



Mindpix Corp.
and subsidiary

(a holding Company)
un-audited

FINANCIAL STATEMENTS

FISCAL YEAR

2011

MINDPIX CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
2011

1. Significant Accounting Policies

(a) Inventories

Inventories are stated at the lower of cost (first-in, first-out method) and net realizable value.

(b) Amortization

Annual amortization rates adopted by the Company are:

On the declining balance method:

1) Capitalized Production Costs

2)
recordings

5%

3)
fixtures

4)
Computer

5) Goodwill

On the straight line method:

1) leasehold improvements term of lease 5 years

(c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

2. Capital Assets

3. Cost	Accumulated	Net book
<u>Amortization/Depletion</u>	<u>Value</u>	
Audio, Video and Software Masters and Recordings	40,000,000	

3. Bank Indebtedness

The company currently has no loans or outstanding liabilities to bank or lending institutions

4 Long and Short Term Debt

- a) Notes owed to previous investors and lenders. A total of \$1,303,500 is to be retired with a total of 13,035,000 shares to be issued .
- b) Payables owed to Transfer Agent, Corporate Attorney, Securities Attorney, Auditors, and other legal counselors in the total amount of
- c) Notes are owed to directors and founders for salaries that total \$525,000
- d) Notes are owed and payable to several consultants with a total owed in the amount of \$350,000.
- e)
 - ^ Notes due for services rendered over two years and owed to previous founders David Ballif of \$40,000. Mr Ballif has agreed to take 400,000 shares at value of \$40,000 to satisfy payable due.
 - ^ Notes still due to and owed to previous founders Thomas Alaprandi of \$165,000. Mr Alaprandi has agreed to take 1,650,000 shares at value of \$165,000 to satisfy payable due.
 - ^ Executive Consulting is owed 610,000 shares valued at for services for \$50,000. Notes are owed to Rockport Equities for services provided that total \$30,500.
- f) Additional Convertible Preferred Notes are owed to eMax Media Group and/or their founding companies for music, video and media assets; and with a total aggregate amount of \$6,700,465 owed in numerous convertible notes. These Notes are in the names of New Unified Corp, Me-Too Records, Entertainmax Inc. and eMax Music International. These notes will be part of the companies consolidated financial statements. See attached financial schedules.

5. Capital Stock

a) The Company was incorporated under the Laws of Nevada.

b) Authorized:

750,000,000 number of authorized common stock, par at
\$.0001/share
25,000,00 number of authorized preferred stock,
par at \$.0001/share

Issued and fully paid:

Common stock	<u>499,521,084</u>
Preferred stock	<u>\$0</u>

c) As of the date 12/31/2011 the Company has issued 499,521,084 shares of common stock for a total cash consideration of \$47,519,676

6. Commitments

In September eMax Media Group signed a short term lease to rent some property at 1000 Universal Studios Plaza in Orlando Fl 32819. The term of the lease is a month to month and grow as you need space on the back lot of Universal Studios Studios Orlando. As a production company we increase office space and studio space at Universal Studios Production group facilities as we need the additional work area. The company currently pays 397.00 month and is preparing to lease four more offices at Universal Studios Plaza

7. Subsequent Events.

In October of 2011 the company issued 25,000,000 shares of stock with a consideration value of \$.02/share to an unaffiliated company for services rendered over two years ago to the company

On May 31, 2011, the Company acquired 100% of the outstanding stock of eMax Media Inc., (a Florida corporation) in exchange for 400,000,000 shares of restricted common stock. All financial information of eMax Media Inc. has been included in the consolidated financial statement of the Company. The acquisition was accounted for as a purchase with assets and goodwill being recognized of \$40,000,000. Additional Convertible Preferred Notes are owed to eMax Media Group and/or their founding companies for music, video and media assets; and with a total aggregate amount of \$6,700,465 owed in numerous convertible notes. These Notes are in the names of New Unified Corp, Me-Too Records, Entertainmax Inc. and eMax Music International. These notes will be part of the companies consolidated financial statements. See attached financial schedules. These notes will be part of the companies consolidated financial statements. See attached financial schedules.

In October of 2011, the Company has agreed to issued a total of 13,035,000 shares of 144 common stock to capital investors who loaned funds to the company over two years ago. The company is preparing to issue those shares by resolution. This will result in an additional amount of \$1,303,500 being released from the notes payable to unaffiliated parties.

In June of 2011, the Company has agreed to re-issued from the 15,000,000 ESOP shares for 144 common stock that was previous issued for a stock option plan. The company issued those shares in settlement for all fees owed to the resigning offices and directors who might have been owed any outstanding fees. This event reduced \$1,500,000 in salaries and fees owed to founding employees and directors. By the end of 2011 the company had issued a total of 15,000,000 shares of stock and reduced \$1,500,000 in salaries and fees owed to founding employees and directors. As of the end of 2011 there is still currently an outstanding balance of \$205,000 owed to resigning offices and directors and the company is planning to issue an additional 2,050,000 shares to retire the balance owed to the resigned officers and directors.

In January of 2011, the company by way of its subsidiary, eMax Media issued promissory notes in the amount of \$350,000 owed as payables on the books of the company. The company has agreed to issue a total of 9,000,000 shares of 144 common stock to settle the one year notes owed to companies that rendered services to the company over one year ago. This event will reduce \$350,000 owed as payables on the books of the company and will be attributed on the books as paid in capital.

In June of 2011, the company agreed to pay current operating officers and directors for their time in the form of employment contracts. To settle the amount owed to the operating officers the company agreed to issued shares of stock in the company at a stated value of \$.025/ per share to retire the notes owed to the operating officers. The company is currently carrying short term payables to officers in the amount of \$525,000. The company has agreed to issue a total of 21,100,000 shares of 144 common stock to settle the payables owed to the operating officers. This event will reduce \$525,000 owed as payables owed to related parties on the books of the company and will be attributed on the books as paid in capital.

8. PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment consist of the following:

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

9. INTANGIBLE ASSETS

Intangible assets consist of the following:

	October 15 2011	December 31 2010
Telecommunications and Communication company	5,307,700	4,668,792
eMax Media	45,978,688	
Less: Accumulated Amortization	0	0
Intangible assets, net	51,286,388	4,668,792

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:

MINDPIX CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

12/31/11

ASSETS

Current Assets	
Cash and cash equivalents	\$ 15,700
Restricted cash	-
Accounts receivable, net	
Other receivables	-
Other receivables-related parties	
Inventories	-
Other payables	
Total Current Assets	15,700
Property, plant and equipment, net	23,000
Intangible assets (Note 9)	51,286,388
Total Assets	\$ 51,325,088

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities	
Short-term loans (Note 4a)	\$ 1,303,500
Accounts payable(Note 4b)	104,481
Other payables	-
Due to related parties (Note 4c)	525,000
Accrued expenses (Note 4d)	350,000
Interest payable	-
Advance from customers	-
Long-term loans due within one year (Note 4e)	285,500
Total Current Liabilities	2,568,481
Convertible promissory note-shareholders (Note 4f)	6,700,465
Total Liabilities	9,268,946
Shareholders' Equity (Deficit)	
Preferred stock, \$0.001 par value; 20,000,000 shares authorized; 0 shares issued and outstanding	-
Common stock, \$0.001 par value; 200,000,000 shares authorized, 74,521,084 and 499,521,084 shares issued and outstanding at December 31, 2010 and December 31, 2011, respectively	432,452
Additional Paid-in Capital	47,519,676
Accumulated Deficit	(5,917,451)
Net Income	21,465
Shareholders' Equity (Deficit)	42,056,142
Total Liabilities and Shareholders' Equity	\$ 51,325,088

MINDPIX CORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years To Date
12/31/11

Revenue	
Net sales	\$ <u>742,458</u> \$
Cost of Goods Sold	<u>(564,848)</u>
Gross Profit	177,610
Operating Expenses	
Selling expenses	8,379
General and administrative expenses (Note 13)	<u>147,766</u>
Total operating expenses	<u>156,145</u>
Income (Loss) from operations	<u>21,465</u>
Other Income (Expenses)	
Interest expense	-
Other income	-
Other expenses	<u>-</u>
Total other income (expenses)	-
Income (Loss) before income taxes	<u>21,465</u>
Income taxes	-
Net Income (Loss)	<u>\$ <u>21,465</u> \$</u>

See Notes to Consolidated Financial Statements.

MINDPIX CORP AND SUBSIDIARIES
Consolidated Statements of Stockholders' Equity (Deficit) and Comprehensive Income (Loss)
For the Years Ended December 31, 2011 and 2010

	<u>Common Stock</u>		<u>Additional Paid- In Capital</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Par (\$0.0001)</u>				
Balance as of December 31, 2008	<u>59,521,084</u>	<u>\$ 5,952</u>	<u>\$ 5,944,676</u>	<u>\$</u>	<u>\$ (5,163,076)</u>	<u>\$ 287,552</u>
Shares Issued Employee Stock Option	15,000,000	15,000	1,500,000			1,500,000
Net income for the year					25,724	25,724
Balance as of December 31, 2009	<u>74,521,084</u>	<u>\$ 7,452</u>	<u>\$ 7,444,676</u>	<u>\$ 0</u>	<u>\$ (5,137,352)</u>	<u>\$ 1,813,276</u>
Net income for the year					63,638	63,638
Balance as of December 31, 2010	<u>74,521,084</u>	<u>\$ 7,452</u>	<u>\$ 7,444,676</u>	<u>\$ 0</u>	<u>\$ (5,073,714)</u>	<u>\$ 1,876,914</u>
Issuance of shares for notes due at \$.02 per share	25,000,000	25,000	475,000			500000
Issuance of shares for investment in eMax Media at \$.10/share	400,000,000	400,000	39600000			40000000
Net loss for the year					21,465	21,465
Balance as of December 31, 2011	<u>499,521,084</u>	<u>\$ 432,452</u>	<u>\$ 47,519,676</u>	<u>\$ 0</u>	<u>\$ (5,052,249)</u>	<u>\$ 42,398,379</u>

MINDPIX CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Period Ended
December 31,
2011

Operating Activities:

Net income (loss)	\$		\$ 21,465
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			(104,481)
Payables to Related Parties			(525,000)
Accrued expenses			(635,500)
Interest payable			-
Advance from customers			
Net cash provided by (used in) operating activities			(1,243,516)

Investing Activities

Purchase of properties, plant and equipment			-
Proceeds from disposal of properties, plant and equipments			-
Proceeds from sale of capital share of subsidiary			-
Net cash provided by (used in) investing activities			-

Financing Activities

Proceeds from short-term and long-term loans			1,303,500
Proceeds from related parties			
Repayment to related parties			1,500,000
Repayment of loans			500,000
Net cash provided by (used in) financing activities			3,303,500

Effect of exchange rate changes on cash			-
Increase(decrease) in cash		#	2,059,984
Cash at beginning of period			7,512
Cash at end of period	\$		\$ 2,067,496

See Notes to Consolidated Financial Statements.