

HSL Inc.

Symbol "HSPG"

Viva Telecompras

**HOME SHOPPING LATINO INC.**  
**BALANCE SHEET**  
**(A DEVELOPMENT STAGE COMPANY)**

	December 31 2010 (Unaudited)	December 31 2009 (Unaudited)
<b>ASSETS</b>		
Current Assets		
Checking/Savings	-	
Checking	11,436.00	
Total Checking/Savings	<b>11,436.00</b>	-
Other Assets		
Loan Convertible to Preferred Stock		
Investments	215,000.00	215,000.00
<b>Total Other Assets</b>	<b>215,000.00</b>	<b>215,000.00</b>
<b>Total Assets</b>	<b>226,436.00</b>	<b>215,000.00</b>
<b>LIABILITY AND EQUITY</b>		
Liabilities		
Long Term Liabilities		
Notes Payable		
Loan from Frank Celecia	4,707.00	
Total Notes Payable	<b>4,707.00</b>	
Total Long Term Liabilities	<b>4,707.00</b>	-
<b>Total Liabilities</b>	<b>4,707.00</b>	-
Shareholder's Equity		
Preferred Stock	843,739.00	843,739.00
Common Stock	40,448.00	40,448.00
Common Stock \$0.001 par value		
40,447,860 shares were authorized, issued		
and outstanding		
Development Stage	(662,458.00)	(669,187.00)
Retained Earnings		
Net Income		
<b>Total Equity</b>	<b>221,729.00</b>	<b>215,000.00</b>
<b>Total Liabilities and Equity</b>	<b>226,436.00</b>	<b>215,000.00</b>

The accompanying notes are the integral part of these financial statements.

Symbol: HSPG

**Home Shopping Latino, Inc.****Statement of Operations****(A Development Stage Company)**

	December 31,		Inception
	2010	2009	2004 to 2010
	(Unaudited)	(Unaudited)	(Unaudited)
<b>Income:</b>			
Revenue from Operations	24,700	-	24,700
<b>Total Income</b>	<b>24,700</b>	<b>-</b>	<b>24,700</b>
<b>Expenses:</b>			
Art Direction	9,000		9000
Automobile Expenses	1,235		1235
Accounting			36,000
Advertising			16,455
Bank Fees	150		224
PARASEC: Corp DE. Agent	294		294
Printing and Reproduction	2,090		2,090
Commissions			20,000
Consultants			154,998
Conventions			55,000
Legal Expenses		32,000	106,500
Office Expense	904	750	1,271
Professional Fees	210	40,448	88,448
Repairs	40		40
Supplies/Provisions	507		507
Salaries and Wages		22,500	352,500
Taxes-Delaware			936
Travel & Entertainment	3,541		138,916
Pink Sheets Listing		1,500	6,000
<b>Total Expenses</b>	<b>17,971</b>	<b>97,198</b>	<b>990,414</b>
<b>Net Profit/(Loss)</b>	<b>6,729</b>	<b>(97,198)</b>	<b>(965,714)</b>

**Note: The cumulative loss from the firms inception is \$965,714****The accompanying notes are integral part of the financial statements**

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**HOME SHOPPING LATINO INC.**  
**STATEMENT OF CASH FLOWS**  
**(A DEVELOPMENT STAGE COMPANY)**

	<b>December 31</b>	<b>December 31</b>	<b>From 5/21/2004</b>
	<b>2010</b>	<b>2009</b>	<b>(Inception)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>to 12/31/2010</b>
			<b>(Unaudited)</b>
<b>Cash Flow from Operating Activities</b>			
Net Profit/(Loss)	6,729.00	(97,198.00)	(980,286.00)
<i>Adjustments to reconcile net income:</i>			
(Loss) to net cash provided by operations	-	-	-
<b>Net cash provided/(used) by operating activities</b>	<b>6,729.00</b>	<b>(97,198.00)</b>	<b>(980,286.00)</b>
<b>Cash Flows from Investing Activities</b>			
Investment in Pegasus Corp			(215,000.00)
<b>Net cash provided/(used) by investing activities</b>	<b>-</b>	<b>-</b>	<b>(215,000.00)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from sale of common stocks right exercise		40,448.00	300,537.00
Additional Paid in Equity			
Debt converted to common stock			
Debt converted to preferred stock			
Notes Payable	4,707.00	24,281.00	892,727.00
Accounts Payable			
<b>Net cash provided/(used) by financing activities</b>	<b>4,707.00</b>	<b>64,729.00</b>	<b>1,193,264.00</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>11,436.00</b>	<b>(32,469.00)</b>	
Cash at the beginning of the period	-	32,469.00	-
Cash at the end of the period	11,436.00	-	

Note: The cumulative amounts of cash flows from the firm's inception to date are as follows:

Net cash used by operating activities	(980,286.00)
Net cash used by investing activities	(215,000.00)
Net cash used by Financing Activities	1,193,264.00

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**HOME SHOPPING LATINO INC.**  
**STATEMENT OF SAHREHOLDERS EQUITY**  
**(A DEVELOPMENT STAGE COMPANY)**

	Common Stock		Additional Paid in Equity	Preferred Stock	Deficit accumulated during the development Stage	Totals
	Shares	Amount				
Balance June 30,2006 Comprehensive Income						
Operating Loss for the period 5/21/2004 to 6/30/2006					(212,072)	(212,072)
Issuance of 6,500,000 common stock	6,500,000	255,642				255,642
<b>Balance June 30,2006</b>	<b>6,500,000</b>	<b>255,642</b>	<b>-</b>	<b>-</b>	<b>(212,072)</b>	<b>43,570</b>
<b>Comprehensive Income</b>						
Operating Loss for the period 7/01/2006 to 6/30/2007					(394,150)	(394,150)
Issuance of 44,475,667 common stock	44,475,667	4,447				4,447
<b>Balance June 30,2007</b>	<b>50,975,667</b>	<b>260,089</b>	<b>-</b>	<b>-</b>	<b>(606,222)</b>	<b>(346,133)</b>
<b>Comprehensive Income</b>						
Operating loss for the period 7/1/2007 to 12/31/2008					(270,137)	(270,137)
Debt conversion to common stock		42,500				42,500
Reverse split of common stock	40,447,860	40,448				40,448
<b>Balance December 31,2008</b>	<b>40,447,860</b>	<b>40,448</b>	<b>-</b>	<b>-</b>	<b>(876,359)</b>	<b>(533,322)</b>
<b>Comprehensive Income</b>						
Operating loss for the period 1/1/2009 to 12/31/2009					(97,198)	(97,198)
Conversion of Debt to Preferred Stock				843,739		843,739
<b>Balance December 31,2009</b>	<b>40,447,860</b>	<b>40,448</b>	<b>-</b>	<b>843,739</b>	<b>(973,557)</b>	<b>213,219</b>
<b>Comprehensive Income</b>						
Operating profit for the period 1/1/2010 to 12/31/2010					6,814	6,814
<b>Balance December 31,2010</b>	<b>40,447,860</b>	<b>40,448</b>	<b>-</b>	<b>843,739</b>	<b>(966,743)</b>	<b>220,033</b>

Note: The accompanying notes are integral part of financial statements.