states.
- **Alaska Northstar Resources (ANR)** With a team of over 100 employees and 23% growth since last year, ANR is expanding its foothold in the IT industry. With impressive performance on 18 prime contracts and task orders, ANR proudly supports projects for the U.S. Air Force, U.S. Army, and the Defense Information Security Agency (DISA).
- **Lakota Solutions** Performing well in the air, ground, and vehicle maintenance industry as well as industrial mechanical work, Lakota performs on over 22 contracts and task orders, primarily with the U.S. military. Lakota has grown by 22% from the prior year and has 138 employees.
- **Shee Atiká Enterprises (SAE)** One of most exciting opportunities we are pursuing is a potential $16 million award to perform a precision nutrition medical study for the Department of Defense.
- **American Technical Solutions (AMTS)** Expanding its scope into fabrication and manufacturing, AMTS has entered into a strategic partnership with a Texas-based entity that allows us to execute government contracts without incurring expensive start-up capital costs.
- **Growth & Graduation** Plans to start up three additional subsidiaries in 2023 as two subsidiaries are set to graduate from the 8(a) program in 2025.

Property and project advancement

- **Rental Properties** Sitka properties are currently leased at 90% occupancy and our Colorado Springs Property (owned by SAFE) is fully rented by MITRE, all of which are performing well.
- **Katlian Bay Road Development** Progress continues on this road being built by the State of Alaska, albeit delayed due to a need for additional rock materials. Activities in 2023 will focus on completing segments along U.S. Forest Service lands and three major bridges and roads are expected to be completed in 2024.
- **Harbor Point** A project in collaboration with the City of Sitka to construct an exciting adventure park that encourages local tourism. Despite construction delays, we anticipate project completion in 2023 with plans to be fully operational by Spring 2024.

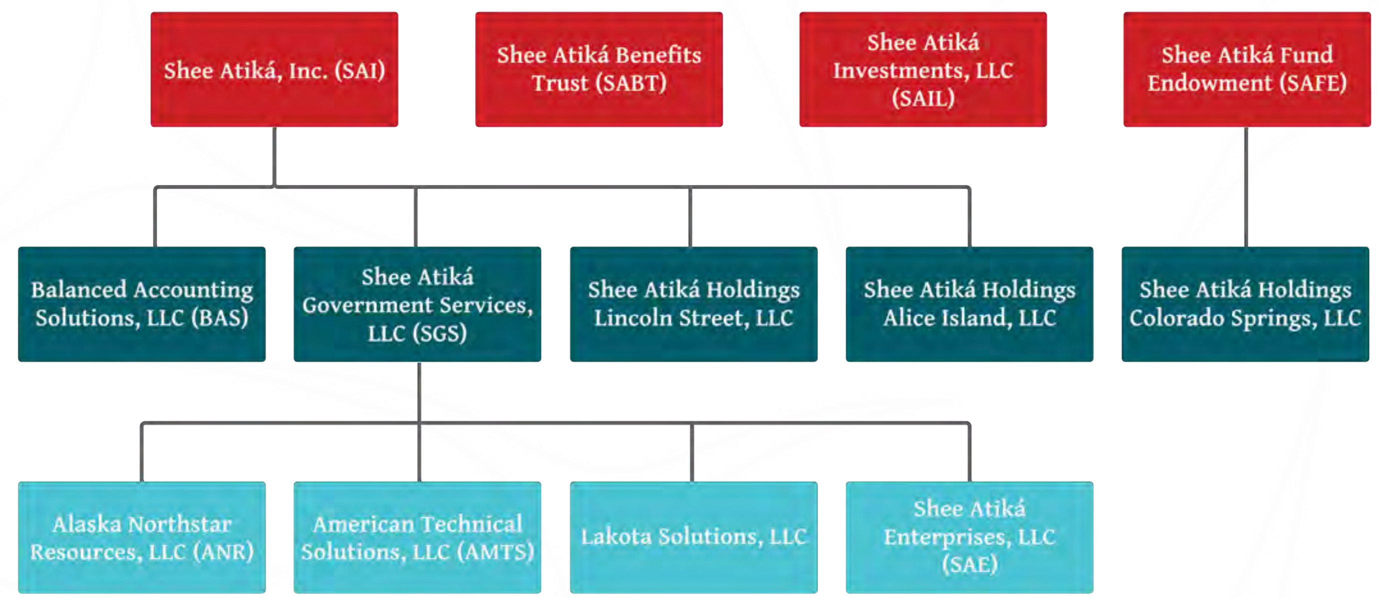
It's an honor to serve Shee Atiká shareholders in this new capacity as CEO and I sincerely appreciate your trust to ensure the corporation's future value for generations to come.

Thank you,

Tim Castro
President & CEO, **Shee Atiká**

Shee Atiká Family of Companies

Shee Atiká has a portfolio of subsidiary companies that provide services and solutions in health technology, information technology, logistics and supply chain management, construction, science, technical and engineering services, real estate management and accounting services.



Board of Directors and Shareholders
Shee Atiká, Incorporated
Sitka, Alaska

OPINION

We have audited the consolidated financial statements of Shee Atiká, Incorporated and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

March 29, 2023

Consolidated Balance Sheets

December 31,	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	6,031,709	6,102,387
Investments	2,309,505	3,552,971
Accounts receivable	8,306,000	5,475,254
Prepaid expenses and other	444,089	214,242
Total Current Assets	17,091,303	15,344,854
Leased commercial properties, net	5,683,286	3,598,510
Property and equipment, net	438,721	447,100
Operating lease right-of-use asset	936,767	-
Katlian Bay Land	810,000	810,000
Goodwill	4,894,810	5,166,154
Deferred tax asset	550,000	695,000
Total Assets	30,404,887	26,061,618
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued expenses	5,036,288	2,277,420
Income taxes payable	19,276	-
Line of credit	992,875	500,000
Current portion of long-term debt	582,227	579,308
Operating lease liability, current portion	41,182	-
Deferred revenue	355,227	30,814
Total Current Liabilities	7,027,075	3,387,542
Long-term debt, less current portion	3,423,679	3,773,668
Operating lease liability, noncurrent	895,585	-
Total Liabilities	11,346,339	7,161,210
Shareholders' Equity		
Common stock, no par or stated value, 250,000 shares authorized:		
Class A, voting, 178,340 and 178,933 shares issued and outstanding as of December 31, 2022 and 2021, respectively	-	-
Class B, nonvoting, 6,860 and 6,267 shares issued and outstanding as of December 31, 2022 and 2021, respectively	-	-
Contributed capital	5,647,565	5,647,565
Retained earnings	13,410,983	13,252,843
Total Shareholders' Equity	19,058,548	18,900,408
Total Liabilities and Shareholders' Equity	30,404,887	26,061,618

See accompanying notes to consolidated financial statements.

Consolidated Statements of Operations

Year Ended December 31,	2022	2021
Revenue and Gains		
Contracts	42,491,507	23,603,581
Sales of lots on Alice Island	-	2,277,500
Administrative fees from affiliated entities	435,840	594,868
Rentals from leased commercial properties	373,697	355,076
Investment income (loss)	(233,896)	245,868
Gain on forgiveness of Paycheck Protection Program loans	-	303,953
Other	317,088	367,833
Total Revenue and Gains	43,384,236	27,748,679
Costs and Expenses		
Direct contract expenses	24,602,755	14,545,135
General and administrative	16,501,350	9,201,081
Costs of Alice Island lots and direct selling costs	-	1,300,056
Scholarship and funeral benefit payments	180,164	258,372
Depreciation and amortization	808,651	276,600
Leased commercial properties	127,734	183,210
Other	412,481	427,235
Interest	319,264	42,099
Contributions	39,700	16,750
Total Costs and Expenses	42,992,099	26,250,538
Income before Income Tax Expense	392,137	1,498,141
Income Tax Expense	(233,997)	(206,404)
Net Income	158,140	1,291,737

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Equity

	Shee Atiká, Incorporated Shareholders' Equity						
	Shares of Common Stock						
	Class A	Class B	Contributed Capital	Retained Earnings	Total	Non-controlling Interest	Total Equity
Balances, Dec. 31, 2020	179,124	6,076	5,956,000	11,991,106	17,947,106	34,565	17,981,671
Class transfer due to change in ownership	(191)	191	-	-	-	-	-
Cash paid for acquisition of noncontrolling interest in subsidiaries	-	-	(308,435)	-	(308,435)	(34,565)	(343,000)
Distribution to SABT	-	-	-	(30,000)	(30,000)	-	(30,000)
Net income for the year	-	-	-	1,291,737	1,291,737	-	1,291,737
Balances, Dec. 31, 2021	178,933	6,267	5,647,565	13,252,843	18,900,408	-	18,900,408
Class transfer due to change in ownership	(593)	593	-	-	-	-	-
Net income for the year	-	-	-	158,140	158,140	-	158,140
Balances, Dec. 31, 2022	178,340	6,860	5,647,565	13,410,983	19,058,548	-	19,058,548

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Year Ended December 31,	2022	2021
Cash Flows from Operating Activities		
Cash received from		
Contracts	39,985,174	22,680,165
Sales of developed lots	-	2,277,500
Administrative and other fees from affiliated entities	435,840	594,868
Rentals from leased commercial properties	373,697	355,076
Investment income and other	359,124	492,500
Cash paid to/for		
Contractors and suppliers	(12,732,734)	(13,710,197)
Salaries, including related taxes and benefits	(26,407,018)	(11,143,150)
Scholarship and funeral benefit payments	(180,164)	(258,372)
Income taxes paid	(69,721)	(2,404)
Interest	(312,430)	(42,099)
Net Cash Flows from Operating Activities	1,451,768	1,243,887
Cash Flows for Investing Activities		
Purchases of property and equipment	(2,390,517)	(167,707)
Acquisition of noncontrolling interest in subsidiaries	-	(343,000)
Proceeds from sales of investments	1,604,940	1,781,066
Cash paid for acquisition, net of cash acquired	-	(4,086,174)
Purchases of investments	(637,406)	(1,684,051)
Net Cash Flows for Investing Activities	(1,422,983)	(4,499,866)
Cash Flows from (for) Financing Activities		
Proceeds from issuance of debt	-	2,100,000
Net proceeds from line of credit	492,875	500,000
Principal repayments on long-term debt	(592,338)	(540,059)
Distribution to SABT	-	(30,000)
Net Cash Flows from (for) Financing Activities	(99,463)	2,029,941
Net Change in Cash and Cash Equivalents	(70,678)	(1,226,038)
Cash and Cash Equivalents, beginning of year	6,102,387	7,328,425
Cash and Cash Equivalents, end of year	6,031,709	6,102,387
Noncash Investing and Financing Activity		
Issuance of notes payable as partial consideration for acquisition	245,268	2,231,454

Consolidated Statements of Cash Flows

Year Ended December 31,	2022	2021
Reconciliation of Net Income to Net Cash Flows from Operating Activities		
Net income	158,140	1,291,737
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	808,651	276,600
Cost of developed lots sold	-	1,260,653
Unrealized and realized (gains) losses on investments	275,932	(123,626)
Gain on forgiveness of Paycheck Protection Program loans	-	(301,528)
Loss on disposal of property and equipment	22,081	-
Deferred income tax expense	145,000	204,000
Changes in operating assets and liabilities		
Income tax receivable/payable	19,276	-
Accounts receivable	(2,830,746)	(403,085)
Prepaid expenses and other assets	(229,847)	(62,709)
Accounts payable, accrued expenses, and deferred revenue	3,083,281	(898,155)
Net Cash Flows from Operating Activities	1,451,768	1,243,887

See accompanying notes to consolidated financial statements.

1. Organization and Significant Accounting Policies

ORGANIZATION

Shee Atiká, Incorporated (Shee Atiká) is an urban corporation organized pursuant to the Alaska Native Claims Settlement Act (ANCSA). ANCSA also created regional corporations that represent geographic areas. Shee Atiká is located in the Sealaska Corporation region. Pursuant to ANCSA, Shee Atiká received the surface estate of approximately 23,000 acres of property located on Admiralty Island (Cube Cove), 3,000 acres at Katlian Bay, and 30 acres on Alice and Charcoal Islands located near Sitka, Alaska, as well as $250,000 in cash. The subsurface estate in this land was conveyed to Sealaska Corporation under ANCSA.

Pursuant to ANCSA, 100 shares of Shee Atiká's voting common stock were issued to each Native person enrolled. Nonvoting common stock is issued to any person who acquires Shee Atiká's stock and is not a "Native" or "Descendant of a Native" within the meaning of ANCSA. Shee Atiká has 3,354 shareholders as of December 31, 2022.

Shee Atiká owns Alice Island, which has been divided into various lots. Shee Atiká sold nine lots in 2021 (none sold in 2022). In addition, Shee Atiká leases commercial properties that it owns, which are located in Sitka, Alaska.

Shee Atiká (through its subsidiaries, Alaska Northstar Resources LLC (ANR), Shee Atiká Enterprises LLC (SAE), and Lakota Solutions LLC (Lakota)) provides contract services to the United States government under the U.S. Small Business Administration's 8(a) Business Development Program (Section 8(a)). ANR, SAE, and Lakota are certified under the Section 8(a) program, and this certification gives them preference in obtaining contracts with the United States government.

The sale of developed lots is subject to geographic risks (all are located in Sitka). Commercial leasing operations are also subject to geographic risks (all activities are also in Sitka) as well as the financial viability of the lessees. Shee Atiká's service contract activities are subject to competitive factors, program continuation, and appropriate contract management.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of Shee Atiká and its wholly owned and majority owned subsidiaries. All the subsidiaries are organized as limited liability companies (the LLCs). All material transactions between these entities have been eliminated in consolidation. The LLCs limit Shee Atiká's financial exposure to the amount of Shee Atiká's investment in them. Shee Atiká's various subsidiaries are summarized as follows:

- **Alaska Northstar Resources LLC (ANR)** is wholly owned with an indefinite life. ANR was formed in 2017 for the purpose of providing information technology services to the United States government (primarily the United States Air Force). As previously noted, ANR holds certification under the Section 8(a) program, and this certification gives it preference in obtaining contracts with the United States government.
- **Shee Atiká Government Services LLC (SGS)** was formed in 2021 and is wholly owned with an indefinite life. SGS was formed to oversee the government contracting entities of Shee Atiká.SGS has ownership of ANR, AMTS, SAE, and Lakota at December 31, 2022.
- **Lakota Solutions LLC (Lakota)** was acquired in December 2021 and is wholly owned with an indefinite life. Lakota provides support services under contracts primarily to the United States government.
- **Balanced Accounting Solutions LLC (BAS)** has an indefinite life and is wholly owned effective January 1, 2021. Prior to January 1, 2021, BAS was majority owned (51% interest). Effective January 1, 2021, Shee Atiká acquired the remaining 49% ownership interest in BAS from the minority owner for cash of $49,000. The minority owner was a related party, Shee Atiká Fund Endowment (SAFE). BAS currently provides accounting services for Shee Atiká and all of its subsidiaries as well as for Shee Atiká Investments, LLC (SAIL), SAFE, and Shee Atiká Benefits Trust (SABT).
- **Shee Atiká Holdings Alice Island LLC (Alice Island)** is wholly owned with a termination date of 2027. Alice Island owns and leases real property in Sitka, Alaska.
- **Shee Atiká Holdings Lincoln Street LLC (Lincoln Street)** is wholly owned with an indefinite life. Lincoln Street owns and leases real property in Sitka, Alaska.
- **American Marine and Technical Services LLC (AMTS)** has an indefinite life and is wholly owned effective January 1, 2021. Prior to January 1, 2021, AMTS was majority owned (51% interest). Effective January 1, 2021, Shee Atiká acquired the remaining 49% ownership interest in AMTS from the minority owners for cash of $147,000. The minority owners were SAFE, who held a 39% interest, and an unrelated entity that held a 10% interest. AMTS holds certification under Section 8(a). AMTS was formed in 2017 for the purpose of partnering with the original 10% owner to provide contract services in the future.
- **Shee Atiká Enterprises LLC (SAE)** has an indefinite life and is wholly owned effective January 1, 2021. Prior to January 1, 2021, SAE was majority owned (51% interest). Effective January 1, 2021, Shee Atiká acquired

the remaining 49% ownership interest in SAE from the minority owner for cash of $147,000. The minority owner was a related party, Shee Atiká Fund Endowment (SAFE). As previously noted, SAE holds certification under Section 8(a). During 2020, SAE entered into a contract with the National Institute of Health to provide contract services and develop digital health solutions to address the COVID-19 pandemic and enable new research into using digital health technologies to advance the public health response.

- INDHA Health Solutions LLC (INDHA) was wholly owned with an indefinite life and was dissolved in 2022. It did not have any significant operations during 2022 or 2021.

USE OF ESTIMATES
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS
Shee Atiká considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Shee Atiká has cash and cash equivalent balances in excess of federally insured limits. Shee Atiká believes it is not exposed to any significant credit risk on cash.

FAIR VALUE MEASUREMENTS
Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

An asset's or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. As noted below, investments are stated at fair value in these financial statements.

INVESTMENTS
Shee Atiká's investments consist of mutual funds, exchange traded funds, and common stock and are stated at fair value using Level 1 inputs within the fair value hierarchy, consisting of quoted prices in active markets for identical assets. The fair value of mutual funds is based on the daily closing price as reported by the funds. Mutual funds held by Shee Atiká are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by Shee Atiká are deemed to be actively traded. The investment securities held are traded on various U.S. exchanges and are therefore subject to the market volatility in those exchanges.

Cost is based on the specific identification method for individual securities or average cost method to determine realized gains or losses. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis.

LEASED COMMERCIAL PROPERTIES/PROPERTY AND EQUIPMENT/KATLIAN BAY LAND
The estimated value of the land, including structures, along with cash received under ANCSA was recorded as contributed capital. The surface resources associated with ANCSA land were not recorded based on uncertainties associated with the valuation of these resources. Other land, buildings, and equipment (including leased commercial properties) are stated at cost.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from three to seven years.

GOODWILL
The excess of the purchase price over the fair value of intangible assets and tangible assets acquired less liabilities assumed in a business combination is allocated to goodwill. Shee Atiká has adopted the accounting alternative provisions under accounting principles generally accepted in the United States of America relating to the subsequent measurement of goodwill. Under the alternative provisions, goodwill is amortized on a straight-line basis over the shorter of the estimated useful life or 10 years. Goodwill arose from the acquisition of Lakota in December 2021 discussed in Note 13. Shee Atiká amortizes the goodwill on a straight-line basis over 10 years. Amortization expense was $516,612 for the year ended December 31, 2022 (none in 2021). Future estimated amortization expense of goodwill is expected to be approximately $545,000 for each of the next nine years.

Goodwill is analyzed for impairment upon the occurrence of events or circumstances indicating that the fair value of the entity may be below its carrying amount. Impairment losses, if any, are recorded in the consolidated statements of operations as part of income from operations. There have been no impairment losses on goodwill to date.

REVENUE RECOGNITION
Shee Atiká generates revenue primarily from contract fees for services with government agencies, sale of lots on Alice island, administrative fees from affiliates, and leasing of commercial properties.

Shee Atiká sells lots on Alice Island and each lot is sold individually. The sale of a lot is considered one performance obligation and the sales price of each lot is individually negotiated. Revenue is recognized at time of the sale closing, adequate funding has been received, and title has passed to the purchaser. In essence, when the control has passed to the buyer. Shee Atiká does not finance the lot sales and does not have any material expenses to obtain the contract other than standard real estate closing costs, and these costs are expensed as incurred.

Administrative fees from affiliates are charges associated with the time that management spends to run the affiliated entity operations. Revenue is recognized on a monthly basis based on time incurred in which the fees are recognized using the input method. Fees are based on budgeted time allocations reviewed for reasonableness on a regular basis. Price charged is based on the actual salaries of employees and overhead expenses multiplied by time spent on the affiliate.

As previously mentioned, ANR provides IT services to the U.S. government (primarily the United States Air Force). Contracts consist of various contract line items (referred to as CLINs) and each CLIN has its own fixed price (except for the CLINs for travel and materials, which are based on costs incurred plus a fee). Each CLIN typically lasts three or four months and involves ANR staff working on-site over the three or four-month CLIN term. Costs are incurred relatively evenly over the term of the CLIN, so revenue is recognized ratably over the CLIN term (and revenue is recognized over time as the services are rendered using the input method). Revenue at SAE and Lakota is recognized in a manner similar to ANR.

Accounts receivable are stated at their outstanding balances based on invoiced amounts and includes $8,286,721 and $5,541,255 for amounts due under contracts as of December 31, 2022 and 2021, respectively. Management reviews the collectability of accounts receivable on a periodic basis and determines the appropriate amount of an allowance. Shee Atiká charges off receivables to an allowance when management determines that a receivable is not collectible. Payment terms may vary by customer, and Shee Atiká does not require collateral for any of its receivables. Based on its assessment of the current status of individual accounts (receivables are primarily due from the United States Government), Shee Atiká believes it is probable that all amounts recorded as of December 31, 2022 and 2021, will be collected, so it has not recorded an allowance for any uncollectible receivable balances.

Deferred revenue includes $118,845 for amounts received under contracts which have been paid in advance of performance of a CLIN and are contract liabilities as of December 31, 2022 (none as of December 31, 2021).

Change orders related to contracts can occur and are treated as a contract modification (as opposed to a separate contract) as the change order is inherent to the original contract (and the change order does not result in additional distinct services promised to the customer but are part of the existing performance obligation). Change orders are not recognized until approved by all parties. There is no significant variable consideration.

For the years ended December 31, 2022 and 2021, contracts with the U.S. government represent substantially all of the contract revenue. As of December 31, 2022 and 2021, amounts due under contracts with the U.S. government represent substantially all of accounts receivable.

Revenue is disaggregated between revenue recognized when the performance obligation is satisfied over time (contract revenue and administrative fees) and revenue where the performance obligation is satisfied at a point in time (Alice Island lot sales), and is broken out on the face of the consolidated statements of operations.

Revenue from rentals of leased commercial properties is recognized ratably over the life of the lease. Lease payments received in advance of the period to which they relate are deferred.

INCOME TAXES
Shee Atiká accounts for income taxes under an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in Shee Atiká's consolidated financial statements or income tax returns. In estimating future tax consequences, Shee Atiká generally considers all expected future events other than enactments of changes in income tax laws or rates.

Shee Atiká reports a liability, if any, for unrecognized tax benefits resulting from uncertain income tax positions taken or expected to be taken in an income tax return. Estimated interest and penalties, if any, are recorded as a component of interest expense and other expense, respectively. No liability has been recorded for uncertain tax positions or related interest or penalties as of December 31, 2022 or 2021.

SCHOLARSHIP AND FUNERAL BENEFIT PAYMENTS
Shee Atiká recognizes benefits paid to shareholders for scholarship and funeral benefits as expenses when a shareholder has applied to receive such benefits and the related benefit application has been approved. Scholarship benefit applications are reviewed and approved by Shee Atiká's scholarship committee while funeral benefit applications are reviewed and approved by management.

LEASES (EFFECTIVE JANUARY 1, 2022) – LESSEE ACCOUNTING
Effective January 1, 2022, Shee Atiká accounts for leases of property and equipment in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 842, Leases (ASC 842).

For leases where Shee Atiká is the lessee, Shee Atiká determines if an arrangement is a lease at inception and then assesses for classification as either an operating or finance lease. Assets and obligations related to operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in the consolidated balance sheet. Assets and obligations related to finance leases are included in property and equipment, net and finance lease liabilities in the consolidated balance sheet. Shee Atiká does not have any leases classified as finance leases.

ROU assets represent Shee Atiká's right to use an underlying asset for the lease term and lease liabilities represent Shee Atiká's obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. Shee Atiká has elected the practical expedient to use a risk-free rate as the discount rate in calculating the present value of the lease payments over the lease term. Certain lease terms may include options to extend or terminate the lease, and these are included in the determination of the operating lease ROU asset and lease liability when it is reasonably certain that Shee Atiká will exercise those options. Lease expense for operating leases is recognized in an amount equal to the lease payments over the lease term.

Shee Atiká's agreements with lease and non-lease components are all accounted for as a single lease component. For leases with an initial term of twelve months or less, Shee Atiká elected the exemption from recording ROU assets and lease liabilities for all leases that qualify, and records rent expense on a straight-line basis over the lease term.

For leases that include variable payments, which may vary based upon changes in facts or circumstances after the start of the lease, Shee Atiká has made an accounting policy election to exclude variable payments from lease ROU assets and lease liabilities to the extent not considered fixed, and instead expenses as incurred. There were no variable lease costs during the year ended December 31, 2022.

LEASES (THROUGH DECEMBER 31, 2021) – LESSEE ACCOUNTING
Prior to January 1, 2022, for operating leases where Shee Atiká was the lessee, rent expense was recognized on a straight-line basis over the term of the lease. Assets and obligations related to capital leases were included in property and equipment, net and finance lease liabilities on the consolidated balance sheet. Shee Atiká did not have any leases classified as capital leases.

ADOPTION OF ASC 842
In February 2016, the FASB issued ASU 2016-02, Leases and subsequent amendments to the initial guidance (collectively, ASC 842). ASC 842 requires lessees to generally recognize on the statement of financial position, operating and finance lease liabilities and corresponding ROU assets for leases. Lessor accounting is largely unchanged under ASC 842. Entities are required to use a modified retrospective approach on adoption, with the option of applying the requirements of the standard either (1) retrospectively to each prior comparative reporting period presented or (2) retrospectively at the beginning of the period of adoption, through a cumulative-effect adjustment to net assets, if any. Shee Atiká adopted the standard on January 1, 2022, using the modified retrospective approach at the beginning of the period of adoption. Consequently, periods before January 1, 2022, will continue to be reported in accordance with the prior accounting guidance in ASC 840. Shee Atiká elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allows Shee Atiká to carry forward the historical lease classification for leases that commenced before January 1, 2022.

The disclosure requirements of ASC 842 are included within Note 8. Adoption of the standard had no impact on the consolidated statements of operations or cash flows. Adoption of ASC 842 resulted in increases in assets and liabilities in Shee Atiká's consolidated balance sheet as follows:

	Balance as of Dec. 31, 2021	Transition Adjustment	Balance as of Jan. 1, 2022
Assets			
Operating lease right-of-use asset	-	978,783	978,783
Liabilities			
Operating lease liability, current portion	-	42,016	42,016
Operating lease liability, noncurrent	-	936,767	936,767

SUBSEQUENT EVENTS
Shee Atiká has evaluated subsequent events through the date these consolidated financial statements were available to be issued, which was March 29, 2023.

2. Investments

Investments are summarized as follows:

December 31,	2022	2021
Fixed income mutual fund	**632,111**	1,754,149
Equity mutual funds	**1,252,716**	1,328,664
Fixed income exchange traded fund	**168,325**	200,449
Equity exchange traded fund	**113,332**	131,272
Common stock	**143,021**	138,437
	2,309,505	3,552,971

3. Leased Commercial Properties

Leased commercial properties consist of properties that are held for lease and consist of the following:

December 31,	2022	2021
Buildings	**6,169,368**	6,168,246
Leasehold improvements	**557,097**	527,905
	6,726,465	6,696,151
Less: Accumulated depreciation and amortization	**(4,030,016)**	(3,770,514)
	2,696,449	2,925,637
Construction in progress	**2,467,004**	153,040
Land and land improvements	**519,833**	519,833
	5,683,286	3,598,510

Depreciation expense for leased commercial properties amounted to $259,502 and $267,926 in 2022 and 2021, respectively.

Construction in progress relates to an adventure park that Shee Atiká is developing in Sitka, Alaska. As of December 31, 2022, Shee Atiká has a contract with a construction contractor for certain of the construction work in the total amount of $369,200.

The commercial buildings are leased under various operating leases expiring in various years through 2026. The approximate minimum future lease payments to be received on noncancelable operating leases are as follows:

Year Ending December 31,	
2023	314,126
2024	225,092
2025	160,087
2026	55,577
	754,882

4. Property and Equipment

Property and equipment consist of the following:

December 31,	2022	2021
Furniture and equipment	638,875	635,344
Other	160,092	160,092
	798,967	795,436
Less: Accumulated depreciation	(716,015)	(704,105)
	82,952	91,331
Land (primarily land at Alice Island)	355,769	355,769
	438,721	447,100

Depreciation expense for property and equipment amounted to $32,537 and $8,674 in 2022 and 2021, respectively.

5. Long-Term Debt

Long-term debt consists of the following:

December 31,	2022	2021
Note payable to a bank in monthly installments of 13,325, including interest at an initial rate of 4.47%, with a final payment due at maturity on September 8, 2031. The interest rate may be changed on September 8, 2026, and every five years thereafter, to a rate equal to the greater of (a) the Federal Home Loan Bank –Boston five-year classic advance index rate on the change date plus 3.6%, or (b) 4.47%. The note is secured by commercial property in Sitka, Alaska.	2,016,586	2,083,430
Note payable to individuals for portion of the purchase price related to acquisition discussed in Note 13. Amount is the working capital note as defined in the Lakota purchase agreement and is determined based on calculation of the working capital of Lakota at the acquisition date. As of December 31, 2022, the remaining balance is payable in four equal annual installments of principal on December 6 each year through maturity on December 6, 2026. The note bears interest at 3% payable annually with each installment payment. As discussed in Note 13 the amount is subject to adjustment.	1,168,859	1,231,454
Note payable to individuals for portion of purchase price related to Lakota acquisition discussed in Note 13. Payable in five equal annual installments of principal on December 6 each year through maturity on December 6, 2026. The note bears interest at 3% payable annually with each installment payment.	800,000	1,000,000
Other debt	20,461	38,092
	4,005,906	4,352,976
Less: Current portion	(582,227)	(579,308)
Total Long-Term Debt	3,423,679	3,773,668

At December 31, 2022, the net carrying value of the commercial property pledged as security for the first note above was $2,472,647.

Principal payments on long-term debt are as follows:

Year Ending December 31,	
2023	582,227
2024	564,754
2025	568,376
2026	573,453
2027	83,793
Thereafter	1,633,303
	4,005,906

PAYCHECK PROTECTION PROGRAM (PPP) LOANS

In response to the COVID-19 outbreak, on March 27, 2020, the "Coronavirus Aid, Relief, and Economic Security (CARES) Act" was signed into law. The CARES Act, among other things, appropriated funds for the SBA Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment. In May 2020, Shee Atiká received two PPP loans in the aggregate amount of $301,528. Under the program, PPP loans are forgivable if the entity receiving the loan complies with the provisions of the SBA PPP and proceeds are spent on qualifying costs during the specified period following the date the loan is issued. The application for these funds required Shee Atiká to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of Shee Atiká. This certification further required Shee Atiká to take into account its current business activity and ability to access other sources of liquidity sufficient to support ongoing operations in a manner that was not significantly detrimental to the business. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on Shee Atiká having initially qualified for the loan and qualifying for the forgiveness of such loan based on its future adherence to the forgiveness criteria.

Shee Atiká applied for forgiveness of the PPP loan and in 2021 received confirmation that forgiveness was granted for the full balance of both PPP loans, including accrued interest of $2,425, by the SBA. Shee Atiká derecognized the liabilities on its consolidated balance sheet related to the PPP loans and recorded gain on debt forgiveness in the amount of $303,953 in the consolidated statement of operations for the year ended December 31, 2021. While Shee Atiká believes the loans were properly obtained and forgiven, there can be no assurance regarding the outcome of an SBA review. Shee Atiká has not accrued any liability associated with the risk of an adverse SBA review.

6. Line of Credit

During 2020, Shee Atiká entered into a revolving line of credit agreement with a bank allowing borrowings up to $2,000,000. The agreement provides for interest at a variable interest rate equal to the prime rate of interest as published in The Wall Street Journal, but never less than 3.25% (resulting in an interest rate of 7.75% at December 31, 2022). The line of credit matures on June 15, 2023, and is secured by the investment account of Shee Atiká. There was an outstanding balance on the line of credit of $992,875 and $500,000 at December 31, 2022 and 2021, respectively.

7. Income Taxes

Income taxes consist of the following:

Year Ended December 31,	2022	2021
Current Tax Expense		
Federal	19,276	2,404
State	69,721	-
Deferred Tax Expense		
Federal	59,778	143,759
State	85,222	60,241
Income Tax Expense	233,997	206,404

The significant components of the net deferred tax asset are as follows:

December 31,	2022	2021
Deferred Tax Assets		
Net operating loss carryforwards	171,000	247,000
Excess of tax basis in buildings and equipment	306,000	379,000
Accrued compensation	156,000	90,000
Deferred costs	45,000	45,000
Other	(128,000)	(66,000)
Deferred Tax Asset	550,000	695,000

As of December 31, 2022, Shee Atiká has federal net operating tax loss carryforwards of approximately $665,000. These net operating tax loss carryforwards have no expiration date. Shee Atiká's effective tax rate for 2022 is higher than the United States federal statutory rate due to book and tax differences primarily related to scholarships, funeral benefits and lobbying expenses recorded in the consolidated financial statements, but not deductible for income tax purposes, and state income taxes. Shee Atiká's effective tax rate for 2021 is lower than the United States federal statutory rate primarily due to the gain on forgiveness of the PPP loans recorded in the consolidated financial statement which are not considered taxable income.

Based on management's assessment of available positive and negative evidence that included, among other things, Shee Atiká's recent results of operations and expected future profitability, a valuation allowance was not considered necessary as of December 31, 2022 or 2021.

8. Leases (Shee Atiká as Lessee)

Shee Atiká has an operating lease for land in Sitka, Alaska that is intended to be used for the adventure park being developed by Shee Atiká discussed in Note 3. Rental payments under this lease are $60,000 a year due annually on November 1, of each year during the term of the lease which ends October 31, 2041. Operating lease cost for this lease recorded in the consolidated statement of operations for the year ended December 31, 2022, was $60,000. Cash paid for amounts included in the measurement of lease liabilities during the year ended December 31, 2022, includes $60,000 of operating cash flows related to operating leases. The remaining lease term at December 31, 2022 is 18.83 years. The discount rate used for the calculation of the lease liability related to this lease was 2.05%.

Maturities of lease liabilities are as follows:

Year Ending December 31,	
2023	60,000
2024	60,000
2025	60,000
2026	60,000
2027	60,000
Thereafter	830,000
	1,130,000
Less: Amount representing interest	(193,233)
Total Lease Liability	936,767
Less: Current portion	41,182
Long-Term Portion	895,585

Under ASC 840, rent expense for leases where Shee Atiká is the lessee were immaterial for the year ended December 31, 2021.

9. Settlement Trusts

Shee Atiká established two settlement trusts that are entities authorized by ANCSA and organized under the laws of Alaska to provide benefits to Shee Atiká's shareholders. However, the trusts are separate from Shee Atiká even though the trustees are the same people who are members of Shee Atiká's Board of Directors. The trustees are responsible for investing the assets of the trusts, determining the appropriate use of income to accomplish the trusts' primary purpose, and making distributions to unit holders who are also Shee Atiká shareholders. Further, the trusts are prohibited by ANCSA from operating a business.

The first settlement trust, SAFE, was established to maintain assets and pay distributions from its income to SAFE's beneficiaries. SAFE has net assets of approximately $38 million and $43 million at December 31, 2022 and 2021, respectively.

The second settlement trust, SABT, was established to provide scholarships and funeral benefits to Shee Atiká's shareholders who are also beneficiaries of the trust. SABT had net assets of approximately $25,000 and $38,000 at December 31, 2022 and 2021, respectively. Shee Atiká transferred $30,000 to SABT in 2021 to help it pay operating costs. There were no contributions to SABT in 2022. In November 2013, the Board of Directors of Shee Atiká, Inc. decided that beginning January 1, 2014, scholarship and funeral benefits would be paid by Shee Atiká, Inc. instead of SABT. The Board of Trustees of SABT is determining the future of SABT.

During 2003, Shee Atiká formed SAIL to pool cash and certain investments with the above settlement trusts. Management believed that pooling investments at SAIL permitted greater diversification, thereby reducing risk and enhancing returns. The board members of Shee Atiká are the same people who are SAIL's board members. SAFE and SABT are the only members/owners of SAIL.

10. Related-Party Transactions

Related-party transactions for the years ended December 31, 2022 and 2021, not disclosed elsewhere are as follows:

- Shee Atiká provides administrative services to SAFE, SABT, and SAIL. In 2022 and 2021, Shee Atiká charged administrative fees of $435,840 and $594,868, respectively, to SAFE and SAIL. There were no administrative fees charged to SABT during 2022 or 2021.
- BAS provides accounting services to SAFE, SABT, and SAIL. In 2022 and 2021, BAS charged these entities $93,835 and $93,094, respectively, for these services.

11. 401(k) Plan

Shee Atiká sponsors a 401(k) plan for the benefit of its employees. In general, in 2022 and 2021, employees were eligible to participate in the plan after reaching age 21 and six months of employment. In early 2022, Shee Atiká amended the plan to eliminate the age and service requirement related to eligibility to participate in the plan. Employer contributions totaled $567,453 and $221,122 in 2022 and 2021, respectively.

12. Contingencies

From time to time, Shee Atiká (and its subsidiaries) may be involved in litigation. One of Shee Atiká's subsidiaries is involved with litigation regarding federal contracting from a prior year. Management intends to vigorously defend any such litigation. The ultimate outcome of such litigation and any potential range of loss currently cannot be determined, but management does not expect it to materially affect Shee Atiká's operations.

13. Acquisition of Lakota Solutions, LLC

On December 6, 2021, SGS acquired all membership interests in Lakota. As mentioned in Note 1, Lakota provides services under contracts with the United States government and thus the acquisition of Lakota was to expand Shee Atiká's government services business. The transaction is being accounted for as a business combination using the acquisition method of accounting whereby the identifiable tangible and intangible assets acquired and the liabilities assumed are recorded at fair value on the acquisition date. The difference between the purchase price and the fair value of the net assets acquired is recorded as goodwill. While Shee Atiká uses its best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, the estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, Shee Atiká records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in net income. The measurement period concluded during 2022.

The acquisition date fair value of the purchase consideration was comprised of the following:

Cash	4,165,000
Working capital note payable (see Note 5)	1,476,722
Note payable (see Note 5)	1,000,000
Estimated amount payable for tax reimbursement	150,000
	6,791,722

The amount of the working capital note payable is determined based on an agreed upon calculation between Shee Atiká and the seller. The amount recorded is based on the current calculated value and subject to adjustment based on agreement of the seller. The amount payable for tax reimbursement is an estimate and will be finalized at a later date. In addition, Shee Atiká has a contingent obligation to pay an additional amount of up to $500,000 to the seller based upon any net profits derived by Lakota after December 6, 2021, with regard to a specific contract with the United States Air Force. Shee Atiká initially estimated this contingent payment as zero for purposes of the preliminary accounting for the purchase, but was still gathering information to finalize the estimate. Based on additional information gathered, Shee Atiká revised its estimate for this contingent payment in 2022 and recorded an additional $245,268 of purchase consideration included in the working capital note payable.

The purchase price allocation for the acquisition was as follows:

Cash and cash equivalents	78,826
Accounts receivable	1,444,296
Property and equipment	93,770
Goodwill	5,411,422
Total Assets Acquired	7,028,314
Accounts payable and accrued expenses	198,500
Note payable	38,092
Total Liabilities Assumed	236,592
Net Assets Acquired	6,791,722

Shee Atiká elected to include the fair value associated with nontransferable customer intangible assets and any covenants not-to-compete as part of goodwill. Goodwill is due to expected synergies between the government service operations of Shee Atiká and Lakota as well as the customer intangible assets not separately recognized and contract backlog. All goodwill is expected to be deductible for income tax purposes.

Shee Atiká expensed all acquisition-related costs which amounted to $213,094 and are included in general and administrative expenses in the consolidated statement of operations for the year ended December 31, 2021.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors and Shareholders
Shee Atiká, Incorporated
Sitka, Alaska

We have audited the consolidated financial statements of Shee Atiká, Incorporated as of and for the year ended December 31, 2022, and have issued our report thereon dated March 29, 2023, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheet and consolidating statement of operations is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, LLP

March 29, 2023

Supplemental Consolidating Balance Sheet

December 31, 2022	Total	Consolidating Entries	Shee Atiká Incorporated	Shee Atiká Government Services	Alaska Northstar Resources	Lakota Solutions	Balanced Accounting Solutions	Shee Atiká Holdings Alice Island	Shee Atiká Holdings Lincoln Street	American Marine & Technical Services	Shee Atiká Enterprises
Assets											
Current Assets											
Cash and cash equivalents	**6,031,709**	-	1,032,212	188,543	3,153,410	1,254,484	146,113	55,858	41,550	105,499	54,040
Investments	**2,309,505**	-	2,309,505	-	-	-	-	-	-	-	-
Accounts receivable	**8,306,000**	(1,039,183)	72,542	638,679	6,346,374	1,940,347	69,358	11,897	-	191,546	74,440
Prepaid expenses and other	**444,089**	-	40,184	4,732	261,097	88,615	1,803	2,509	9,592	33,258	2,299
Total Current Assets	**17,091,303**	(1,039,183)	3,454,443	831,954	9,760,881	3,283,446	217,274	70,264	51,142	330,303	130,779
Leased commercial properties, net	**5,683,286**	-	2,534,509	-	-	-	-	676,130	2,472,647	-	-
Property and equipment, net	**1,248,721**	-	845,134	-	-	47,818	-	355,769	-	-	-
Operating lease right-of-use asset	**936,767**	-	936,767	-	-	-	-	-	-	-	-
Goodwill	**4,894,810**	-	-	-	-	4,894,810	-	-	-	-	-
Deferred tax asset	**550,000**	-	550,000	-	-	-	-	-	-	-	-
Due from (to) related company	**-**	-	681,075	(4,589,122)	4,264,680	(16,380)	176,825	1,465,308	1,719,290	(1,868,545)	(1,833,131)
Equity in subsidiaries	**-**	(17,515,478)	13,350,478	4,165,000	-	-	-	-	-	-	-
Total Assets	**30,404,887**	(18,554,661)	22,352,406	407,832	14,025,561	8,209,694	394,099	2,567,471	4,243,079	(1,538,242)	(1,702,352)
Liabilities and Shareholders' Equity											
Current Liabilities											
Accounts payable and accrued expenses	**5,036,288**	(1,039,177)	223,854	307,832	4,007,612	963,930	42,722	20,546	13,817	270,161	224,991
Income taxes payable	**19,276**	-	19,276	-	-	-	-	-	-	-	-
Line of credit	**992,875**	-	992,875	-	-	-	-	-	-	-	-
Current portion of long-term debt	**582,227**	-	-	-	-	512,292	-	-	69,935	-	-
Operating lease liability, current portion	**41,182**	-	41,182	-	-	-	-	-	-	-	-
Deferred revenue	**355,227**	-	236,382	-	-	118,845	-	-	-	-	-
Total Current Liabilities	**7,027,075**	(1,039,177)	1,513,569	307,832	4,007,612	1,595,067	42,722	20,546	83,752	270,161	224,991
Long-term debt, less current portion	**3,423,679**	-	-	-	-	1,477,028	-	-	1,946,651	-	-
Operating lease liability, noncurrent	**895,585**	-	895,585	-	-	-	-	-	-	-	-
Total Liabilities	**11,346,339**	(1,039,177)	2,409,154	307,832	4,007,612	3,072,095	42,722	20,546	2,030,403	270,161	224,991
Shareholders' Equity											
Contributed capital	**5,647,565**	(13,658,918)	5,956,000	100,000	5,742,623	3,888,172	299,109	2,625,814	2,214,639	(997,257)	(522,617)
Retained earnings (deficit)	**13,410,983**	(3,856,566)	13,987,252	-	4,275,326	1,249,427	52,268	(78,889)	(1,963)	(811,146)	(1,404,726)
Total Shareholders' Equity	**19,058,548**	(17,515,484)	19,943,252	100,000	10,017,949	5,137,599	351,377	2,546,925	2,212,676	(1,808,403)	(1,927,343)
Total Liabilities and Shareholders' Equity	**30,404,887**	(18,554,661)	22,352,406	407,832	14,025,561	8,209,694	394,099	2,567,471	4,243,079	(1,538,242)	(1,702,352)

Supplemental Consolidating Statement of Operations

Year Ended December 31, 2022	Total	Consolidating Entries	Shee Atiká Incorporated	Shee Atiká Government Services	Alaska Northstar Resources	Lakota Solutions	Balanced Accounting Solutions	Shee Atiká Holdings Alice Island	Shee Atiká Holdings Lincoln Street	American Marine & Technical Services	Shee Atiká Enterprises
Revenue and Gains											
Contracts	**42,491,507**	(2,790,132)	-	-	26,229,018	16,164,689	849,692	-	-	1,480,822	557,418
Administrative fees from affiliated entities	**435,840**	(2,926,320)	1,175,676	2,186,484	-	-	-	-	-	-	-
Rentals from leased commercial properties	**373,697**	(100,000)	62,406	-	-	-	-	193,583	217,708	-	-
Investment income (loss)	**(233,896)**	-	(233,896)	-	-	-	-	-	-	-	-
Other	**317,088**	(387,880)	360,188	52,900	189,864	8,909	56	-	93,051	-	-
Total Revenue and Gains	**43,384,236**	(6,204,332)	1,364,374	2,239,384	26,418,882	16,173,598	849,748	193,583	310,759	1,480,822	557,418
Costs and Expenses											
Direct contract expenses	**24,602,755**	(1,681,084)	-	-	15,725,299	8,893,223	797,248	-	-	652,577	215,492
General and administrative	**16,501,350**	(4,206,853)	3,711,671	2,042,589	6,320,514	5,249,291	-	104,908	-	1,583,063	1,696,167
Scholarship and funeral benefit payments	**180,164**	-	180,164	-	-	-	-	-	-	-	-
Depreciation and amortization	**808,651**	-	8,666	-	-	540,483	-	167,565	91,937	-	-
Leased commercial properties	**127,734**	-	-	-	-	-	-	-	127,734	-	-
Other	**412,481**	-	194,636	5,081	92,780	115,272	232	-	-	1,890	2,590
Interest	**319,264**	(316,395)	126,549	191,714	724	121,388	-	-	93,051	54,438	47,795
Contributions	**39,700**	-	39,700	-	-	-	-	-	-	-	-
Total Costs and Expenses	**42,992,099**	(6,204,332)	4,261,386	2,239,384	22,139,317	14,919,657	797,480	272,473	312,722	2,291,968	1,962,044
Income (Loss) before Income Tax Expense	**392,137**	-	(2,897,012)	-	4,279,565	1,253,941	52,268	(78,890)	(1,963)	(811,146)	(1,404,626)
Income Tax Expense	**(233,997)**	-	(225,144)	-	(4,239)	(4,514)	-	-	-	-	(100)
Net Income (Loss)	**158,140**	-	(3,122,156)	-	4,275,326	1,249,427	52,268	(78,890)	(1,963)	(811,146)	(1,404,726)

Board of Directors and Members
Shee Atiká Investments, LLC
Sitka, Alaska

OPINION

We have audited the financial statements of Shee Atiká Investments, LLC (SAIL), which comprise the statements of assets and members' equity as of December 31, 2022, and 2021, and the related statements of revenue and expenses, and changes in members' equity (all on the modified income tax basis) for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets and members' equity of SAIL as of December 31, 2022, and 2021, and its revenue, expenses, and changes in members' equity for the years then ended on the modified income tax basis of accounting described in Note 1.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SAIL and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements were prepared on the basis of accounting SAIL uses for income tax purposes, except that it adjusts its investment portfolio to fair value (investments are valued at cost on the basis of accounting SAIL uses for income tax purposes). This is referred to as "the modified income tax basis." The purpose of using the modified income tax basis of accounting is to make the statements easier to use for SAIL's members and their unit holders. The modified income tax basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified income tax basis of accounting described in Note 1; this includes determining that the modified income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SAIL's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SAIL's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SAIL's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

March 29, 2023

Statements of Assets and Members' Equity – Modified Income Tax Basis

December 31,	2022	2021
Assets		
Investments, at fair value	34,420,996	39,466,276
Cash and cash equivalents	1,448,225	1,145,246
Dividends receivable	14,702	18,171
Total Assets	35,883,923	40,629,693
Liabilities		
Payable to affiliate	72,542	19,637
Total Liabilities	72,542	19,637
Members' Equity	35,811,381	40,610,056

See accompanying notes to financials statements.

Statements of Revenue and Expenses – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Revenue		
Dividends and interest	682,413	809,394
Net realized gain (loss) on sales of investments and capital gain distributions	(391,656)	1,227,916
Total Revenue	290,757	2,037,310
Expenses		
Shee Atiká, Incorporated administrative fees	229,338	-
Professional fees	52,490	19,537
Investment management and custodian fees	112,742	119,100
Other	-	59,030
Total Expenses	394,570	197,667
Taxable Income (Loss)	(103,813)	1,839,643
Adjustment to Fair Value of Investments	(4,002,270)	1,788,559
Net Income (Loss)	(4,106,083)	3,628,202

See accompanying notes to financials statements.

Statements of Changes in Members' Equity – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Members' Equity, beginning of year	40,610,056	38,181,854
Net income (loss)	(4,106,083)	3,628,202
Distributions	(692,592)	(1,200,000)
Members' Equity, end of year	35,811,381	40,610,056

See accompanying notes to financials statements.

1. Organization and Significant Accounting Policies

ORGANIZATION

Shee Atiká Investments, LLC (SAIL) exists to pool investment activity for its members, Shee Atiká Fund Endowment (SAFE) and Shee Atiká Benefits Trust (SABT), to the extent assets are transferred by these entities to SAIL. The members believe that the pooling of investments at SAIL permits greater diversification, thereby reducing risk and enhancing returns. SAIL, SAFE, and SABT are affiliated entities of Shee Atiká, Incorporated (SAI). The Board of Directors of SAI, the trustees of SAFE and SABT, and SAIL's Board of Directors consist of all the same people. SAIL is a limited liability company, and members' liability is limited to the amount of each member's investment in SAIL. SAIL is scheduled to terminate on December 31, 2023, but its members can vote to extend its existence.

SAI provides administrative services to SAIL. SAIL paid SAI for administrative fees of $229,338 in 2022. No administrative fees were paid by SAIL to SAI in 2021.

SAI pays for certain professional fees on SAIL's behalf for which it is reimbursed. As of December 31, 2022 and 2021, SAIL owed SAI $72,542 and $19,637, respectively, for these fees which are recorded as payable to affiliate on the statements of assets and members' equity.

BASIS OF ACCOUNTING

SAIL's policy is to prepare its financial statements on the income tax basis of accounting, except that it recognizes its investments at fair value rather than cost (modified income tax basis). Consequently, certain revenues are recognized when received (rather than when earned), and certain expenses are recognized when paid (rather than when the expense is incurred).

CASH AND CASH EQUIVALENTS

SAIL considers money market funds and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. SAIL has cash and investments in excess of government sponsored insurance limits.

FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

INVESTMENTS

Investments in mutual funds, exchange-traded funds, United States Treasury bills, and common stocks are stated at fair value based on quoted market prices in active markets on the last trading day of the year (Level 1 inputs in aforementioned fair value hierarchy). These investment securities are traded on various United States of America exchanges and are therefore subject to the market volatility in those exchanges.

The difference between cost and fair value of securities held at year-end represents unrealized gains or losses on investments. Realized gains and losses from securities transactions are determined on the basis of the cost of the specific securities sold and are recorded on the trade date. Dividends are recorded on the ex-dividend date.

INCOME TAXES

SAIL is treated as a partnership for income tax reporting purposes. As such, no liability for income taxes is included in the financial statements.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

SUBSEQUENT EVENTS

SAIL has evaluated subsequent events through the date these financial statements were available to be issued, which was March 29, 2023.

2. Investments

Investments consist of fixed income and equity mutual and exchange-traded funds, United States Treasury bills, and common stocks as of December 31, 2022 and 2021. See the table that follows for a summary of SAIL's investments held on December 31, 2022 and 2021.

SAIL engages Mesirow Financial as its investment advisor. Most investment management and custodian fees were paid to Mesirow Financial in 2022 and 2021.

Investments are summarized as follows:

December 31,	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Fixed Income Mutual and Exchange-Traded Funds				
BBH Limited Duration Fund	2,127,233	2,172,744	2,147,331	2,123,750
Artisan High Income Fund	1,896,911	2,129,981	2,100,711	1,995,306
iShares TIPS Bond Fund	-	-	2,156,958	1,904,364
Guggenheim Total Return Bond Fund	-	-	1,996,318	1,932,003
Doubleline Total Return Bond Fund	-	-	1,562,386	1,666,701
Vanguard ST Inflation-Protected Secs Index Fund	-	-	1,065,317	1,055,004
Total	4,024,144	4,302,725	11,029,021	10,677,128
US Treasury Bills (zero coupon with maturities from April to August 2023)	4,022,067	4,013,584	-	-
Equity Mutual and Exchange-Traded Funds				
First Eagle Global Fund	3,411,801	3,471,437	3,525,979	3,227,171
Vanguard Global Wellington Fund	3,347,531	3,227,723	3,754,617	3,210,063
T Rowe Price Capital Appreciation Fund	3,340,786	3,372,128	3,789,345	3,076,828
FPA Crescent Fund	3,284,046	3,400,694	3,614,395	3,374,550
Oakmark Equity & Income Investor Fund	3,229,956	3,429,974	3,261,323	2,975,330
DFA International Core Equity Fund	1,054,536	1,060,005	-	-
Vanguard Small-Cap Value Index Fund	781,443	730,601	861,660	714,921
DFA Emerging Markets Core Equity Portfolio Fund	768,765	971,527	919,580	943,267
Driehaus Small Cap Growth Fund	751,665	1,079,756	951,890	914,244
VanEck Vectors Morningstar Wide Moat Fund	709,633	676,847	821,964	668,079
Akre Focus Fund	646,444	718,005	836,605	678,565
Mainstray CBRE Global Infrastructure Fund	582,375	618,149	620,048	601,547
American Funds EuroPacific Growth Fund	-	-	1,355,297	1,414,195
Total	21,908,981	22,756,846	24,312,703	21,798,760
Other Exchange-Traded Fund				
SPDR Gold Shares Fund	1,605,643	1,542,166	1,618,136	1,547,519
Common Stocks				
Berkshire Hathaway Inc. Common Stock	1,959,971	1,248,843	1,897,155	1,248,843
Other Common Stocks	900,190	952,435	609,261	587,660
	2,860,161	2,201,278	2,506,416	1,836,503
Total	34,420,996	34,816,599	39,466,276	35,859,910

Board of Trustees and Unit Holders
Shee Atiká Fund Endowment
Sitka, Alaska

OPINION

We have audited the financial statements of Shee Atiká Fund Endowment (SAFE), which comprise the statements of net assets as of December 31, 2022 and 2021, and the related statements of revenue and expenses, and changes in net assets (all on the modified income tax basis) for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets of SAFE as of December 31, 2022 and 2021, and its revenue, expenses, and changes in net assets for the years then ended on the modified income tax basis of accounting described in Note 1.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SAFE and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements were prepared on the basis of accounting SAFE uses for income tax purposes, except that it adjusts its investments to fair value (investments are valued at cost on the basis of accounting SAFE uses for income tax purposes). This is referred to as "the modified income tax basis." The purpose of using the modified income tax basis of accounting is to make the statements easier to use for SAFE's unit holders. The modified income tax basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified income tax basis of accounting described in Note 1; this includes determining that the modified income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SAFE's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SAFE's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SAFE's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

March 29, 2023

Statements of Net Assets – Modified Income Tax Basis

December 31,	2022	2021
Assets		
Investment in Shee Atiká Investments, LLC	35,807,914	40,606,523
Leased commercial property, net	5,830,821	6,105,568
Cash and cash equivalents	215,498	355,602
Total Assets	41,854,233	47,067,693
Liabilities		
Accounts payable	37,612	9,208
Long-term debt	3,258,330	3,369,632
Distributions payable	402,957	369,400
Total Liabilities	3,698,899	3,748,240
Net Assets	38,155,334	43,319,453

See accompanying notes to financials statements.

Statements of Revenue and Expenses – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Revenue		
Equity share in Shee Atiká Investments, LLC taxable income (loss)	(103,701)	1,836,229
Equity share in Shee Atiká Enterprises, LLC (SAE) taxable loss and gain on sale of investment in SAE	-	175,824
Equity share in American Marine & Technical Services, LLC (AMTS) taxable loss and gain on sale of investment in AMTS	-	145,055
Equity share in Balanced Accounting Solutions, LLC (BAS) taxable income and loss on sale of investment in BAS	-	(52,433)
Rent from leased commercial property	1,025,494	1,010,344
Total Revenue	921,793	3,115,019
Expenses		
Shee Atiká, Incorporated administrative fees	317,592	490,089
Depreciation	274,747	274,747
Interest	142,016	142,029
Professional and custodian fees	135,486	117,096
Income tax expense	96,987	-
Leased commercial property expenses	4,231	38,263
Other administrative expenses	1,449	745
Total Expenses	972,508	1,062,969
Income (loss) and change in net assets before adjusting investment in Shee Atiká Investments, LLC to fair value	(50,715)	2,052,050
Adjustment to fair value of investment in Shee Atiká Investments, LLC	(4,002,204)	1,788,530
Change in Net Assets	(4,052,919)	3,840,580

See accompanying notes to financials statements.

Statements of Changes in Net Assets – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Change in Net Assets	(4,052,919)	3,840,580
Distributions to Unit Holders	(1,111,200)	(1,852,000)
Total Increase (Decrease) in Net Assets	(5,164,119)	1,988,580
Net Assets, beginning of year	43,319,453	41,330,873
Net Assets, end of year	38,155,334	43,319,453

See accompanying notes to financials statements.

1. Organization & Significant Accounting Policies

ORGANIZATION

Shee Atiká Fund Endowment (SAFE) is an irrevocable settlement trust formed by Shee Atiká, Incorporated (SAI) under Alaska statute. SAFE was established to maintain assets and pay distributions to unit holders who are also shareholders of SAI. Members of the Board of Directors of SAI act as the SAFE trustees. Shee Atiká Holdings Colorado Springs, LLC (COL) is a wholly-owned subsidiary of SAFE and is a disregarded entity under the modified income tax basis of accounting. Therefore, the activity and holdings from COL flows through directly into SAFE.

SAFE's Class A trust units are issued to SAI's shareholders in direct proportion to their shares of SAI voting common stock. Class B trust units are issued to any person who acquires SAI's shares and who is not a "Native" or a "Descendant of a Native" within the meaning of the Alaska Native Claims Settlement Act (ANCSA) in direct proportion to their shares of SAI nonvoting common stock. The trust units are not generally transferable. As of December 31, 2022, there were 185,200 trust units (of which 178,340 were Class A and 6,860 were Class B) held by 3,461 beneficiaries.

The Settlement Trust Agreement requires that a minimum of 75% and a maximum of 100% of annual net cash income, as defined, is to be distributed to beneficiaries. The amount of distributions ($6.00 and $10.00 per trust unit in 2022 and 2021, respectively) is ultimately determined by the Board of Trustees but must be between the minimum and maximum amounts. The trust document calls for distributions to be made at the time or times determined by the trustees. Distributions are pro rata based on the number of trust units owned.

After the fifteenth anniversary of SAFE and each subsequent 15-year period measured from the fifteenth anniversary, the trustees may modify the terms of the trust agreement with unit holder approval. The modifications may include changing the percentage of net cash income that is distributed, modifying the principal distribution provisions, or terminating SAFE and distributing all principal and accrued income to the beneficiaries. The most recent modification date was January 4, 2023, and the trustees decided to not modify any terms of the trust agreement. The next modification date is January 4, 2038.

BASIS OF ACCOUNTING

SAFE's policy is to prepare its financial statements on the income tax basis of accounting, except that it recognizes its investment in Shee Atiká Investments, LLC (SAIL) at fair value rather than cost (modified income tax basis). Consequently, certain revenues are recognized when received (rather than when earned), and certain expenses are recognized when paid (rather than when the expense is incurred).

RELATED-PARTY TRANSACTIONS

SAI charged administrative fees to SAFE of $317,592 and $490,089 in 2022 and 2021, respectively. SAFE paid these fees in full during both years. As noted above, expenses are generally recognized when paid. See below for sales of investments in Shee Atiká Enterprises, LLC, American Marine & Technical Services, LLC, and Balanced Accounting Solutions to SAI in 2021.

INVESTMENT IN SHEE ATIKÁ INVESTMENTS, LLC

The investment in SAIL is stated at fair value using the net asset value (NAV), which is determined by management of SAIL and is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets (primarily investments), less any liabilities, and then divided by the number of units outstanding. There are no funding commitments to SAIL or restrictions on redemptions from SAIL.

SAIL's investments are all primarily in fixed income and equity mutual and exchange-traded funds, United States Treasury bills, and equities (common stocks) as of December 31, 2022 and 2021. See Note 2 for a summary of SAIL's investments held as of December 31, 2022 and 2021.

INVESTMENT IN SHEE ATIKÁ ENTERPRISES, LLC

SAFE had a 49% ownership interest in Shee Atiká Enterprises, LLC (SAE) as of December 31, 2020. SAI owned the other 51% of SAE as of December 31, 2020. SAE holds certification under the U.S. Small Business Administration's 8(a) Business Development Program (Section 8(a)) and provides services under contracts with the United States government. The investment in SAE was recorded at its tax basis, which was accounted for by increasing the investment for contributions made, decreasing the investment for distributions received, and adjusting the investment for SAFE's share of taxable income or loss each year. In 2021, SAFE sold its ownership interest in SAE to SAI for cash proceeds of $147,000 and recorded a gain on sale of investment in SAE in the amount of $175,824. As of December 31, 2021, SAFE has no ownership interest in SAE.

INVESTMENT IN AMERICAN MARINE & TECHNICAL SERVICES, LLC

SAFE had a 39% ownership interest in American Marine & Technical Services, LLC (AMTS) as of December 31, 2020. SAI owned 51% of AMTS, and another entity owned the other 10% of AMTS as of December 31, 2020. AMTS was formed in 2017 for the purpose of partnering with the aforementioned 10% owner to provide contract services in the future. The investment in AMTS was recorded at its tax basis, which was accounted for by increasing the investment for contributions made, decreasing the investment for distributions received, and adjusting the investment for SAFE's share of taxable income or loss each year. In 2021, SAFE sold its ownership interest in AMTS to SAI for cash proceeds of $117,000 and recorded a gain on sale of investment in AMTS in the amount of $145,055. As of December 31, 2021, SAFE has no ownership interest in AMTS.

INVESTMENT IN BALANCED ACCOUNTING SOLUTIONS, LLC

SAFE had a 49% ownership interest in Balanced Accounting Solutions, LLC (BAS) as of December 31, 2020. SAI owned the other 51% of BAS as of December 31, 2020. BAS was formed during 2017 to provide a wide array of accounting services to businesses primarily located in Sitka, Alaska. The investment in BAS was recorded at its tax basis, which was accounted for by increasing the investment for contributions made, decreasing the investment for distributions received, and adjusting the investment for SAFE's share of taxable income or loss each year. In 2021, SAFE sold its ownership interest in BAS to SAI for cash proceeds of $49,000 and recorded a loss on sale of investment in BAS in the amount of $52,433. As of December 31, 2021, SAFE has no ownership interest in BAS.

LEASED COMMERCIAL PROPERTY

The leased commercial property is located in Colorado Springs, Colorado, and is stated at cost. Depreciation is provided on the straight-line method and is recognized over the estimated useful lives of the assets.

Revenue from rental of leased commercial property is recognized as received. All rental revenue in both 2022 and 2021 was from one lessee.

CASH AND CASH EQUIVALENTS

SAFE considers money market funds and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. SAFE has cash balances in excess of government sponsored insurance limits.

INCOME TAXES

SAFE has elected to be taxed at a rate of 10% on taxable income (no tax on certain dividends received and currently a lower tax rate on long-term capital gains) as allowed by the Internal Revenue Code. SAFE cannot carry non-capital taxable losses back to previous years or forward to future years to offset taxable income. SAFE can carry capital losses realized on sales of investments forward to future years to offset capital gains (capital losses cannot be carried back to previous years). As of December 31, 2022, SAFE had approximately $10.7 million in capital loss carryforwards available, which under current tax law can be carried forward indefinitely and can be used to offset future capital gains.

With respect to the limited liability companies that SAFE has an investment in (SAIL in 2022 and 2021), SAFE's share of the net taxable income or loss of these limited liability companies is passed through to SAFE. Also, certain partnerships and similar investments held by SAIL can require SAFE to pay state income taxes. These taxes were not significant in either 2022 or 2021.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

SUBSEQUENT EVENTS

SAFE has evaluated subsequent events through the date these financial statements were available to be issued, which was March 29, 2023.

2. Investment in SAIL

SAIL exists to pool investment activity for SAFE and Shee Atiká Benefits Trust (SABT). SABT is also a settlement trust with the same unit holders and trustees as SAFE. SAIL's Board of Directors consists of the same people who are the trustees and board members of SAFE, SAI, and SABT. SAFE's trustees believe that pooling investments at SAIL permits greater diversification, thereby reducing risk and enhancing returns. As an LLC, SAIL limits SAFE's liability exposure to the amount of the investment in SAIL. SAIL is scheduled to terminate on December 31, 2023.

A summary of SAIL's financial position and operating results is as follows:

As of and for the Year Ended December 31,	2022	2021
Investments, at fair value		
Fixed income mutual and exchange-traded funds	4,024,144	11,029,021
United States Treasury bills	4,022,067	-
Equity mutual and exchange-traded funds	21,908,981	24,312,703
Other exchange-traded fund	1,605,643	1,618,136
Equities (common stocks)	2,860,161	2,506,416
Total Investments, at fair value	34,420,996	39,466,276
Cash and cash equivalents	1,448,225	1,145,246
Other assets	14,702	18,171
Other liabilities	72,542	19,637
Members' equity	35,811,381	40,610,056
Gain (loss) on investment activity, including adjustment to fair value	(3,711,513)	3,825,869
Net income (loss)	(4,106,083)	3,628,202

SAFE's ownership interest in SAIL was 99.998% of SAIL's total equity as of December 31, 2022, and 2021. As of December 31, 2022 and 2021, SAFE and SABT are the only members of SAIL.

3. Leased Commercial Property

Leased commercial property is located in Colorado Springs, Colorado, and consists of the following:

December 31,	2022	2021
Building	6,975,574	6,975,574
Land improvements	571,772	571,772
Leasehold improvements	725,264	725,264
Land	722,000	722,000
	8,994,610	8,994,610
Less: Accumulated depreciation	(3,163,789)	(2,889,042)
	5,830,821	6,105,568

SAFE leases the commercial building in Colorado under a noncancelable operating lease expiring on June 30, 2024. The minimum future lease payments scheduled to be received on this noncancelable operating lease are as follows:

Year Ending December 31,	
2023	953,597
2024	523,662
	1,477,259

4. Long-Term Debt

SAFE has a note payable to a bank due in monthly installments of $21,110, including interest, with a final payment due at maturity on September 8, 2031. The note is secured by the Colorado leased commercial property and bears interest at an initial rate of 4.22%. The interest rate may be changed on September 8, 2026, and every five years thereafter, to a rate equal to the greater of (a) the Federal Home Loan Bank - Boston five-year classic advance index rate on the change date plus 3.35%, or (b) 4.22%.

Future principal payments under this note are as follows:

Year Ending December 31,	
2023	116,028
2024	120,712
2025	126,358
2026	131,871
2027	137,626
Thereafter	2,625,735
	3,258,330

Board of Trustees and Unit Holders
Shee Atiká Benefits Trust
Sitka, Alaska

OPINION

We have audited the financial statements of Shee Atiká Benefits Trust (SABT), which comprise the statements of net assets as of December 31, 2022 and 2021, and the related statements of revenue and expenses, and changes in net assets (all on the modified income tax basis) for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets of SABT as of December 31, 2022 and 2021, and its revenue, expenses, and changes in net assets for the years then ended on the modified income tax basis of accounting described in Note 1.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SABT and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements were prepared on the basis of accounting SABT uses for income tax purposes, except that it adjusts its investments to fair value (investments are valued at cost on the basis of accounting SABT uses for income tax purposes). This is referred to as "the modified income tax basis." The purpose of using the modified income tax basis of accounting is to make the statements easier to use for SABT's unit holders. The modified income tax basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified income tax basis of accounting described in Note 1; this includes determining that the modified income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SABT's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SABT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SABT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

March 29, 2023

Statements of Net Assets – Modified Income Tax Basis

December 31,	2022	2021
Assets		
Investment in Shee Atiká Investments, LLC	5,430	5,497
Cash and cash equivalents	20,008	32,721
Total Assets	25,438	38,218
Liabilities		
Accounts payable	106	84
Total Liabilities	106	84
Net Assets	25,332	38,134

See accompanying notes to financials statements.

Statements of Revenue and Expenses – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Revenue		
Equity share in Shee Atiká Investments, LLC taxable income (loss)	(2)	28
Expenses		
Administrative expenses	12,734	10,365
Taxable loss and change in net assets before adjusting investment in Shee Atiká Investments, LLC to fair value	(12,736)	(10,337)
Adjustment to fair value of investment in Shee Atiká Investments, LLC	(66)	28
Change in Net Assets	(12,802)	(10,309)

See accompanying notes to financials statements.

Statements of Changes in Net Assets – Modified Income Tax Basis

Year Ended December 31,	2022	2021
Change in Net Assets	(12,802)	(10,309)
Contribution from Shee Atiká, Incorporated	-	30,000
Total Increase (Decrease) in Net Assets	(12,802)	19,691
Net Assets, beginning of year	38,134	18,443
Net Assets, end of year	25,332	38,134

See accompanying notes to financials statements.

1. Organization & Significant Accounting Policies

ORGANIZATION AND FUTURE PLANS

Shee Atiká Benefits Trust (SABT) is an irrevocable settlement trust formed by Shee Atiká, Incorporated (SAI) under Alaska statute. SABT was established to provide educational and funeral benefits to unit holders who are also shareholders of SAI. Members of the Board of Directors of SAI act as the SABT trustees.

SABT's Class A trust units are issued to SAI's shareholders in direct proportion to their shares of SAI voting common stock. Class B trust units are issued to any person who acquires SAI's shares and who is not a "Native" or a "Descendant of a Native" within the meaning of the Alaska Native Claims Settlement Act (ANCSA) in direct proportion to their shares of SAI nonvoting common stock. The trust units are not generally transferable. At December 31, 2022, there were 185,200 trust units (of which 178,340 were Class A and 6,860 were Class B) held by 3,461 beneficiaries.

The Settlement Trust Agreement allows annual distributions of up to 100% of net cash income, as defined, and up to 20% of principal, to provide educational and funeral benefits. There is no minimum required distribution.

After the tenth anniversary of SABT and each subsequent ten-year period measured from the tenth anniversary (the next modification date is November 8, 2027), the trustees may modify the terms of the trust agreement with unit holder approval. The modifications may include changing the percentage of net cash income that may be used to provide benefits, modifying the principal distribution provisions, or terminating SABT and distributing all principal and accrued income to the beneficiaries.

In November 2013, the Board of Directors of SAI decided that beginning January 1, 2014, scholarship and funeral benefits would be distributed by SAI instead of SABT. The Board of Directors of SAI is determining whether SAI will fund SABT in the future in order to allow it to resume paying scholarship and funeral benefits.

BASIS OF ACCOUNTING

SABT's policy is to prepare its financial statements on the income tax basis of accounting, except that it recognizes its investment in Shee Atiká Investments, LLC (SAIL) at fair value rather than cost (modified income tax basis). Consequently, certain revenues are recognized when received (rather than when earned), and certain expenses are recognized when paid (rather than when the expense is incurred).

RELATED-PARTY TRANSACTIONS

From time to time, SAI provides administrative services to SABT. SAI did not charge SABT administrative fees for 2022 or 2021.

During 2021, SAI contributed $30,000 to SABT. No contributions were received during 2022.

INVESTMENT IN SHEE ATIKÁ INVESTMENTS, LLC

The investment in SAIL is stated at fair value using the net asset value (NAV), which is determined by management of SAIL and is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets (primarily investments), less any liabilities, and then divided by the number of units outstanding. There are no funding commitments to SAIL or restrictions on redemptions from SAIL.

SAIL's investments are all primarily in fixed income and equity mutual and exchange-traded funds, equities, and certificates of deposit at December 31, 2022 and 2021. See Note 2 for a summary of SAIL's investments held at December 31, 2022 and 2021.

CASH AND CASH EQUIVALENTS

SABT considers money market funds and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Occasionally, SABT has cash balances in excess of government sponsored insurance limits.

INCOME TAXES

SABT has elected to be taxed at a rate of 10% on taxable income (with no tax on certain dividends received and currently a lower tax rate on long-term capital gains) as allowed by the Internal Revenue Code. SABT cannot carry non-capital taxable losses back to previous years or forward to future years to offset taxable income. SABT can carry capital losses realized on sales of investments forward to future years to offset capital gains (capital losses cannot be carried back to previous years). At December 31, 2022, SABT had approximately $133,000 in capital loss carry forwards available, which, under current tax law, can be carried forward indefinitely and can be used to offset future capital gains.

Because SAIL is a limited liability company, SABT's share of the net taxable income or loss of SAIL is passed through to SABT. Also, certain partnerships and similar investments held by SAIL can require SABT to pay state income taxes. These taxes were not significant in either 2022 or 2021.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

SUBSEQUENT EVENTS

SABT has evaluated subsequent events through the date these financial statements were available to be issued, which was March 29, 2023.

2. Investment in SAIL

SAIL exists to pool investment activity for SABT and Shee Atiká Fund Endowment (SAFE). SAFE is also a settlement trust with the same unit holders and trustees as SABT. SAIL's Board of Directors consists of the same people who are the trustees and board members of SABT, SAI, and SAFE. SABT's trustees believe that pooling investments at SAIL permits greater diversification, thereby reducing risk and enhancing returns. As an LLC, SAIL limits SABT's liability exposure to the amount of the investment in SAIL. SAIL is scheduled to terminate on December 31, 2023.

A summary of SAIL's financial position and operating results is as follows:

As of and for the Year Ended December 31,	2022	2021
Investments, at fair value		
Fixed income mutual and exchange-traded funds	4,024,144	11,029,021
United States Treasury bills	4,022,067	-
Equity mutual and exchange-traded funds	21,908,981	24,312,703
Other exchange-traded fund	1,605,643	1,618,136
Equities (common stocks)	2,860,161	2,506,416
Total Investments, at fair value	34,420,996	39,466,276
Cash and cash equivalents	1,448,225	1,145,246
Other assets	14,702	18,171
Other liabilities	72,542	19,637
Members' equity	35,811,381	40,610,056
Gain (loss) on investment activity, including adjustment to fair value	(3,711,513)	3,825,869
Net income (loss)	(4,106,083)	3,628,202

SABT's ownership interest in SAIL was 0.002% of SAIL's total equity at December 31, 2022 and 2021. At December 31, 2022 and 2021, SABT and SAFE were the only members of SAIL.

Mission

We deliver meaningful value to our shareholders, people, partners and customers.

Vision

Our people thrive, prosper and are self-sustaining. We inspire and hold each other up through meaningful connections to our land, ocean, traditions and heritage.

Values

We are open, honest, and trustworthy.
We respect all beliefs and perspectives.
We work together as one team.
We are committed to excellence in all that we do.
We are responsible and accountable for our actions.

Definitions

8(A) COMPANIES
The Small Business Administration's 8(a) Business Development Program is designed to use federal prime contracts to help minority owned companies grow, mature, and become competitive with similar firms. ANCSA corporations like Shee Atiká are eligible to qualify subsidiaries under this program. Our 8(a) companies, each a limited liability corporation (LLC), are: American Technical Services, Alaska Northstar Resources, Lakota Solutions, and Shee Atiká Enterprises.

CLASS A SHAREHOLDER
A shareholder who is Alaska Native, as defined by the Alaska Native Claims Settlement Act, or their legal descendants. Only Class A shareholders can vote in ANCSA corporate elections.

CLASS B SHAREHOLDER
A non-Native who has inherited shares. While Class B shareholders cannot vote in ANCSA corporate elections, they receive many of the same benefits as Class A shareholders.

DEFERRED TAX ASSETS
Deferred tax assets are tax benefits (such as unused net operating tax losses, or NOLs) that are expected to be used in the future. Deferred tax liabilities are the result of income being recognized in the financial statements, but not yet in the tax return (such as increases in the market value of investments, where income taxes aren't paid until the investment is sold). The changes in deferred tax assets and liabilities between years are reflected in the income statement as a deferred tax benefit or a deferred tax provision.

EQUITY INVESTMENT
Any investment that gives the investor an ownership position in something. A share of stock is our primary example. When we purchase stock we buy an ownership share in a corporation. We buy it because we believe that its value will increase. Some stocks pay dividends and some do not.

FIXED INCOME INVESTMENT
Usually called a bond, which is the most common type of fixed income investment. A fixed income investment is any investment that is in the form of a loan. When a bond is purchased, the investor is loaning his money. A Treasury note, bill, or bond is a loan to the U.S. Government. A corporate bond is a loan to the corporation issuing the bond.

FEDERAL RESERVE
The central banking system of the U.S., composed of the Federal Reserve Board, the 12 Federal Reserve Banks, and the national and state member banks. Its primary purpose is to regulate the flow of money and credit in the country. The Federal Reserve's monetary policies have a powerful effect on interest rates.

GIFTING SHARES
An option provided through the so-called "1991 Amendments" to ANCSA that allows a shareholder to give shares to legal descendents. An amendment was necessary to allow such a transaction since shares cannot be sold, and prior to the 1991 amendments, the only way shares could be passed on to descendents was through inheritance following a death.

LLC (LIMITED LIABILITY COMPANY)
A business structure that is a hybrid of a partnership and a corporation. Its owners are shielded from personal liability and all profits and losses pass directly to the owners without taxation of the entity itself. Shee Atiká's LLCs are consolidated with Shee Atiká, Incorporated for financial statement and tax reporting. The Shee Atika President/CEO or his/her delegee is also the manager of the LLCs.

MONEY MARKET FUND
An investment fund with the objective to earn interest for shareholders while maintaining a net asset value of $1 per share. Typically, cash is invested in a money market fund short-term while managers wait for the opportunity to move it into higher-yield investments.

MUTUAL FUND
An investment vehicle that is made up of a pool of funds collected from many investors. The pooled funds are used to purchase securities such as stocks, bonds, money market instruments and similar assets. A mutual fund is operated by money managers who make investments for the purpose of producing capital gains and income for the investors.

NET ASSET VALUE
This is the "net worth" or the "equity value" of a trust. The net asset value is equal to the market value of all assets less the liabilities of the trust.

NON-CONTROLLING INTEREST
Non-controlling interests represent the portion of the financial activity attributable to minority owners of a business. At times, the 8(a) Companies have non-controlling interests that are highlighted when these companies are combined with their parent company (in this case, Shee Atiká, Incorporated). As of December 31, 2022 and 2021 there are no non-controlling interests in any subsidiary of Shee Atika, Incorporated.

REAL RETURN FUND
A fund that preserves purchasing power by combined investments in inflation-protected instruments such as Treasury Inflation-Protected Securities (TIPS), bonds, currencies, and non-U.S. debt.

ROI: RETURN ON INVESTMENT
Earnings from an investment expressed as a percentage of the amount invested.

S&P 500
An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities.

UNREALIZED GAIN OR LOSS
These represent gains or losses in investments that are still owned. The gains or losses are not "realized" until the investment is sold.

Shee Atika Inc.
315 Lincoln Street, #300
Sitka, AK 99835

(907) 747-3534
www.sheeatika.com