



**eMax Worldwide, Inc.  
and Subsidiary**

**(A Holding Company)  
un-audited**

**FINANCIAL STATEMENTS**

**FISCAL YEARS**

**2010 and 2011**

**EMAX WORLDWIDE INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	December 31, <u>2011</u>	December 31, <u>2010</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 16,500	14,500
Restricted cash	3,730,093	3,730,093
Accounts receivable, net		0
Other receivables	-	0
Other receivables-related parties	-	0
Inventories	-	0
Prepayment	-	0
Total Current Assets	<u>3,746,593</u>	<u>3,744,593</u>
Stock Held in Mindpix	11,356,343	
Property, plant and equipment, net	825,000	-
Investments and Goodwill (Note 8)	<u>27,905,577</u>	<u>27,755,948</u>
Total Assets	<u><u>\$ 43,833,513</u></u>	<u><u>31,500,541</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities		
Short-term loans (Note 9)	\$ 125,000	334,500
Accounts payable	115,401	96,410
Other payables	-	-
Due to related parties		325,000
Accrued expenses (10)	492,602	
Interest payable	-	-
Advance from customers	-	-
Long-term loans due within one year (Note 11)	<u>312,500</u>	<u>-</u>
Total Current Liabilities	<u>1,045,503</u>	<u>755,910</u>
Convertible Preferred- shareholders (Note 12)	<u>25,023,836</u>	
Total Liabilities	<u><u>26,069,339</u></u>	<u><u>755,910</u></u>
Shareholders' Equity (Deficit)		
Preferred stock, \$0.001 par value; 25,000,000 shares authorized; 24,803,836 shares issued and outstanding	25,023,836 -	 -
Common stock, \$0.001 par value; 2,000,000,000 shares authorized, 2,054,117,864 1,560,442,691 and shares issued and outstanding at December 31, 2010 and December 31, 2011, respectively	  162,726	  163,120
Additional Paid-in Capital	20,556,945	44,922,015
Accumulated Deficit	(14,311,840)	(14,340,504)
Retained Earnings (Note 13)	<u>11,356,343</u>	<u>-</u>
Shareholders' Equity (Deficit)	<u>17,764,174</u>	<u>30,744,631</u>
Total Liabilities and Shareholders' Equity	<u><u>\$ 43,833,513</u></u>	<u><u>31,500,541</u></u>

**EMAX WORLDWIDE INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	For the Years Ended December 31,	
	<u>2011</u>	<u>2010</u>
<b>Revenue</b>		
Net sales	\$ <u>392,321</u>	\$ <u>322,000</u>
<b>Cost of Goods Sold</b>	<u>-</u>	<u>(102,217)</u>
<b>Gross Profit</b>	392,321	219,783
<b>Operating Expenses</b>		
Selling expenses	34,132	8,379
General and administrative expenses (Note 14)	<u>329,525</u>	<u>147,766</u>
Total operating expenses	<u>363,657</u>	<u>156,145</u>
<b>Income from operations</b>	<u>28,664</u>	<u>63,638</u>
<b>Other Income (Expenses)</b>		
Interest expense	-	-
Other income	-	-
Other expenses	<u>-</u>	<u>-</u>
<b>Total other income (expenses)</b>	-	-
<b>Income before income taxes</b>	<u>28,664</u>	<u>63,638</u>
Income taxes (Note 15)	<u>-</u>	<u>-</u>
<b>Net Income (Loss)</b>	<u>\$ 28,664</u>	<u>\$ 63,638</u>

**See Notes to Consolidated Financial Statements.**

# EMAX WORLDWIDE INC. AND SUBSIDIARIES

## Consolidated Statements of Stockholders' Equity (Deficit) and Comprehensive Income (Loss)

For the Years Ended December 31, 2011 and 2010

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensi	Accumulated Deficit	Total
	Shares	Par (\$0.0001)				
<b>Balance as of December 31, 2008</b>	1378065364	\$ 162,486	\$ 43,741,986	\$	\$ (14,473,282)	\$ 29,431,190
Issuance of Shares for accrued salaries and expenses owed to directors and officers with shares valued at .10 per share	4,187,500	4	418,746			418,750
Issuance of Shares for notes and interest owed to officers of the company with shares valued at .10 per share	910,000	1	90,999			91,000
Net income for the year					69,140	69,140
<b>Balance as of December 31, 2009</b>	1,383,162,864	\$ 162,491	\$ 44,251,731	\$ 0	\$ (14,404,142)	\$ 30,010,080
Issuance of Shares for notes owed with shares valued at .001 per share	524,455,000	524	523,931			524,455
Issuance of Shares for consultant fess with shares valued at \$ .001 per share	146,500,000	147	146,353			146,500
Net income for the year					63,638	63,638
<b>Balance as of December 31, 2010</b>	2,054,117,864	\$ 163,162	\$ 44,922,015	\$ 0	\$ (14,340,504)	\$ 30,744,673
Issuance of Shares for notes owed with shares valued at \$.001 per share	669,000,000	669	333,831			334,500
Issuance of Shares for notes and interest owed to officers of the company with shares valued at \$.005 per share	65,000,000	65	324,935			325,000
<b>Balance as of June 30, 2011</b>	2,788,117,864	\$ 163,896	\$ 45,580,781	\$ 0	\$ (14,340,504)	\$ 31,404,173
Issuance of Preferred A Shares at value of \$1.00 per share in exchange for 1,227,675,173 common stock to be retired with valued of \$.02 per share				25,023,836		
Retiring of Common Stock at value of \$.002 share	-1,227,675,173	(1,228)				
Net income for the year					28,664	28,664
<b>Balance as of December 31, 2011</b>	1,560,442,691	\$ 162,668	\$ 45,580,781	\$ 25,023,836	\$ (14,311,840)	\$ 31,432,837

**EMAX WORLDWIDE INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	For the Years Ended December 31,	
	<u>2011</u>	<u>2010</u>
<u>Operating Activities:</u>		
Net income (loss)	\$ 28,664	\$ 63,638
Adjustments to reconcile income (loss) to net cash provided by operations		
Depreciation	-	-
Provision for bad debts	-	-
Amortization of intangible assets	-	-
Gain on disposal of property, plant and equipment	-	-
Expenses of disposed subsidiary	-	-
Loss on disposal of subsidiary	-	-
Changes in operating assets and liabilities:		
Restricted cash	-	-
Accounts receivable, net		
Other receivables	-	-
Inventories	-	-
Prepayment		
Accounts payable	(115,401)	(35,196)
Other Notes payables (Note 16)	(334,500)	(670,955)
Accrued expenses	(492,602)	(325,000)
Interest payable	-	-
Advance from customers		
Net cash provided by (used in) operating activities	<u>(913,839)</u>	<u>(967,513)</u>
<u>Investing Activities</u>		
Purchase of properties, plant and equipment	825,000	-
Proceeds from disposal of properties, plant and equipments	-	-
Proceeds from sale of capital share of subsidiary, eMax Media	<u>11,356,343</u>	<u>-</u>
Net cash provided by (used in) investing activities	12,181,343	-
<u>Financing Activities</u>		
Proceeds from short-term and long-term loans	(125,000)	-
Proceeds from related parties		-
Repayment to related parties	325,000	325,000
Repayment of loans	<u>334,500</u>	<u>670,955</u>
Net cash provided by (used in) financing activities	534,500	995,955
Effect of exchange rate changes on cash		
Increase(decrease) in cash	11,802,004	# 28,442
Cash at beginning of period	3,469	2,168
Cash at end of period	<u>\$ 11,805,473</u>	<u>\$ 30,610</u>
<u>Supplemental disclosure of cash flow information</u>		
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>

See Notes to Consolidated Financial Statements.

**EMAX WORLDWIDE, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. ORGANIZATION AND BUSINESS BACKGROUND**

The Corporation was originally incorporated in the State of Delaware on May 19, 1989 Space Wif, Inc. A Certificate of Amendment to Articles of Incorporation was filed on December 8, 1992 changing the name of the corporation to Gateways To Space, Inc. A Certificate of Amendment to Articles of Incorporation was filed on March 29, 2000 changing the name of the corporation to eMax Corp, Inc. On May 14, 2004 , a Certificate of Amendment was filed changing the name of the corporation to eMax Holdings Corp. On June 8, 2007, the company merged into Gold Rush Investments in Utah and converted its domicile from Delaware to Utah. A Certificate of Amendment was filed on July 8, 2007 changing the name of the corporation to eMax Worldwide, Inc. On July 4, 2008, The total authorized capital was modified by increasing the authorized shares from 500,000,000 shares of stock to 1,400,000,000 shares of common stock and with a par value of \$0.000001 per share.

On August 8, 2008, The company was also issued a new Cusip number at that time. The new cusip number for EMAX Worldwide, Inc. is 29078Y 101. The company is still awaiting Nasdaq to change the name of the company in the market

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation**

The accompanying financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). All significant inter company accounts and transactions have been eliminated in consolidation.

The consolidated financial statements included herein are unaudited; however, they contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position at December 31, 2011 and 2010.

**b. Use of Estimates**

In preparing these financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the year reported. Actual results may differ from these estimates. The Company regularly evaluates estimates and assumptions related to obsolete inventory, useful life and recoverability of long lived assets. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

**c. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits with banks.

**d. Inventories**

Inventories are stated at the lower of cost, as determined on a standard cost basis, or net present value. Costs of inventories include purchase and related costs incurred in bringing the products to their present location and condition. Management also regularly evaluates the composition of the Company's inventories to identify slow-moving and obsolete inventories to determine if a valuation allowance is required.

**e. Property, Plant, and Equipment**

Property, plant and equipment are initially recognized recorded at cost. Gains or losses on disposals are reflected as gain or loss in the period of disposal. The cost of improvements that extend the life of plant and equipment are capitalized. These capitalized costs may include structural improvements, equipment and fixtures. All ordinary repairs and maintenance costs are expensed as incurred.

Depreciation for financial reporting purposes is provided using the straight-line method over the estimated useful lives of the assets:

Buildings	10 years
Machinery and equipment	5 years
Transportation equipment	5 years
Office equipment	5 years

**f. Intangible Assets**

Intangible assets are stated in the balance sheet at cost less accumulated amortization. The costs of the intangible assets are amortized on a straight-line basis over their estimated useful lives. The respective amortization periods for the intangible assets are as follows:

Investments and Goodwill	30-70 years
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**3. SIGNIFICANT CONCENTRATIONS**

Credit Risk

Financial instruments which potentially expose the Company to concentrations of credit risk consist of cash and accounts receivable as of December 31, 2010 and 2009. The Company performs ongoing evaluations of its cash position and credit evaluations to ensure collections and minimize losses.

**4. ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following:

There are no receivables at this time

**5. INVENTORIES**

Inventories consist of the following:

The company has no inventory at this time

**6. PREPAYMENT**

The company paid no prepayments

**7. PROPERTY, PLANT, AND EQUIPMENT**

Property, plant and equipment consist of the following:

The depreciation was \$0 and \$0 for the years ended December 31, 2010 and 2009, respectively. They are broken down as follows:

**8. INTANGIBLE ASSETS**

Investments and Goodwill consist of the following:

	December 31 2011	December 31 2010
Investments and Goodwill	28,418,077	27,755,948
Less: Accumulated Amortization	0	0
Investments and Goodwill, net	28,418,077	27,755,948

The amortization for intangible Assets was \$0 and \$0 for the years ended December 31, 2011 and 2010, respectively. They are broken down as follows:

## **9. SHORT-TERM LOANS**

Short-term loans consist of the following :

A. One year notes due to capital investors are \$125,000 and \$334,500 for the years ended December 31, 2011 and 2010, respectively.

In 2011, the Company issued at total of 65,000,000 shares valued at \$325,000 to employees for accrued salaries owed to them

In 2011, the Company issued a total of 669,000,000 shares of 144 common stock to capital investors who loaned funds to the company over one year ago. The company issued those shares by resolution.

C. On July 18, 2011, the Company, by its subsidiary New Unified Corp., borrowed \$25,000 and issued a convertible promissory note payable twelve months from the date of issue and bearing an interest rate of 10% per annum.

On August 21, 2011, the Company, by its subsidiary New Unified Corp., borrowed \$100,000 and issued a convertible promissory note payable twelve (12) months from the date of issue and bearing an interest rate of 10% per annum.

## **10. ACCRUED EXPENSES**

Accrued salaries due the officers of the companies is a current total of \$492,602

## **11. LONG-TERM LOANS**

Long-term loans consist of the following:

eMax Worldwide holds interests in two properties by way of its subsidiary New Unified Corp. The first property located in Tennessee is 33 acres and carries a purchase price of \$700,000. The company owes 300,000 to the original owner by way of a owner financed note. On January 12, 2011, the Company, by its subsidiary New Unified Corp., signed a convertible promissory note in the amount of \$300,000 payable thirty six months (36) months from the date of issue and bearing an interest rate of 10% per annum.

The Second Real Estate Property is located in Vernon Florida and carries a purchase price of \$125,000. The company owes \$112,500 to the original owner by way of a owner financed note. On February 24, 2011, the Company, by its subsidiary New Unified Corp., signed a convertible promissory note in the amount of \$112,500 payable thirty six months (36) months from the date of issue and bearing an interest rate of 10% per annum.

## **12. CONVERTIBLE PREFERRED**

On July 4, 2011, the company's founders agreed to exchange all the common stock they held in their personal and company names for Series A Preferred Stock. The founders agreed to exchange a total of 1,227,675,173 shares of common stock with a combined total book value of \$25,023,836 into 25,023,836 shares of Series Preferred A stock.

## **13. RETAINED EARNINGS**

On May 30, 2011 the partly held company, eMax Media Inc., merged into Mindpix Corp., a publicly trading company trading under the ticker symbol ("MPIX"). eMax Worldwide shareholders own approximately 29% of the company and this equates to 113,563,431 shares of MPIX and equals a value of \$11,356,343



#### 14. GENERAL AND ADMINISTRATIVE

For the years ended December 31, 2011 and 2010, the amount of general and administrative expenses mainly composed of the following events:

	For Years Ended December 31,	
	2011	2010
Office expense	152,263	52,656
Contract Labor	89,877	59,374
Legal and Professional Services	83,181	32,476
Insurances	4,204	3,260
Bad Debts	0	0
Depreciation	0	0
Total	329,525	147,766

#### 15. INCOME TAXES

The Company accounts for income taxes pursuant to the standard, "Accounting for Income Taxes", codified with ASC 740 which requires recognition of deferred income tax liabilities and assets for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns.

The Company has no United States corporate income tax liability as of December 31, 2011 and 2010.

#### 16. STOCKHOLDER EQUITY

In year 2011 the company issued 65,000,000 common shares to retire notes owed to directors and officers for accrued salaries. The shares are to be issued at a price per share of \$.005/share and carries a total of \$325,000.

On February 24, 2011, a holder of our promissory note converted \$21,000 of the principal due on this note into 42,000,000 shares of Common Stock.

On January 3, 2011, a holder of our promissory note converted \$50,000 of the principal due on this note into 100,000,000 shares of Common Stock.

On June 9, 2011, a holder of our promissory note converted \$150,000 of the principal due on this note into 300,000,000 shares of Common Stock.

On June 9, 2011, a holder of our promissory note converted \$50,000 of the principal due on this note into 100,000,000 shares of Common Stock.

On June 9, 2011, a holder of our promissory note converted \$3,500 of the principal due on this note into 7,000,000 shares of Common Stock.

On June 9, 2011, a holder of our promissory note converted \$10,000 of the principal due on this note into 20,000,000 shares of Common Stock.

On June 9, 2011, a holder of our promissory note converted \$50,000 of the principal due on this note into 100,000,000 shares of Common Stock.