

CLEAN ENERGY PATHWAYS, INC.

Financial Statements

As of and for the Three Months Ending March 31, 2018 and 2017

# CLEAN ENERGY PATHWAYS, INC.

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# CLEAN ENERGY PATHWAYS, INC.

## Balance Sheet

| For the Three Months Ending:   | March 31, 2018        | March 31, 2017        |
|--|-----------------------|-----------------------|
| <b>Assets:</b>   |                       |                       |
| Current Assets:  |                       |                       |
| Cash   | \$ 100                | \$ 0                  |
| Accounts Receivable (Shareholder)  | 7,765                 | 7,765                 |
| Inventory  | <u>23,400</u>         | <u>23,400</u>         |
| Total Current Assets   | \$ <u>31,265</u>      | \$ <u>31,165</u>      |
| Furniture, Fixtures, and Equipment (net)   | 0                     | 0                     |
| Total Assets   | \$ <u>31,265</u>      | \$ <u>31,165</u>      |
| <b>Liabilities and Stockholder's Equity (Deficit)</b>  |                       |                       |
| Current Liabilities  |                       |                       |
| Trade Accounts Payable   | \$ 117,847            | \$ 110,347            |
| Loans/Notes/Accounts Payable   | 46,727                | 33,627                |
| Deferred Revenue   | 3,530,191             | 3,530,191             |
| Other Accrued Expenses   | <u>348,463</u>        | <u>348,463</u>        |
| Total Liabilities  | \$ <u>4,043,228</u>   | \$ <u>4,022,628</u>   |
| Stockholder's Equity (Deficit)   |                       |                       |
| <b>Common Stock</b> , \$.001 par value, 190,000,000 shares authorized, 164,509,162 and 164,509,162 issued and outstanding at March 31, 2018 and March 31, 2017, respectively           | \$ 164,509            | \$ 164,509            |
| <b>Convertible Preferred Stock</b> , \$.001 par value, 10,000,000 shares authorized, 1,520,000 and 1,520,000 issued and outstanding at March 31, 2018 and March 31, 2017, respectively | 1,520                 | 1,520                 |
| <b>Treasury Stock</b> , at cost; 950,000 shares at March 31, 2018 and 950,000 at March 31, 2017 respectively   | (199,599)             | (199,599)             |
| Additional Paid-In Capital   | 13,442,577            | 13,442,577            |
| Retained Earnings (Deficit)  | <u>(17,420,970)</u>   | <u>(17,400,470)</u>   |
| Total Stockholder's Equity (Deficit)   | \$ <u>(4,011,963)</u> | \$ <u>(3,991,463)</u> |
| Total Liabilities and Stockholder's Equity (Deficit)   | \$ <u>31,265</u>      | \$ <u>31,165</u>      |

# CLEAN ENERGY PATHWAYS, INC.

## Statement of Operations

| For the three months ended                   | March 31, 2018    | March 31, 2017     |
|--|-------------------|--------------------|
| Revenue                                      | \$ 0              | \$ 0               |
| Cost of Goods Sold                           | <u>0</u>          | <u>0</u>           |
| Gross Margin                                 | \$ <u>0</u>       | \$ <u>0</u>        |
| Operating Expenses                           | \$ <u>3,800</u>   | \$ <u>12,850</u>   |
| <b>Net Income (Loss) Before Taxes</b>        | \$ <u>(3,800)</u> | \$ <u>(12,850)</u> |
| Provision for Income Taxes                   | 0                 | 0                  |
| <b>Net Income (Loss)</b>                     | \$ <u>(3,800)</u> | \$ <u>(12,850)</u> |
| <b>Net income (loss) per share:</b>          |                   |                    |
| Basic  | \$ 0.00001        | \$ 0.00001         |
| Diluted                                      | \$ 0.00001        | \$ 0.00001         |
| Weighted average shares outstanding: basic   | 146,509,162       | 146,509,162        |
| Weighted average shares outstanding: diluted | 146,509,162       | 146,509,162        |

CLEAN ENERGY PATHWAYS, INC.

Statement of Stockholder's Equity (Deficit)  
For the Three Months Ending March 31, 2018

|  | Common<br>Number<br>Of Shares | Stock<br>\$0.001<br>Par Value | Preferred<br>Number<br>Of Shares | Stock<br>\$0.001<br>Par Value | Treasury<br>Number<br>Of Shares | Stock<br>Cost | Additional<br>Paid-In<br>Capital | Accumulated<br>(Deficit) | Total<br>Stockholders<br>Equity(Defic |
|--|-------------------------------|-------------------------------|----------------------------------|-------------------------------|---------------------------------|---------------|----------------------------------|--------------------------|---------------------------------------|
| Balance December 31, 2017              | 164,509,162                   | \$ 164,509                    | 1,520,000                        | \$ 1,520                      | 950,000                         | \$ (199,599)) | \$ 13,422,577                    | \$ (17,417,170)          | \$ (4,008,1                           |
| Stock Issued for Services              |                               |                               |                                  |                               |                                 |               |                                  |                          |                                       |
| Conversion from Preferred<br>to Common |                               |                               |                                  |                               |                                 |               |                                  |                          |                                       |
| Purchase Treasury Stock                |                               |                               |                                  |                               |                                 |               |                                  |                          |                                       |
| <u>Net Income</u>                      | =                             | =                             | =                                | =                             | =                               | =             |                                  | (3,800)                  | (3,8                                  |
| Balance March 31, 2018                 | 164,509,162                   | \$ 164,509                    | 1,520,000                        | \$ 1,520                      | 950,000                         | \$ (199,599)  | \$ 13,422,577                    | \$ (17,420,970)          | \$ (4,011,9                           |

# CLEAN ENERGY PATHWAYS, INC.

## Statement of Cash Flows

| For the Three Months Ended  | March 31, 2018 | March 31, 2017 |
|---|----------------|----------------|
| <b>Operating Activities</b>   |                |                |
| Net Income (Loss)   | \$ (3,600)     | \$ (12,850)    |
| Adjustments to reconcile net loss to cash provided by operating activities: |                |                |
| Bad Debts   | 0              | 0              |
| Depreciation  | 0              | 0              |
| Common Stock Issued for Services  | 0              | 0              |
| Loss on Disposal of Assets  | 0              | 0              |
| (Increase) Decrease in:   |                |                |
| Accounts Receivable   | 0              | 0              |
| Prepaid Expenses  | 0              | 0              |
| Prepaid Income Taxes  | 0              | 0              |
| Inventory   | 0              | 0              |
| Increase (Decrease) in:   |                |                |
| Accounts Payable  | 3,700          | 12,850         |
| Other Accrued Expenses  | 0              | 0              |
| <b>Cash Used in Operating Activities</b>                                    | \$ <u>100</u>  | \$ <u>0</u>    |
| <b>Financing Activities</b>   |                |                |
| Purchase of Treasury Shares   | \$ <u>0</u>    | \$ <u>0</u>    |
| <b>Cash Provided by Financing Activities</b>                                | \$ <u>0</u>    | \$ <u>0</u>    |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                 | \$ <u>100</u>  | \$ <u>0</u>    |
| <b>Cash and Cash Equivalents-Beginning of Period</b>                        | \$ <u>0</u>    | \$ <u>0</u>    |
| <b>Cash and Cash Equivalents-End of Period</b>                              | \$ <u>100</u>  | \$ <u>0</u>    |