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December 18, 2020 Letter from the CEO

Dear Kinesics Members,

The holiday season is here, and like most of us around the world, the Kinesics team is looking forward to a bright 2021. We are fortunate that our Kinesics family has been safe and healthy these past few months, and we are thankful to have surpassed a few company milestones along the way.

We ended the FMOLHS screening season in October, completing over 4,500 evaluations and positively impacting the lives of countless team members across the health system. We had the opportunity to share our data analysis with senior leadership, and the plan is to remain full steam ahead into 2021. In addition to expanding our reach within new hire screenings and wellness evaluations, our team will explore integrating Kinesics data into the total cycle of employee health as well as implementing a system-wide communications plan to educate the organization on the benefits of improved human movement. The partnership with FMOLHS, spearheaded by Dr. Vath, has proven invaluable beyond our comprehension, and we are extremely grateful to their team's energy and excitement!

In addition to current business, we predict the most promising opportunities next year will come from the law enforcement vertical. Jerry, partnered with our new colleague, Pete Ochinko, will be paving the way to bring the Kinesics Platform to local, parish/county, and state law enforcement. These groups have a unique understanding of the importance of proper human movement and optimal performance, and we know the Kinesics solution can greatly benefit their organizations.

The end of Quarter 3 2020 marked financial milestones for the company as well. This period marked our first month with positive Net Income, first consecutive months with positive Net Income, and first quarter with positive Net Income. This period demonstrated the volume of work necessary to create the output we are looking for. As projected, the end of the year brings us back to a slowdown of work, as we plan for next year. Not including cash from usual business activities, we have enough funds in the bank to get us through Spring next year and enough available credit to keep us going through the Summer.

In the last update, I mentioned our desire for greater tech investment. I am pleased to say our Board has approved the exploration of a round of funding for early 2021. Billy Davis, Jerry, and I are currently identifying the greatest need for this capital raise. In our preliminary discussions, we are leaning towards focusing on sizeable venture capital investment and taking Kinesics to the next level. I will update you all early next year on our progress as we better understand how we want to present Kinesics to the world.

As always, thank you for your continued support for our mission.

I hope you have a very Merry Christmas and Happy New Year!

Sincerely,

Matt Adler CEO | Kinesics