

HSL Inc.

Symbol "HSPG"

Viva Telecompras

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

	December 31 2012 (Unaudited)	December 31 2011 (Unaudited)
<b>ASSETS</b>		
Current Assets		
Checking/Savings	-	
Checking	938.00	61.00
Total Checking/Savings	<b>938.00</b>	<b>61.00</b>
Other Assets		
Loans & Advances	85,000.00	
Investments	215,000.00	215,000.00
<b>Total Other Assets</b>	<b>300,000.00</b>	<b>215,000.00</b>
<b>Total Assets</b>	<b>300,938.00</b>	<b>215,061.00</b>
<b>LIABILITY AND EQUITY</b>		
Liabilities		
Current Liabilities		
Loan to HSL	90,000.00	5,000.00
Long Term Liabilities		
Notes Payable		
Loan from Frank Celecia	15,697.00	6,507.00
Total Notes Payable	<b>15,697.00</b>	<b>6,507.00</b>
Total Long Term Liabilities	<b>15,697.00</b>	<b>6,507.00</b>
<b>Total Liabilities</b>	<b>105,697.00</b>	<b>11,507.00</b>
Shareholder's Equity		
Preferred Stock	843,739.00	843,739.00
Common Stock	40,453.00	40,453.00
Common Stock \$0.001 par value		
40,452,860 shares were authorized, issued		
and outstanding		
Additional Paid-in-equity	4,995.00	4,995.00
Development Stage	(693,946.00)	(685,633.00)
Retained Earnings		
Net Income		
<b>Total Equity</b>	<b>195,241.00</b>	<b>203,554.00</b>
<b>Total Liabilities and Equity</b>	<b>300,938.00</b>	<b>215,061.00</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
	2012	2011	2004 to 2012
	(Unaudited)	(Unaudited)	(Unaudited)
<b>Income:</b>			
Revenue from Operations		1,550	26,200
<b>Total Income</b>	-	<b>1,550</b>	<b>26,200</b>
<b>Expenses:</b>			
Art Direction		500	9500
Automobile Expenses	653	2,878	4766
Accounting			36,000
Advertising		310	16,765
Bank Fees	84	36	344
PARASEC: Corp DE. Agent	125	125	544
Printing and Reproduction			2,090
Credit Card	374		374
Commissions		439	20,439
Computer Supplies & Maintenance	171	152	323
Consultants			154,998
Conventions			55,000
Insurance	70		70
Legal Expenses			106,500
Office Expense	771	2,392	4,434
Postage and Delivery		114	
Professional Fees			88,448
Repairs			40
Supplies/Provisions	840	1,531	2,878
Salaries and Wages			352,500
State- Delaware	582	546	1,128
Telephone		512	512
Taxes-Delaware			936
Travel & Entertainment	4,643	15,189	158,748
Pink Sheets Listing			6,000
<b>Total Expenses</b>	<b>8,313</b>	<b>24,724</b>	<b>1,023,337</b>
<b>Net Profit/(Loss)</b>	<b>(8,313)</b>	<b>(23,174)</b>	<b>(997,137)</b>

**Note:** The cumulative loss from the firms inception is \$997,137

The accompanying notes are integral part of the financial statements

**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>2012</b>	<b>2011</b>	<b>(Inception)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>to 12/31/2012</b>
			<b>(Unaudited)</b>
<b>Cash Flow from Operating Activities</b>			
Net Profit/(Loss)	(8,313.00)	(23,175.00)	(1,011,774.00)
<i>Adjustments to reconcile net income:</i>			
(Loss) to net cash provided by operations		-	-
Accounts Payable	85,000.00	5,000.00	90,000.00
Loans and advances	(85,000.00)		(85,000.00)
<b>Net cash provided/(used) by operating activities</b>	<b>(8,313.00)</b>	<b>(18,175.00)</b>	<b>(1,006,774.00)</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		5.00	300,542.00
Additional Paid in Equity		4,995.00	4,995.00
Debt converted to common stock			
Debt converted to preferred stock			
Notes Payable	9,190.00	1,800.00	903,717.00
Accounts Payable			
<b>Net cash provided/(used) by financing activities</b>	<b>9,190.00</b>	<b>6,800.00</b>	<b>1,209,254.00</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>877.00</b>	<b>(11,375.00)</b>	
Cash at the beginning of the period	61.00	11,436.00	-
Cash at the end of the period	938.00	61.00	

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

Net cash used by operating activities	(1,006,774.00)
Net cash used by investing activities	(215,000.00)
Net cash used by Financing Activities	1,209,254.00

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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 (including adjustment of gains)	40,447,860	40,448			304,285	344,733
<b>Balance December 31,2008</b>	<b>40,447,860</b>	<b>40,448</b>	<b>-</b>	<b>-</b>	<b>(572,074)</b>	<b>(229,037)</b>
<b>Comprehensive Income</b>						
Operating loss for the period 1/1/2010 to 12/31/2010					(97,198)	(97,198)
Conversion of Debt to Preferred Stock				843,739		843,739
<b>Balance December 31,2010</b>	<b>40,447,860</b>	<b>40,448</b>	<b>-</b>	<b>843,739</b>	<b>(669,272)</b>	<b>517,504</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>(662,458)</b>	<b>524,318</b>
<b>Comprehensive Income</b>						
Operating profit for the period 1/1/2011 to 12/31/2011					(23,174)	(23,174)
Issue of common stock- 5000 share@\$0.001 per share	5,000	5	4,995			5,000
<b>Balance December 31,2011</b>	<b>40,452,860</b>	<b>40,453</b>	<b>4,995</b>	<b>843,739</b>	<b>(685,632)</b>	<b>506,144</b>
<b>Comprehensive Income</b>						
Operating profit for the period 1/1/2012 to 12/31/2012					(8,314)	(8,314)
<b>Balance December 31,2012</b>	<b>40,452,860</b>	<b>40,453</b>	<b>4,995</b>	<b>843,739</b>	<b>(693,946)</b>	<b>497,830</b>

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