

Profit & Loss

SMC Profit and Loss

Period	1/1/2015 – 12/31/2015
Total Revenue	\$75,174
Cost of Revenue	<u>3,000</u>
Gross Profit	<u>72,174</u>
Operating Expenses	
Research and Development	-
Selling, General, and Administrative Expenses	119,341
Non Recurring	-
Others	<u>-</u>
Total Operating Expenses	<u>119,341</u>
Operating Income or Loss	<u>-47,167</u>
Income From Continuing Operations	-47,167
Total Other Income/Expense	<u>83</u>
Earnings Before Interest and Taxes	-47,084
Interest Expense	<u>139,194</u>
Income Before Tax	-186,278
Income Tax Expense	<u>800</u>
Net Income from Continuing Operations	<u>-187,078</u>
Non Recurring Events	-
Discontinued Operations	92,809
Extraordinary Items	-
Effect of Accounting Changes	-
Other Items	<u>-</u>
Net Income	<u>-279,887</u>
Preferred Stock and Other Adjustments	-
Net Income Applicable to Common Shareholders	<u><u>-\$279,887</u></u>

Balance Sheet

SMC Balance Sheet

Period Ending 12/31/15

Assets

Current Assets

Cash and Cash Equivalents	\$1,330
Short Term Investments	-
Net Receivables	10,000
Inventory	-
Other Current Assets	<u>240,901</u>

Total Current Assets 252,231

Long Term Investments	-
Property, Plant, and Equipment	10,664
Accumulated Depreciation	(6,577)
Goodwill	-
Intangible Assets	-
Accumulated Amortization	-
Other Assets	-
Deferred Long Term Asset Charges	<u>-</u>

Total Assets 256,318

Liabilities

Current Liabilities

Accounts Payable	50,000
Short/Current Long Term Debt	-
Other Current Liabilities	<u>1,272,660</u>

Total Current Liabilities 1,322,660

Long Term Debt	580,936
Other Liabilities	-
Deferred Long Term Liability Charges	-
Negative Goodwill	<u>-</u>

Total Long Term Liabilities 580,936

Total Liabilities 1,903,596

Stockholders Equity

Misc Stocks Options Warrants	-
Redeemable Preferred Stock	-
Preferred Stock	-
Common Stock	2,622,021
Retained Earnings	-8,423,217
Treasury Stock	-
Capital Surplus	4,153,918
Other Stockholder Equity	<u>-</u>

Total Stockholders Equity -1,647,278

Total Liabilities and Equity 256,318

Cash Flow

SMC Cash Flow

Period Ending	12/31/15
Net Income	<u>-\$279,887</u>
Operating Activities, Cash Flows Provided by or Used In	
Depreciation	1,556
Adjustments to Net Income	-
Changes in Accounts Receivable	(42,797)
Changes in Liabilities	1,143,196
Changes in Inventory	92,809
Changes in Other Operating Activities	<u>-</u>
Total Cash Flow from Operating Activities	<u>1,194,764</u>
Investing Activities, Cash Flows Provided by or Used In	
Capital Expenditures	-
Investments	-
Other Cash from Investing Activities	<u>-</u>
Total Cash Flow from Investing Activities	<u>-</u>
Financing Activities, Cash Flows Provided by or Used In	
Dividends Paid	-
Sale/Purchase of Stock	2,000
Net Borrowings	-
Other Cash from Financing Activities	<u>(955,369)</u>
Total Cash Flow from Financing Activities	<u>(953,369)</u>
Effect of Exchange Rate Changes	<u>-</u>
Change in Cash and Cash Equivalents	<u><u>-\$38,492</u></u>