Hitec Corp.
(fka Dragon Polymers, Inc.)
Balance Sheets
(Unaudited)

ASSETS		As of August 31, 2015		As of November 30, 2014 (Restated)
Current Assets:				
Cash and cash equivalents	$	-	$	3,680
Total Assets	$	-	$	3,680
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities:				
Accounts payable and accrued expenses	$	7,631	$	8,261
Loan payables- related party		31,832		600
Convertible note payables, net		21,720		21,720
Total Current Liabilities		61,183		30,581
Commitments		-		-
Stockholders' Deficit:				
Common stock; $0.001 par value; 500,000,000 shares authorized; 331,282,314 shares issued and outstanding as of August 31, 2015 and November 30, 2014, respectively		331,282		331,282
6% Series A Preferred stock; $0.001 par value; 400,000,000 shares authorized, 14,000,000 shares issued and outstanding as of August 31, 2015 and November 30, 2014, respectively		14,000		14,000
Additional paid in capital		15,586,911		15,586,911
Deficit accumulated		(15,993,376)		(15,959,094)
Total Stockholders' Deficit		(61,183)		(26,901)
Total Liabilities and Stockholders' Deficit	$	-	$	3,680

Hitec Corp.
(fka Dragon Polymers, Inc.)
Statements of Operations
For The Three and Nine Month Periods Ended August 31, 2015 and 2014
(Unaudited)

	For the three months ended August 31, 2015	For the three months ended August 31, 2014	For the nine months ended August 31, 2015	For the nine months ended August 31, 2014
Net Revenues	$ -	$ -	$ -	$ -
Cost of Goods Sold	-	-	-	-
Gross profit	-	-	-	-
Operating Expenses:				
General and administrative expenses	17,909	-	31,351	-
Loss From Operations	(17,909)	-	(31,351)	-
Other Expenses:				
Interest expense	977	30,250	2,931	90,750
Beneficial conversion feature expense	-	20,270	-	56,179
Total other expenses	977	50,520	2,931	146,929
Loss from continuing expenses	(18,886)	(50,520)	(34,282)	(146,929)
Discontinued operations				
Loss from discontinued operations	-	809,309	-	884,577
Net Loss	$ (18,886)	$ (859,829)	$ (34,282)	$ (1,031,506)
Loss per share				
Basic & Diluted	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted average number of shares outstanding				
Basic & Diluted	331,282,314	125,367,314	331,282,314	125,367,314

*weighted average number of dilutive shares is the same since the dilutive shares are anti dilutive in nature.

Hitec Corp.
(fka Dragon Polymers, Inc.)
Statements Of Cash Flows
For The Nine Month Periods Ended August 31, 2015 and 2014
(Unaudited)

		2015		2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Loss	$	(34,282)	$	(1,031,506)
Adjustments to reconcile net loss to net cash used in operating activities:				
Beneficial conversion feature		-		90,750
(Increase) in current assets		-		
(Decrease) in current liabilities:		(629)		-
Net cash used in operating activities of continuing operations		(34,912)		(940,756)
Net cash provided by operating activities of discontinuing operations		-		898,893
Net cash used in operating activities		(34,912)		(41,863)
CASH FLOWS FROM INVESTING ACTIVITIES		-		-
CASH FLOWS FROM FINANCING ACTIVITIES				
Monies raised from loan payables		-		21,000
Monies raised from loan payables- related party		31,232		-
Net cash provided by financing activities from continuing operations		31,232		21,000
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,680)		(20,863)
CASH AND CASH EQUIVALENTS, BEGINNING BALANCE		3,680		24,543
CASH AND CASH EQUIVALENTS, ENDING BALANCE	$	-	$	3,680
SUPPLEMENTAL DISCLOSURES:				
Interest paid	$	-	$	-
Income tax paid	$	-	$	-

The accompanying notes are an integral part of these unaudited financial statements

1. Financial Statement Presentation

Hitec Corp. (formerly known as "Dragon Polymers, Inc.") (The "Company") was incorporated in Delaware as a faith-based media holding company comprising internet, print and television related content properties and technology development services. On November 28, 2003, the Company acquired GospelCity.com Inc. which operated a web destination for Urban/Gospel Christian music fans and consumers. GospelCity.com Inc. was spun off on November 27, 2007.

On February 8, 2008, the Company On March 3, 2010, the Company sold all the assets acquired from Systems Art Holdings Limited to Miazzi Inc.

The Company was incorporated in Nevada on November 14, 2008 under the name Heart Health Inc. On March 3, 2010, the Company acquired all the assets of Blue Gold Beverages, Inc. – a Company carrying on the business of selling private label water, organic beverages and BGB labeled water in various size bottles. The purchase price was 40,000,000 shares of the Company valued at $200,000. On April 8, 2010, the Company filed for change of the name of the Company from Heart Health Inc. to Blue Gold Beverages, Inc. and the change in name got effective from that date. During the nine month period ended August 31, 2012, the Company impaired the assets as it is no longer pursuing that line of business.

On November 7th 2010 the company bought the shares of Ty Recycling, a nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000.

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5 000 000 shares of Blue Gold Beverages, the deal was valued at $100,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned. On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of $300,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

On April 27th 2012, FINRA approved the company's name change to Dragon Polymers Inc., as well as a 30-1 stock split.

On October 12th, 2014, the Company had a change in the management. The new management changed the name of the Company to Hitec Corp on November 4th, 2014. The new management decided that it is not generating sufficient revenue and has no hopes of future revenue from the recycling operations and impaired the asset of $600,000. (See Note 5)

2. Significant Accounting Policies

Basis of Presentation and Organization

The financial statements of the Company for the period December 1, 2014 to August 31, 2015 have been prepared in accordance with generally accepted accounting principles.

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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined.

Revenue Recognition

The Company's recognizes revenue at the date of shipment to customers when a formal arrangement exists, the price is fixed or determinable, the delivery is completed, no other significant obligations of the Company exist and collectability is reasonably assured. The Company recognizes revenue net of an allowance for estimated returns, at the time the merchandise is sold or services performed. The allowance for sales returns is estimated based on the Company's historical experience. Sales taxes are presented on a net basis (excluded from revenues and costs). Payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as unearned revenue.

Fair Value of Financial Instruments

The Company applies the provisions of ASC 820-10, "Fair Value Measurements and Disclosures." ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. For certain financial instruments, including cash and cash equivalents, restricted cash, accounts receivable, accounts payable and short-term debt, the carrying amounts approximate fair value due to their relatively short maturities. The carrying amounts of the long-term debt approximate their fair values based on current interest rates for instruments with similar characteristics.

The three levels of valuation hierarchy are defined as follows:

Level1: Valuations consist of unadjusted quoted prices in active markets for identical assets and liabilities and has the highest priority;

Level2: Valuations rely on quoted prices in markets that are not active or observable inputs over the full term of the asset or liability;

Level3: Valuations are based on prices or third party or internal valuation models that require inputs that are significant to the fair value measurement and are less observable and thus have the lowest priority.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Other Assets

On March 3, 2010, the Company acquired all the assets of Blue Gold Beverages, Inc. – a Company carrying on the business of selling private label water, organic beverages and BGB labeled water in various size bottles. The purchase price was 40,000,000 shares of the Company valued at $200,000. During the year ended November 30, 2012, the Company impaired the assets as it is no longer pursuing that line of business.

On November 7th 2010 the company bought the assets of Ty Recycling, nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000. During the year ended November 30, 2014, the Company had a change in the management. The new management changed the name of the Company to Hitec Corp. The new management decided that it is not generating sufficient revenue and has no hopes of future revenue from the recycling operations and impaired the asset of $600,000. (See Note 5)

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5,000,000 shares of Blue Gold Beverages, the deal was valued at $100,000. On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of $300,000. During the three month period ended February 29, 2012, the Company rescinded the shares exchange agreement and the shares were returned.

Impairment of Long-lived Assets

The Company tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value.

Property, Plant and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation is computed using various methods over the estimated useful lives of the assets, ranging from three to ten years.

Stock Based Compensation

The Company measures stock-based compensation cost at the grant date based on the fair value of the award and recognize it as expense over the applicable vesting period of the stock award using the straight-line method.

Basic and Diluted Earnings Per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding stock options, warrants, and stock awards. Basic & diluted loss per share was $(0.00) and $(0.01) for nine month periods ended August 31, 2015 and 2014, respectively. Basic & diluted loss per share was $(0.00) and $(0.01) for three month periods ended August 31, 2015 and 2014, respectively.

New Accounting Pronouncements

In April 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-08, "Presentation of Financial Statements (Topic 205) and Property, Plant and Equipment (Topic 360)." ASU 2014-08 amends the requirements for reporting discontinued operations and requires additional disclosures about discontinued operations. Under the new guidance, only disposals representing a strategic shift in operations or that have a major effect on the Company's operations and financial results should be presented as discontinued operations. This new accounting guidance is effective for annual periods beginning after December 15, 2014. The Company is currently evaluating the impact of adopting ASU 2014-08 on the Company's results of operations or financial condition.

In May 2014, the ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for the Company in the first quarter of its fiscal year ending June 30, 2018. The Company is currently in the process of evaluating the impact of adoption of this ASU on its financial statements.

In June 2014, the FASB issued Accounting Standards Update No. 2014-12, Compensation — Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force) (ASU 2014-12). The guidance applies to all reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target that affects vesting could be achieved after the requisite service period. The amendments require that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. For all entities, the amendments in this Update are effective for annual periods and interim periods within those annual periods beginning after December 15,

2015. Earlier adoption is permitted. The effective date is the same for both public business entities and all other entities. The Company is currently evaluating the impact of adopting ASU 2014-12 on the Company's results of operations or financial condition.

In August 2014, the FASB issued Accounting Standards Update No. 2014-15, Presentation of Financial Statements – Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entities Ability to Continue as a Going Concern(ASU 2014-15). The guidance in ASU 2014-15 sets forth management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern as well as required disclosures. ASU 2014-15 indicates that, when preparing financial statements for interim and annual financial statements, management should evaluate whether conditions or events, in the aggregate, raise substantial doubt about the entity's ability to continue as a going concern for one year from the date the financial statements are issued or are available to be issued. This evaluation should include consideration of conditions and events that are either known or are reasonably knowable at the date the financial statements are issued or are available to be issued, as well as whether it is probable that management's plans to address the substantial doubt will be implemented and, if so, whether it is probable that the plans will alleviate the substantial doubt. ASU 2014-15 is effective for annual periods ending after December 15, 2016, and interim periods and annual periods thereafter. Early application is permitted. The adoption of this guidance is not expected to have a material impact on the Company's financial statements.

In January 2015, the FASB issued Accounting Standards Update No. 2015-01, Income Statement – Extraordinary and Unusual items (Subtopic 225-20), Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items (ASU 2015-01). The amendment eliminates from U.S. GAAP the concept of extraordinary items. This guidance is effective for the Company in the first quarter of fiscal 2017. Early adoption is permitted and allows the Company to apply the amendment prospectively or retrospectively. The adoption of this guidance is not expected to have a material impact on the Company's financial statements.

In February 2015, FASB issued ASU No. 2015-02, (Topic 810): Amendments to the Consolidation Analysis. ASU No. 2015-02 provides amendments to respond to stakeholders' concerns about the current accounting for consolidation of certain legal entities. Stakeholders expressed concerns that GAAP might require a reporting entity to consolidate another legal entity in situations in which the reporting entity's contractual rights do not give it the ability to act primarily on its own behalf, the reporting entity does not hold a majority of the legal entity's voting rights, or the reporting entity is not exposed to a majority of the legal entity's economic benefits or obligations. ASU No. 2015-02 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.

In April 2015, FASB issued ASU No. 2015-03, (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs. ASU No. 2015-03 provides guidance that will require debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. ASU No. 2015-03 affects disclosures related to debt issuance costs but does not affect existing recognition and measurement guidance for these items. ASU No. 2015-03 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The

adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.
In April 2015, FASB issued ASU No. 2015-05, (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangements. ASU No. 2015-05 provides guidance on a customer's accounting for fees paid in a cloud computing arrangement, which includes software as a service, platform as a service, infrastructure as a service, and other similar hosting arrangements. ASU No. 2015-05 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.

3. Convertible Note Payable

On October 1, 2013, the Company raised $21,720 on issuance of a new convertible note. The note is convertible at the rate of $0.001 per share, bears an interest of 18% and was payable on October 1, 2014. The Company recorded a discount of $21,720 for the beneficial conversion feature on the note which was amortized over the term of note. The Company recorded interest expense of $2,931 and $2,931, on the note for the nine month periods ended August 31, 2015 and 2014. The Company recorded interest expense of $977 and $977, on the note for the three month periods ended August 31, 2015 and 2014

4. Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate the continuation of the Company as a going concern. The Company reported accumulated deficit of $15,993,376 as of August 31, 2015. The Company also incurred net losses of $34,282 and $1,031,506 for the nine month periods ended August 31, 2015 and 2014, respectively. To date, these losses and deficiencies have been financed principally through the raising of equity.

In view of the matters described, there is substantial doubt as to the Company's ability to continue as a going concern without a significant infusion of capital. At August 31, 2015, the Company had minimal operations. There can be no assurance that management will be successful in implementing its plans. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We anticipate that we will have to raise additional capital to fund operations over the next 12 months. To the extent that we are required to raise additional funds to acquire properties, and to cover costs of operations, we intend to do so through additional offerings of debt or equity securities. There are no commitments or arrangements for other offerings in place, no guaranties that any such financings would be forthcoming, or as to the terms of any such financings. Any future financing August involve substantial dilution to existing investors.

5. Discontinued Operations

During the year ended November 30, 2014, the Company decided to discontinue its operations related to the recycling business. The Company wrote off all the assets relating to the business. The related party waived off all the monies owed to him for past due executive compensation, loan payable and interest on loan payable as a contribution of capital. The

Company reclassified certain amounts reported in the Company's financial statements for the nine month period ended August 31, 2014 to conform to current year presentations.

Statement of operations for the recycling business for the nine month period ended August 31, 2015 and 2014 are below:

		2015		2014
Net Revenues	$	-	$	38,401
Cost of Goods Sold		-		20,000
Gross profit		-		18,401
Operating Expenses:				
General and administrative expenses		-		228,853
Impairment expense		-		674,125
Total operating expenses		-		902,978
Loss From Operations		-		(884,577)

6. Capital Stock

From November 24, 1999 (date of inception) until November 30, 2002, the Company (formerly GospelCity.com Inc.) issued 7,875,770 common shares for aggregate cash consideration of $114,640, and 105,000 preferred shares for cash consideration of $67,200.

These figures have been retroactively restated to reflect the 70 for 1 common shares split on August 7, 2002.

On December 16, 2002, the Company issued 98,447 common shares as part of the stock-based compensation plan for cash consideration of $896.

From September 3 to November 27, 2003, the Company issued 669,983 common shares for cash consideration of $76,567.

In connection with the reverse merger described in note 4, on November 28, 2003, the Company issued 95,086,202 common shares in exchange for 8,644,220 common shares of GospelCity.com Inc, 5,775,000 Series A Preferred shares in exchange for 105,000 preferred shares of GospelCity.com Inc, 55,128,975 Series A Preferred shares in settlement of $789,878 in loans payable and accrued interest to shareholders of GospelCity.com Inc, and 9,508, 620 common shares in settlement of consulting and legal services of $50,000.

From March 10 to October 15, 2004, the Company issued 20,930,000 common shares for cash consideration of $230,450.

On July 20, 2004, the Company issued 6,000,000 common shares for investor relations services of $60,000. These transactions were with third parties.

On October 7, 2004, the Company issued 300,000 common shares for the acquisition of the assets of Prayermail.com as described in note 4 and issued 600,000 common shares for investor relations services of $15,600.

On October 11 to November 10, 2004, the Company issued 2,152,474 common shares upon conversion of $15,200 of the convertible debentures plus $2,416 of accrued interest.

From December 13, 2004 to February 14, 2005, the Company issued 3,400,000 common shares upon conversion of $17,050 of convertible debenture plus $1,450 of accrued interest.

On December 22, 2004, the Company issued 30,000,000 common shares for cash consideration of $75,000.

From March 1 to August 1, 2005, the company issued 108,000,000 common shares for cash consideration of $67,500 and a promissory note for $280,000 due on November 30, 2005 bearing interest at 5% per annum.

On March 1, 2005, the Company issued 5,000,000 common shares for investor relations services of $12,500.

On March 8, 2005, the Company issued 1,361,072 common shares upon conversion of $13,449 of convertible debenture plus $162 of accrued interest.

On April 15, 2005, the Company issued 13,333,727 warrants to the related party lender described in note 7. Each warrant entitles the holder to acquire one common share at a price of $0.011 per share. These warrants expire on April 15, 2010. The 13,333,727 warrants have been valued at $105,336 using Black-Scholes option pricing model, which assumed an expected life of 3 years, volatility of 119%, risk free interest rate of 3.8% and no dividend yield. The amount of $105,336 has been charged to the consolidated income statement as other stock based expense and credited to shareholders equity.

On November 2, 2005, the Company issued 13,000,000 common shares upon conversion of $5,688 of the convertible debenture plus $7,091 of accrued interest.

On December 28, 2005 the Company issued 13,000,000 common shares upon conversion of $9,520 plus $663 of accrued interest and 50,000,000 common shares for cash consideration of $50,000.

On August 8, 2006, the company issued 50,000,000 common shares through private placements for cash consideration of $50,000.

On August 8, 2006, the holder of the convertible debentures converted the remaining $14,489, of the debentures plus $1,526 of accrued interest into 29,146,650 common shares.

On November 1, 2007, the Company enacted a 1-for-100 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same. The financial statements have been retroactively restated for the effects of stock splits.

During the year ended November 30, 2007, the Company issued 200 million shares to its investor relation firm and 500,000 shares to its legal counsel. The Company also awarded 250 million shares to a related party for successfully locating and acquiring assets. These shares were valued at the fair market value of $4,025,050, pursuant to EITF 96-18.

On November 27, 2007 the Company recorded a capital contribution of $67,027 on the sale of GospelCity.com Inc. to a related party for $10 for the net liabilities assumed by the related party.

On February 28, 2008, the Company entered into an agreement with System Art Holding Limited to acquire all the assets of System Art Holding Limited in exchange for 150,000,000 (pre- split) shares of common stock of the Company. The assets acquired were recorded at the fair market value of the shares of $1,650,000 on the date of acquisition. The shares were issued in April, 2008.

On June 19, 2008, the Company enacted a 1-for-200 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same. The financial statements have been retroactively restated for the effects of stock splits.

On July 7, 2008, the Company issued 6,000,000 shares to a related party for consulting and 2,000,000 shares to another consultant. The shares were valued at the fair market value of $1,680,000.

On July 30, 2008, the Company issued 9,000 shares to a consultant. The shares were valued at the fair market value of $1,890.

On September 18, 2008, the Company issued 3,000,000 shares to a consultant. The shares were valued at the fair market value of $660,000.

During the year ended November 30, 2009, the Company issued 14,325,346 shares of common stock for cash amounting to 95,000.

On October 1, 2009, the Company issued 3,144,233 shares to shareholders valued at $54,217 as dividend distribution.

The Company also declared and paid cash dividend of $28,513 in April, 2009.

During the year ended November 30, 2010, the Company issued 60,000,000 shares for services rendered to the Company and recorded them at the fair market value of $300,000.

During the year ended November 30, 2010,, the Company issued 5,500,000 shares to Series A Preferred stockholders as dividend for the period, valued at $27,500.

On March 3, 2010, the Company issued 40,000,000 shares to Blue Gold Beverages, Inc. for acquisition of assets of Blue Gold Beverages, Inc. and recorded them at the fair market value of $200,000.

On November 7th 2010 the company bought the shares of 9210-8216 Quebec Inc (Ty Recycling) nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5 000 000 shares of Blue Gold Beverages, the deal was valued at $100,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of

$300,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

In August 2011, the Company issued 35,000,000 shares for consulting services rendered by third parties.

On April 27, 2012, the Company enacted a 1-for-30 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same.

Also, at the same time, the holders of 27,000,000 shares of Series B preferred stock opted to convert their shares and were hence issued 27,000,000 shares of common stock.

In September 2012, holders of 16,500,000 series A preferred shares converted their shares and were hence issued 16,500,000 shares of common stock.

On December 1, 2012, the Company issued 20,000,000 shares of restricted common stock to Daniel Solomita, the President of the Company, in settlement of part of the executive compensation owed to him. The shares issued were valued at the fair market value on the date of issuance and accrued compensation of $360,000 was settled with the stock issuance.

The Company had two convertible note agreements with a lender aggregating to $44,500 which were convertible at $0.001 per share. The Company recorded a discount of $44,500 for the beneficial conversion feature on the notes which was amortized over the term of notes. On October 10, 2013, the notes were converted along with the interest accrued on them. 44,500,000 shares of common stock were issued on conversion of the note at the stated conversion rate of $0.001 and 11,500,000 shares of common stock were issued for settlement of the accrued interest of $13,740. The shares issued for settlement of the interest were valued at the market rate of $0.0024 aggregating to $27,600. Hence, the Company recorded a loss on settlement of debt of $13,860 on the issuance of shares for settlement of accrued interest.

On September 1, 2013, the Company renegotiated the terms of payment with two existing past due creditors, to whom the Company owes $100,000, and entered into convertible note agreements with them. The notes aggregate to $100,000, are convertible at the rate of $0.001 per share, bear an interest of 18% and are payable on September 1, 2014. The Company recorded a discount of $100,000 for the beneficial conversion feature on the note which was amortized over the term of note. During the year ended November 30, 2014, the note holder submitted the conversion notice and Company issued 200,000,000 shares for the conversion of the note payable and the accrued interest on the same. The note had 100,000,000 shares issuable on conversion. The additional shares issued for the interest conversion were valued at the fair market value of $0.0015. The fair market value of the additional shares issued was $150,000. The accrued interest recorded on books for the convertible note amounted to $18,000. The balance of $132,000 was recorded as a loss on settlement of debt.

On October 1, 2013, the Company raised $21,720 on issuance of a new convertible note. The note is convertible at the rate of $0.001 per share, bears an interest of 18% and is payable on October 1, 2014. The Company recorded a discount of $21,720 for the beneficial conversion feature on the note which was amortized over the term of note.

During the year ended November 30, 2014, the related party waived off all the monies owed to him for past due executive compensation, loan payable and interest on loan payable. The total amount owed was $618,247 which was recorded as a contribution of capital.

Subsequent to the year ended November 30, 2014, the new management discovered that there was an error in the number of shares per the financials. The Company corrected the error by recording a conversion of 5,082,832 preferred shares to common shares. The Company also recorded an additional issuance of 832,168 common shares for services to correct the number of common shares issued and outstanding. The issuance of the shares was recorded at the fair market value of $0.0015 per share and an additional expense of $1,248 was recorded on the financials for the year ended November 30, 2014. As of August 31, 2015, there were 331,282,314 shares of common stock were issued and outstanding (See Note 8).

Preferred stock

During the year ended November 30, 2008, the Company issued 627,184 shares of Series B Convertible Preferred stock pursuant to an offering by the Company of up to $5,000,000 worth of its Convertible Preferred stock for a purchase price of $1.00 per share in minimum units of Ten Thousand (10,000) Shares. In addition, purchasers of this Offering received one warrant for each Share purchased. Each Warrant will allow the purchaser to buy any additional common share of the Company for a price of three ($0.03) cents within two years of the initial purchase of Shares.

The Company valued the beneficial conversion feature on the convertible note and also the black scholes value of the warrants attached to the preferred stock. The total discount was limited to the face value of the preferred stock issued and was recorded as a dividend paid to the preferred stockholders.

During the year ended November 30, 2009, the Company issued 851,673 shares of Preferred stock for cash amounting to $851,673.

On April 27th 2012, the articles of incorporation for Dragon Polymers were amended with the state of Nevada to clarify the rights of the 60,903,975 Series A preferred shares outstanding..

On May 31, 2012, the holders of 27,000,000 Preferred Series A stock opted to convert their shares into equal number of fully paid shares of common stock. Each share of preferred stock is convertible into one share of common stock pursuant to the amended articles of incorporation.

In September 2012 holders of 16,300,000 series A preferred shares converted their shares into equal number of fully paid shares of common stock.

Subsequent to the year ended November 30, 2014, the new management discovered that there was an error in the number of shares per the financials. The Company corrected the error by recording a conversion of 5,082,832 preferred shares to common shares. As of August 31, 2015, there were 14,000,000 shares of series A Preferred Stock issued and outstanding. (See Note 8).

Stock Option Plan

The Company has a stock option plan, under which the Company August grant options to employees, non-employee directors, consultants and advisors of the Company or any subsidiary company to purchase common shares. In the case of consultants and advisors of the Company, options are only granted if bona fide services have been or are to be rendered by such consultant or advisor and such services are not in connection with the offer of sale of securities in a capital raising transaction. The option price shall be determined by the Board of Directors of the Company and shall be above the fair market value price of the common stock when granted. The term and vesting period of the options granted shall be determined by the Board of Directors or by its chosen committee.

In 2005, the Company granted options to 14 employees, non-employee directors, and consultants to purchase up to 12,700,000 common shares, in aggregate, at exercise prices ranging from of $0.011 to $0.02 per common share which are greater than or equal to the market price on the date of grant. The expiration dates of the option range from 5 to 6 years from the date of grant and the options vested 77% in 2005 and 23% in 2006.

No new stock options were granted during the nine month period ended August 31, 2015 and there were no stock options outstanding as of August 31, 2015.

7. Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

The following is detail of income tax expense:

	U.S.	State	Total
Current	$ -	$ -	$ -
Deferred	-	-	-
Total	-	-	-

The following is a reconciliation of the provision for income taxes at the U.S. federal income tax rate to the income taxes reflected in the Statement of Operations:

	May 31, 2015
Tax expense (credit) at statutory rate - federal	34%
State tax expense net of federal tax	6%
Changes in valuation allowance	(40%)
Tax expense at actual rate	-%

We recorded an allowance of 100% for its net operating loss carry forward due to the uncertainty of its realization.

The Company did not provide any current or future United States federal or state tax provision or benefit for the periods presented because it has experienced operating losses since inception. The Company has provided a full valuation allowance on the deferred tax asset, consisting primarily of net operating loss carry forwards, because of uncertainty regarding its ability to be realized.

8. Restatement

Subsequent to the issuance of the Company's financial statements for the year ended November 30, 2014, the Company determined that certain transactions and presentation in the financial statements had not been accounted for properly in the Company's financial statements for the year ended November 30, 2014. Specifically, the number of issued and outstanding shares of common and preferred stock was incorrect.

The effect of restatement is as follows:

Balance Sheet

	Reported November 30, 2014	Restated November 30, 2014
Common stock	$ 459,692	$ 331,282
6% Series A Preferred stock	17,604	14,000
Series B Convertible Preferred stock	1,540,282	-
Additional paid in capital	13,913,367	15,586,911
Deficit accumulated	(15,957,846)	(15,959,094)