

SMC Profit and Loss

Period	7/1/16-9/30/16
Total Revenue	\$ 12,610
Cost of Revenue	-
Gross Profit	12,610
Operating Expenses	
Research and Development	-
Selling, General, and Administrative Expenses	49,214
Non Recurring	-
Others	-
Total Operating Expenses	49,214
Operating Income or Loss	-36,604
Income From Continuing Operations	-36,604
Total Other Income/Expense	-
Earnings Before Interest and Taxes	-36,604
Interest Expense	8,170
Income Before Tax	-44,774
Income Tax Expense	-
Net Income from Continuing Operations	-44,774
Non Recurring Events	25,500
Discontinued Operations	-
Extraordinary Items	-
Effect of Accounting Changes	-
Other Items	-
Net Income	-19,274
Preferred Stock and Other Adjustments	-
Net Income Applicable to Common Shareholders	\$ (19,274)

SMC Balance Sheet

Period Ending 09/30/16

Assets

Current Assets

Cash and Cash Equivalents	\$ 2,999
Short Term Investments	-
Net Receivables	10,000
Inventory	-
Other Current Assets	<u>260,901</u>

Total Current Assets 273,900

Long Term Investments	-
Property, Plant, and Equipment	10,275
Accumulated Depreciation	(7,355)
Goodwill	-
Intangible Assets	-
Accumulated Amortization	-
Other Assets	-
Deferred Long Term Asset Charges	<u>-</u>

Total Assets \$ 276,820

Liabilities

Current Liabilities

Accounts Payable	19,560
Short/Current Long Term Debt	-
Other Current Liabilities	<u>358,495</u>

Total Current Liabilities 378,055

Long Term Debt	380,000
Other Liabilities	4,186
Deferred Long Term Liability Charges	-
Negative Goodwill	<u>-</u>

Total Long Term Liabilities 384,186

Total Liabilities 762,241

Stockholders Equity

Misc Stocks Options Warrants	-
Redeemable Preferred Stock	-
Preferred Stock	1,003,573
Common Stock	2,656,521
Retained Earnings	(8,299,433)
Treasury Stock	-
Capital Surplus	4,153,918
Other Stockholder Equity	<u>-</u>

Total Stockholders Equity -485,421

Total Liabilities and Equity \$ 276,820

SMC Cash Flow

Period Ending	09/30/16
Net Income	<u>\$ (19,274)</u>
Operating Activities, Cash Flows Provided by or Used In	
Depreciation	389
Adjustments to Net Income	(25,500)
Changes in Receivables	-
Changes in Liabilities	15,702
Changes in Inventory	-
Changes in Other Operating Activities	<u>-</u>
Total Cash Flow from Operating Activities	<u>(9,409)</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	25,000
Net Borrowings	-
Other Cash from Financing Activities	<u>-</u>
Total Cash Flow from Financing Activities	<u>25,000</u>
Effect of Exchange Rate Changes	<u>-</u>
Change in Cash and Cash Equivalents	<u><u>\$ (3,683)</u></u>