SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-KSB

(Mark One)
[**X**] Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended **December 31, 2004**

[ ] Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 (*No fee required*) for the transition period from _____________ to

Commission file number: **0-50546**

Hendrx Corp.

(Formerly known as "Starsoft, Inc.")
(Name of Small Business Issuer in Its Charter)

Nevada	**86-0914052**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3665 Ruffian Road, Suite 225, San Diego, California 92123
(Address of Principal Executive Offices) (Zip Code)

(800) 774-5072
(Issuer's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Exchange Act:

Title of Each Class	Name of each Exchange on Which Registered
Common Stock ($0.001 Par Value)	N/A

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ✓ No ___

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB [_].

The registrant's total revenues for the year ended December 31, 2004 were $9,319,461.

The aggregate market value of the registrant's common stock (the only class of voting stock), held by non-affiliates was approximately $119,861,360 based on the average closing bid and ask price for the common stock on April 14, 2005.

At April 14, 2005, the number of shares outstanding of the registrant's common stock, $0.001 par value (the only class of voting stock), was 33,934,400.

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

Corporate Organization

As used herein the term "Hendrx" refers to Hendrx Corp. (formerly "Starsoft, Inc."), its subsidiaries and predecessor, unless the context indicates otherwise. Hendrx was incorporated in the State of Nevada on May 4, 1998 as "Starsoft, Inc." for the purpose of developing business software for legalized gambling applications. Due to fiscal constraints, Hendrx ceased significant business operations at the end of October in 2000. Between November of 2000 and December of 2004, Hendrx remained without significant operations.

On December 16, 2004, Hendrx concluded a Share Purchase Agreement ("Agreement") with Eastway Global Investment Limited ("Eastway"), Fujian Yuxin Equipment Co., Ltd. ("Yuxin"), Hendrik Tjandra and David Tjahjadi in connection with Hendrx's acquisition of Eastway and its wholly owned subsidiary Yuxin, a research and development, manufacturing, marketing and distribution organization located in Fujian, China. The acquisition of Yuxin included all the intellectual property related to its product lines, the manufacturing facility in China, marketing rights, inventories, distribution agreements, and trained employees.. On March 28, 2005, Hendrx changed its name from Starsoft, Inc. to Hendrx Corp. to better reflect the contribution and innovative capability of Hendrik Tjahjadi, the developer of Hendrx's revolutionary atmospheric water generators.

Hendrx's principal executive offices are located at 3665 Ruffian Road, Suite 225, San Diego, California 92123 and its telephone number is (800) 774-5072. Hendrx's registered statutory office is located at Laughlin Associates, Inc., 2533 North Carson Street, Carson, Nevada 89709.

Hendrx trades on the NASDAQ Over the Counter Bulletin Board under the symbol "HDRX..OB". Hendrx's reports under the Securities and Exchange Act of 1934, as amended, can be viewed on the internet at www.sec.gov or requested from Hendrx..

Description of Business

Hendrx is engaged in the research and development, manufacture, marketing and world wide distribution of water generation, filtration, ionization, and purification devices. Hendrx's products include Atmospheric Water Generation ("AWG") units, Alkaline Calcium Ionic Water Dispensers, Reverse Osmosis ("RO") devices and RO under sink systems, as well as carbon filtration devices.

Atmospheric Water Generation

AWG units extract and purify drinking water from the air. Retrieving moisture from the air is practical, accessible, readily available and virtually unlimited in supply for creating safe, secure, potable water that meets or surpasses the highest international standards for water quality at a competitive price.

Hendrx manufactures two types of AWG units.. The first are residential/office units that, when placed in a room, will produce 5-12 gallons of water per day depending on humidity and temperature levels. AWG units are self-contained and need only a power source to produce clean drinking water throughout the day Residential/office AWG units can take the place of bottled water dispensers, eliminating the need for replenishment and storage of bottles. Residential/office units have been distributed under the "ERIVA" brand for the last three years.

The second type of AWG's produced by Hendrx are larger industrial units, which are capable of producing from 75 to more than 5,000 gallons of potable water each day. The industrial units can be used in military, industrial, commercial, humanitarian, and disaster relief applications.

Reverse Osmosis

Hendrx also manufactures Reverse Osmosis ("RO") units. RO is a process by which water is purified utilizing a semi-permeable membrane thereby removing impurities and minerals. RO requires four gallons of water for every one gallon of purified water it produces. Hendrx has multiple units on the market including stand alone dispensers and systems installed under sinks.

Reverse Osmosis, also known as hyper filtration, is the finest filtration known. This process will allow the removal of particles as small as ions from a solution. Reverse Osmosis is used to purify water and remove salts and other impurities in order to improve the color, taste or properties of the fluid. It can be used to purify fluids such as ethanol and glycol, which will pass through the reverse osmosis membrane, while rejecting other ions and contaminants from passing. The most common use for reverse osmosis is in purifying water. It is used to produce water that meets the most demanding specifications that are currently in place. Reverse Osmosis uses a membrane that is semi-permeable, allowing the fluid that is being purified to pass through it, while rejecting the contaminants that remain. As some of the fluid passes through the membrane the rest continues downstream, sweeping the rejected species away from the membrane. The process of reverse osmosis requires a driving force to push the fluid through the membrane, and the most common force is pressure from a pump. The higher the pressure, the larger the driving force. As the concentration of the fluid being rejected increases, the driving force required to continue concentrating the fluid increases.

Reverse Osmosis is capable of rejecting bacteria, salts, sugars, proteins, particles, dyes, and other constituents that have a molecular weight of greater than 150-250 daltons. The separation of ions with Reverse Osmosis is aided by charged particles. This means that dissolved ions that carry a charge, such as salts, are more likely to be rejected by the membrane than those that are not charged, such as organics. The larger the charge and the larger the particle, the more likely it will be rejected.

Alkaline Ionic Water

Hendrx also manufactures Alkaline Calcium Ionic Water dispensers, units designed to ionize water, which can facilitate a myriad of health benefits.

Running water over positive and negative electrodes ionizes the water by gaining or losing an electron. The water is then separated into alkaline and acidic water as it passes through membranes, meaning that the pH has been adjusted up or down. Alkaline water is full of hydroxyl ions and has many internal health benefits.. Acidic water is full of hydrogen ions and is beneficial to skin and plants.. Research shows that ionized water balances body pH, is a powerful antioxidant, and is a powerful detoxifier/hydrator**.** The benefits of alkaline water, water with a high pH, include the following: it increases energy, boils faster, tastes better, hydrates more efficiently, promotes regularity, facilitates nutrient absorption and promotes overall health. The benefits of acidic water, water with a low pH, include the following: it kills bacteria on contact, helps heal cuts, blisters, scraps, or rashes, provides excellent relief from mosquito bites, bee stings, poison ivy & poison oak, conditions skin, relieves chapped hands & dry, itchy skin, works as an astringent, is an excellent treatment for acne, eczema and athlete's foot, promotes plant growth and extends the life of cut flowers

Hendrx also produces a host of other small water purification devices including carbon filtration systems similar to the “PUR” and “Britta” brands..

Future products soon to be released:

- Counter top AWG models that will produce up to 12 gallons of water in 24 hours at 90% humidity and a 95-degree temperature and a 2.3-gallon water holding capacity.

- Under-Sink RO Systems that turn Tap Water into pure drinking water with 5 phases of perfect filtration. The technology consists of a muddy filter, a sediment filter, a carbon filter, a reverse osmosis membrane and a PI-Water filter, all of which may easily be installed under the sink.

Research and Development

The research and development division at Hendrx has strategic US-based scientific and management relationships which have assisted with Hendrx’s products being ISO9002, CE, CB and CCC certified. Hendrx devotes significant time and resources to R&D activities. Hendrx’s subsidiary, Yuxin, is also a member of the Water Quality Association. In addition, Hendrx is spending considerable time on obtaining approvals on all of its models and devices for the world market.

While it is proud of its status as a global leader in AWG technology, Hendrx continues to conduct research and to develop new products and technologies. Hendrx firmly believes that fresh water and the purification of water is among the greatest challenges to mankind.

Embracing this challenge and to maintain its status as the industry leader of AWG, Hendrx will be devoting time and energy in research and development. Like any new technology, the AWG will only improve. The commitment to R&D will keep Hendrx focused on continually improving efficiency of water production, water storage capacity, efficiency filtration devices, and energy efficiency.

Patents and Intellectual Property

Hendrx owns two patents for atmospheric water generation in China under patent number P20030483 and utilizes four patents under sub-licenses registered in the United States under patent numbers 5,106,512, 5,149,466, 5,203,989 and 5,366,705. Further, PCT patents for a new and improved Multi use AWG Model have been filed and are pending.

Capacity

Hendrx has 280 skilled employees at its manufacturing plant in Fujian, China with a production capacity of more than 50,000 AWG units, RO devices, and Alkaline Calcium Ionic Water devices annually. Hendrx is currently exporting these products through 11 distributors to over 40 countries including the United States, Australia, Italy, Saudi Arabia, Israel, Lebanon, Malta, Singapore, and India. Hendrx has coordinated a network of international distributors and is licensing specific geographical territories on a sales performance basis.

Competition

The water generation, water purification and bottled water industries are highly competitive. Hendrx competes against a number of firms in various industries world wide. There can be no assurance that other companies will not develop new or enhanced products that are either more effective than Hendrx products or would render Hendrx products non-competitive or obsolete. Hendrx competes with tap water, bottled water and “point of use” filtration technologies such as AWG, RO, carbon and media filters.

Hendrx considers its AWG products to be the hallmark of the company and sees the five gallon bottled water dispenser industry as its main competition. The five gallon bottled water market in North America exceeds $1 billion in sales. The bottled water dispenser market is booming but Hendrx believes it can compete by keeping operational costs lower. The big advantages of AWG units as compared with bottled water dispensers are that they eliminate the need for delivery and storage of the bottles themselves, thus removing costs and clutter.. In addition, AWG units purify surrounding air as they operate.

The reverse osmosis water dispenser industry is another AWG technology competitor. Under-counter reverse osmosis systems represent a $250 million global market and are growing at the rate of 8% per year. In the U.S. alone there are 100,000 installed units per year representing $150 million in sales. The market for reverse osmosis units is very competitive, often plagued by price wars. “Big Box” retailers such as Lowes, Home Depot and Sears are the primary distribution channels for these products, with retail water treatment dealers sharing a small portion of the market. Hendrx believes it can successfully compete for the RO market segment with some innovative solutions and design of its own reverse osmosis systems and will compete using its AWG units by keeping overall water costs lower..

Another growing segment in which Hendrx is increasing market share is the segment of Alkaline Ionic Water. The feedback from industry experts and Hendrx’s distributors is that Alkaline Ionic Water machines are gaining popularity and may surpass the RO market segment.

Other “point of use” filtration technologies are dominated by carbon filtrations systems such as the “PUR” and “Britta” brands. The market for carbon based filtration products for drinking water is estimated at $400 million and is dominated by Proctor & Gamble, Clorox and others.. Hendrx doesn’t consider this type of technology to be of competition to its AWG units. However, Hendrx does compete in this market with its own carbon filtration systems based on price.

Hendrx has little competition in the industrial-sized AWG unit market. Hendrx believes it can dominate this market by remaining at the technological forefront of the industry and by marketing the effectiveness of AWG units for a myriad of applications worldwide.

The primary companies that can be considered competitors in the AWG industry are: AirWater Corporation, Excel Water System’s Waterfinder and Air2Water’s marketed under the Dolphin and Aquosous brand names.. AirWater Corporation holds a number of US patents but has licensed its patent rights for AWG technology to Hendrx and uses Hendrx to manufacture its AWG line of machines. Excel Water has not yet achieved significant volume of sales for its products to be considered a serious threat to Hendrx.. Air2Water is a competitor in the AWG market but is considering the use of Hendrx to manufacture their AWG units in the future. This decision would eliminate Air2Water as a manufacturing competitor of Hendrx..

Other competitors include TTW International Ltd., Dectron Internationale, Vapaire, and Electric & Gas Technology, Inc. Hendrx does not believe that these companies pose a significant competitive threat because of Hendrx’s strong advantage with respect to its intellectual property rights.

Hendrx is competitive in all segments of the water industry market based on price. However, Hendrx believes the key to its success lies in the fact that AWG is an innovative new process for purifying water and that Hendrx is the technological leader. At this time there are few companies developing AWG technology or producing AWG units and there are no companies who dominate the market. With its focus on AWG, Hendrx sees itself well positioned to be the global leader in technology, production and sales.

Marketability

The water industry has grown significantly in the last few decades divided into tap water, bottled water and “point of use” filtration technologies such as AWG, RO, carbon and media filters. Plain tap water, which in many countries was once the main source of drinking water is being gradually replaced by bottled or filtered water for fear of contaminants. Bottled water is consumed globally at a rate of 30.8 billion gallons in 2001 and is expected to rise to 50 billion by 2008. In one decade, bottled water sales have surged from $2.6 billion to $7.7 billion in the United States alone. The market potential for AWG technology is estimated at US $5 billion worldwide, with growth of 12-15% per year.

Market research will also continue within Hendrx to better understand consumer needs and wants. Due to ongoing consumer feedback, usability issues of the AWG machines are being addressed.

Currently, most interest in the product comes from various regions of Asia, Africa, and the Middle East. However, the United States will be the focus of Hendrx’s early distribution and marketing efforts because of the shear size of the market and demand for pure drinking water..

Hendrx strongly feels that having the ability to market a range of products, which include the AWG, RO, Ionic, and the larger AWG units, will allow Hendrx to gain a larger share of the ever growing water industry. Each one of these machines will appeal to a different marketplace and it is the goal of the company to focus on multiple market segments.

Government Regulation

Hendrx’s operations are currently subject to the laws and regulations of the People’s Republic of China relating to, among other things, business licenses, imports and exports, worker safety and the use, storage, discharge and disposal of environmentally sensitive materials. Opening business operations in other locations will subject Hendrx to a variety of national, federal, provincial, state and local laws, rules and regulations relating to, among other things, imports and exports, worker safety and the use, storage, discharge and disposal of environmentally sensitive materials. The development or expansion of business operations depends upon the receipt of required licenses, permits and other governmental authorizations. Under some of the laws regulating the use, storage, discharge and disposal of environmentally sensitive materials, an owner or lessee of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances located on or in, or emanating from, such property, as well as related costs of investigation and property damage. Laws of this nature often impose liability without regard to whether the owner or lessee knew of, or was responsible for, the presence of hazardous or toxic substances.

Hendrx believes it is in compliance in all material respects with all laws, rules, regulations and requirements that affect its business. Further, Hendrx believes that compliance with such laws, rules, regulations and requirements does not impose a material impediment on its ability to conduct business.

Employees

Hendrx currently has 284 full time employees, 280 of which are located in the Peoples Republic of China and 4 of which (management) are located in both the United States and Canada. Hendrx also relies on the services of consultants, attorneys, and accountants as necessary, to satisfy public disclosure requirements and to pursue Hendrx's business plan.

ITEM 2. DESCRIPTION OF PROPERTY

Hendrx's principal executive offices are located at 3665 Ruffian Road, Suite 225, San Diego, California 92123 and its telephone number is (800) 774-5072. Through a relationship with one of Hendrx's officers, Hendrx pays $100.00 on a monthly basis for shared office space under a lease due to expire on December 31, 2005.. Hendrx also maintains office space at Suite #2610-1066 West Hastings Street in Vancouver, British Columbia, Canada. The office space is comprised of 1000 square feet for which Hendrx pays $3,000 CDN on a monthly basis. The office lease is due to expire on July 1, 2005.

Hendrx owns office and manufacturing space located in Fujian, China. The office space is comprised of 4000 square meters, the manufacturing space is comprised of 10,000 square meters, and the employee residence is comprised of 4000 square meters.

ITEM 3. LEGAL PROCEEDINGS

Hendrx is currently not a party to any legal proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of the security holders, through the solicitation of proxies or otherwise, during the fourth quarter ended December 31, 2004.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Hendrx's common stock is traded on Over the Counter Bulletin Board under the symbol HDRX..OB.

The table below sets forth the high and low prices for Hendrx's common stock for each quarter of 2004 and 2003 that have been adjusted to reflect a one for fifteen (1:15) forward split that was effected on December 15, 2004*. The quotations below reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions:

Year	Quarter Ended	High	Low
2004	December 31	$3.30	$0.02*
	September 30	$0.04*	$0.02*
	June 30	$0.04*	$0.04*
	March 31	$0.04*	$0.03*
2003	December 31	$0.04*	$0.03*
	September 30	$0.03*	$0.03*
	June 30	$0.03*	$0.03*
	December 31	$0.02*	$0.03*

Record Holders

As of March 16, 2005, there were 347 shareholders of record holding a total of 33,934,400 shares of common stock. The board of directors believes that the number of beneficial owners is substantially greater than the number of record holders because a portion of our outstanding common stock is held in broker "street names" for the benefit of individual investors.

The holders of the common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Holders of the common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock.

Dividends

Hendrx has not declared any dividends since inception and does not anticipate paying any dividends in the foreseeable future. The payment of dividends is within the discretion of the board of directors and will depend on Hendrx's earnings, capital requirements, financial condition, and other relevant factors. There are no restrictions that currently limit Hendrx's ability to pay dividends on its common stock other than those generally imposed by applicable state law.

Recent Sales of Unregistered Securities

On January 26, 2005, Hendrx authorized the issuance of 134,400 shares of restricted common stock valued at $3.35 a share to 327 individuals, each an employee of Yuxin, a wholly owned subsidiary of Hendrx for services rendered pursuant to the exemption from registration provided by Regulation S of the Securities Act of 1933.

Regulation S provides generally that any offer or sale that occurs outside of the United States is exempt from the registration requirements of the Securities Act, provided that certain conditions are met. Regulation S has two safe harbors. One safe harbor applies to offers and sales by issuers, securities professionals involved in the distribution process pursuant to contract, their respective affiliates, and persons acting on behalf of any of the foregoing (the "issuer safe harbor"), and the other applies to resales by persons other than the issuer, securities professionals involved in the distribution process pursuant to contract, their respective affiliates (except certain officers and directors), and persons acting on behalf of any of the forgoing (the "resale safe harbor"). An offer, sale or resale of securities that satisfied all conditions of the applicable safe harbor is deemed to be outside the United States as required by Regulation S. The distribution compliance period for shares sold in reliance on Regulation S is one year.

Hendrx complied with the requirements of Regulation S by having no directed selling efforts made in the United States, by selling only to offerees who were outside the United States at the time the services were rendered, and ensuring that the individuals to whom the stock was issued were non-U.S. persons with an address in a foreign country.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the Financial Statements and accompanying notes and the other financial information appearing elsewhere in this report. Hendrx's fiscal year end is December 31.

Hendrx's mission is to design, manufacture and distribute water solutions that bring safe, disease free, clean and affordable water to the world.

Short Term Business Strategy

Hendrx's short term strategy is to increase net cash flow from operations, to expand marketing efforts, to enlarge manufacturing capacity, and to continue research and development subject to the completion of a significant financing, to ensure that Hendrx is recognized as a global leader in atmospheric water generation.

Hendrx intends to focus on a comprehensive marketing plan that will increase international sales. Management will reevaluate existing distribution agreements, develop new markets and consider alternative methods for distributing its products, such as franchise or leasing arrangements. Hendrx also hopes to align itself with major distribution partners and "Big Box" retailers. Hendrx intends to penetrate the North American market by initially targeting the residential/commercial market segment within the next twelve months.

Anticipation of increased sales will cause Hendrx in the short term to increase manufacturing capacity. A current expansion of Hendrx' manufacturing facility in Fujian, China will increase the number of AWG units that can be produced from the current level of 50,000 annually. Management believes that the increase in manufacturing capacity is sufficient to meet anticipated demand for AWG products over the next twelve months. The expansion is scheduled to be completed in 2005.

Research and development focused on AWG units, RO devices and related filtration devices will concentration on readying the next generation of the "ERIVA" unit for market.

Hendrx is in the process of completing a private equity placement of $7,500,000 to ensure sufficient cash flow in the near term to expand marketing efforts, complete the expansion of the company's manufacturing facility, and continue research and development. Proceeds of the funding are also designated for continuing obligations to Hendrx's chairman of the board of directors and chief executive officer, Hendrik Tjandra in connection with Hendrx's acquisition of Eastway and its subsidiary Yuxin. Hendrx had completed $6,393,000 of the private placement as of April 11, 2005 and expects to complete the private placement by April 30, 2005.

Long Term Business Strategy

Hendrx's longer term strategy is to establish sales in the industrial, military, commercial, disaster relief and humanitarian market segments of the water industry. Management believes that Hendrx's industrial AWG units are ideally positioned to service this prospective market. Hendrx will also explore the establishment of a new manufacturing/assembly facility in Mexico to take advantage of the low labor cost and the North America Free Trade Agreement, which will enable Hendrx to obtain the a "GSA" number that will permit Hendrx to supply AWG units to the United States government.

Hendrx intends to maintain a position of technological leadership and innovation in AWG technology by adopting an aggressive approach towards product improvement. Management intends to continue to grow its intellectual property portfolio by registering patents and trademarks for new products.

Hendrx also plans to expand and develop targeted "acquisitive" growth in the water industry that will add technologies, distribution channels, product lines and, ultimately, customers to its existing business.

Quantitative and Qualitative Disclosures of Various Risks

Historically Hendrx has not been able to generate sufficient cash flow to expand marketing, manufacturing capacity and fund necessary research and development. Accordingly, there can be no assurance that Hendrx's short term business strategy will provide sufficient cash flows to accomplish those objectives defined by management for future growth. Should Hendrx be unable to generate sufficient cash flow from the sale of its products or from the successful completion of the current private equity placement, it will be required to seek financing from alternative sources such as additional sales of its common stock or incurring additional debt in order to accomplish its current marketing, manufacturing and research and development objectives. Hendrx can provide no assurance that such efforts, if necessary, would be successful.

Hendrx's business development strategy is prone to significant risks and uncertainties which can have an immediate impact on efforts to increase net cash flow and deter future prospects of revenue growth. Hendrx's financial condition and results of operations depend primarily on revenue generated from the sale of AWG units and its ability to control expenses. Hendrx has a limited history of generating revenue which should not be viewed as an indication of continued growth and a historical record of incurring losses. Should Hendrx be unable to consistently generate revenue and reduce or stabilize expenses to the point where it can maintain net cash flow, such failure will have an immediate impact on the its ability to continue its business operations.

Results of Operations

Hendrx's financial statements are stated in U.S. dollars in accordance with US GAAP and are consolidated with the financial statements of Eastway and Yuxin for the period ended December 31, 2004. Note, the consolidated statement of income and the consolidated statement of cash flows reflect revenue, expenses and cash flow, only for the period since the acquisition of Yuxin on December 16, 2004 until the year end December 31, 2004. The actual operations of Hendrx's subsidiary Yuxin, for the full years ended December 31, 2004, December 31, 2003 and December 31, 2002 are attached as Exhibit 99 (i) hereto.

During the period from January 1, 2003 through December 31, 2004, Hendrx's subsidiary Yuxin was engaged in the research and development, manufacturing and marketing of AWG units from Fujian, China. Hendrx expects that over the next twelve months it will embark on a comprehensive marketing plan for the sale of AWG units while expanding manufacturing capacity and focusing on innovation through research and development.

As at December 31, 2004, Hendrx realized net income from operations.

The following discussion and analysis details the consolidated financial statements of Hendrx incorporated as Item 7, all discussion and analysis of Yuxin details the consolidated financial statements attached as Exhibit 99 (i) hereto..

Results of Years ended December 31, 2004 and 2003 - Hendrx

Gross Revenue, Cost of Goods Sold and Gross Profit

Gross revenue for the twelve month period ended December 31, 2004 was $254,938 from $0 for the comparable period ended December 31, 2003. Gross revenue in the current period reflects the acquisition of Yuxin on December 16, 2004 and details Yuxin gross revenues between the date of acquisition and December 31, 2004. Prior to the acquisition of Yuxin, Hendrx had no significant operations. Hendrx expects to increase gross revenue over the next twelve months.

Cost of goods sold for the twelve month period ended December 31, 2004 was $74,569 from $0 for the twelve month period ended December 31, 2003. Cost of goods sold in the current period reflects the acquisition of Yuxin on December 16, 2004 and details Yuxin cost of goods sold between the date of acquisition and December 31, 2004. Prior to the acquisition of Yuxin, Hendrx had no significant operations. The increase in cost of goods sold was due primarily to the increase in costs associated with the use of new components used in the AWG units designed to improve efficiency and functionality. Hendrx expects that the cost of goods sold will increase in relation to increases in gross revenue over the next twelve months.

Gross profit for the twelve month period ended December 31, 2004 was $180,369 from $0 for the twelve month period ended December 31, 2003. Gross profit in the current period reflects the acquisition of Yuxin on December 16, 2004 and details Yuxin gross profits between the date of acquisition and December 31, 2004. Prior to the acquisition of Yuxin, Hendrx had no significant operations. Hendrx expects that gross profit will increase in future periods in relation to increases in gross revenue.

Expenses

Selling expenses for the twelve month period ended December 31, 2004 were $2,037 from $0 for the comparable period ended December 31, 2003. Selling expenses in the current period reflect the acquisition of Yuxin on December 16, 2004 and details Yuxin gross profits between the date of acquisition and December 31, 2004. Prior to the acquisition of Yuxin, Hendrx had no significant operations. Hendrx anticipates that selling expenses will increase over the next twelve months as a comprehensive marketing strategy is launched to develop the marketplace for the company's AWG units.

General and administrative expenses for the twelve month period ended December 31, 2004 increased to $64,191, which included $20,426 in expenses prior to the acquisition of Yuxin and $43,765 subsequent to the acquisition of Yuxin on December 16, 2004 through December 31, 2004, from $252 the comparable period ended December 31, 2003. The increase in general and administrative expenses over the comparative periods can be attributed to an increase in filing fees ($16,608), professional fees ($4,000) and depreciation/amortization expenses consolidated from Yuxin. Hendrx anticipates that general and administrative expenses may increase over the next twelve months due to costs associated with the introduction of a comprehensive marketing strategy in 2005.

Net Income

Net income for the twelve month period ended December 31, 2004 was $106,214 compared to a net loss of $252 for the comparable period ended December 31, 2003. The transition to net income in the current period reflects the acquisition of Yuxin on December 16, 2004 and includes net income recognized by Yuxin between the date of acquisition and December 31, 2004. Prior to the acquisition of Yuxin, Hendrx had no significant operations. Hendrx expects that net income will increase in future periods.

Liquidity and Capital Resources – Hendrx

Cash flow provided by operations for the twelve month period ended December 31, 2004 was $128,367 as compared to cash flow used in operations of $252 for the comparable period ended December 31, 2003. The increase in cash flow provided by operations can be attributed to the acquisition of Yuxin on December 16, 2004. Increased revenue and stable general and administrative expenses are expected to continue to generate increases in cash flow from operations in 2005.

Cash flow used in or produced from investing activities for the twelve month period ended December 31, 2004 was $0 as compared to $0 for the year ended December 31, 2003. Hendrx expects that cash flow used in investing activities will increase over future periods as the company's manufacturing facility and products are improved.

Cash flow used in financing activities was $1,350 for the year ended December 31, 2004 as compared to $250 produced by financing activities for the year ended December 31, 2003. Hendrx expects that cash flow will be produced from financing activities in 2005 as the result of a private placement of common stock.

Hendrx had a working capital deficit of $ 5,799,903 as of December 31, 2004 and has funded its cash needs from revenue and debt and equity financing provided by banks and other unrelated parties. Hendrx intends to issue 134,400 restricted common shares to pay accrued wages benefits of $517,440 and will use equity finance to fund debts incurred from the acquisition of Eastway and Yuxin. Hendrx anticipated that cash flows from future revenues and equity placements are expected to be sufficient to fund operations in 2005. However there can be no assurance that Hendrx will generate sufficient cash flows from revenue or debt or equity placements to fund current operations. Since any earnings, if realized, are anticipated to be reinvested in operations, cash dividends are not expected to be paid in the foreseeable future. Commitments for future capital expenditures will be fully funded by equity financing starting early 2005.

Hendrx's bank loans of $3,481,057 are guaranteed by Fujian Tienyu Steel Products Co., Ltd., a company owned by the chairman of Hendrx. In return, Hendrx, through its subsidiary Yuxin, also guarantees Tienyu's bank loans of $5,268,544. Based on the financial health of Tienyu, the repayment ability of Tienyu has remained very positive and stable. Therefore, it is management's intention to reduce mutual guarantees gradually over time.

Subsequent to year end Hendrx initiated a private equity placement to raise $7,500,000 from the sale of 5,000,000 restricted common shares at $1.50 per share. Hendrx had completed $6,393,000 of the private placement as of April 11, 2005 and expects to complete the private placement by April 30, 2005. The proceeds of the offering, subject to a ten percent (10%) financing sales commission are to be used to complete the purchase of Eastway from Hendrik Tjandra, Hendrx's chairman of the board of directors and chief executive officer, improve and expand manufacturing capacity, to expand Hendrx's marketing efforts on a comprehensive basis and to fund further research and development.

Hendrx adopted a Stock Option and Compensation Plan ("Plan") on March 12, 2005. Under the Plan, Hendrx may issue stock, stock appreciation rights, or grant options to acquire Hendrx's common stock to employees of Hendrx or its subsidiaries. The board of directors, at its own discretion may also issue stock, stock appreciation rights or grant options to other individuals, including consultants or advisors, who render services to Hendrx or its subsidiaries. Hendrx had authorized the grant of 350,000 options with an exercise price of $1.50 for a period of five years to all the members of the board of directors as of March 12, 2005.

Hendrx, except in respect to the grant of stock options, has no defined benefit plan or contractual commitment with any of its officers or directors.

Hendrx has no current plans for the purchase or sale of any plant or equipment, outside of normal items to be utilized by manufacturing personnel, unless the holding period is determined to be less than 45 days.

Hendrx has no current plans to make any significant changes in the number of employees.

Results of years ended December 31, 2004 and 2003 – Yuxin

Gross Revenue, Cost of Goods Sold and Gross Profit

Gross revenue for the twelve month period ended December 31, 2004 increased to $9,319,461 from $8,729,315 for the comparable period ended December 31, 2003, an increase of 7%. The increase in gross revenue over the comparative periods was primarily the result of an increase in the gross proceeds from the sale of AWG units. Yuxin expects continued growth in the marketplace for its AWG units which will in turn increase gross revenue over the next twelve months.

Cost of goods sold for the twelve month period ended December 31, 2004 increased to $6,593,458 from $5,842,108 for the twelve month period ended December 31, 2003, an increase of 13%. The increase in the cost of goods sold over the comparative periods is due to the increase in costs associated with use of new components in the AWG units designed to improve efficiency and functionality. Yuxin expects that the cost of goods sold will continue to rise in relation to increases in revenue over the next twelve months.

Gross profit for the twelve month period ended December 31, 2004 decreased from $2,887,207 in 2003 to $2,726,003 in 2004, a decrease of 6%. The decrease in gross profit over the comparative periods was primarily the result of an increase in the cost of good sold. Yuxin expects that the cost of goods sold in will increase in future periods in relation to increases in revenue over the next twelve months.

Expenses

Selling expenses for the twelve month period ended December 31, 2004 decreased to $84,323 from $165,629 for the comparable period ended December 31, 2003, a decrease of 49%. The decrease in selling expenses over the comparative periods can be attributed to established relationships with distributors. Yuxin anticipates that selling expenses will increase over the next twelve months as a comprehensive marketing strategy is launched to develop the marketplace for the company's AWG units.

General and administrative expenses for the twelve month period ended December 31, 2004 increased to $1,233,759 from $412,500 for the comparable period ended December 31, 2003, an increase of 199%. The extraordinary increase in general and administrative expenses over the comparative periods can be attributed to an increase in wages, bank charges and interest and the extraordinary payment for past wages of $517,440. Yuxin anticipates that general and administrative expenses may increase over the next twelve months due to costs associated with the introduction of a comprehensive marketing strategy in 2005.

Depreciation and amortization expenses for the annual periods ended December 31, 2004, and December 31, 2003 were $223,301 and $87,913 respectively. The increases of 154% in depreciation expenses can be attributed to the difference in amortization periods of fixed assets and patents in those two years.

Net Income

Net income for the twelve month period ended December 31, 2004 decreased to $795,646 from $1,985,418 for the comparable period ended December 31, 2003, a decrease of 60%. The decrease in net income over the comparative periods was mainly attributable to an extraordinary increase in general and administrative expenses and an extraordinary provision for income taxes charged against Yuxin.

Yuxin recognized a prior period adjustment of $332,379, for which there were no such expenses incurred for the same period in 2003. Before 2004, the local tax authority ruled that all companies located in Ronqiao Economic Development Zone were subject to 13.5% discount tax rate applicable to all national economic zones around China. In late 2004, the provincial tax authority undertook a special project to reexamine tax status of the Ronqiao Economic Development Zone and then rejected the local tax authority's ruling for the discount tax rate. As a result, all companies located within that zone are subject to 27% full tax rate retroactively. The amount of $332,379 was charged by the provincial tax bureau for all previous years up to 2003 year-end, and the amount was fully paid by Yuxin at the end of year 2004.

Yuxin is now current in respect to tax obligations and expects a decrease in general and administrative expenses in future periods. Net income should therefore increase in future periods.

<u>Liquidity and Capital Resources – Yuxin</u>

Cash flow provided by operations for the twelve month period ended December 31, 2004 was $2,725,373 as compared to cash flow provided by operations of $1,975,833 for the comparable period ended December 31, 2003. The increase in cash provided by operations over the comparative periods is primarily attributed to improved collection of accounts receivable, reducing inventories held on hand and effectively collecting refundable sales taxes from the tax authority. Increased revenue and stable general and administrative expenses are expected to continue to generate increases in cash flow from operations in 2005.

Cash flow used in investing activities for the twelve month period ended December 31, 2004 was $1,214,418 as compared to $388,414 for the year ended December 31, 2003. The investment activities in 2004 were comprised of producing new molds and equipment purchases. Yuxin expects that cash flow used in investing activities will increase over future periods as the company's manufacturing facility and products are improved.

Cash flow used in financing was $1,811,559 for the year ended December 31, 2004 as compared to $889,880 for the year ended December 31, 2003. The cash used in financing activities can be primarily attributed to the payment of dividends to the shareholders of Yuxin in the current period. Yuxin expects that cash flow will be produced from financing activities in 2005 as the result of a private placement of common stock.

Income Tax Expense (Benefit)

Hendrx recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The deferred tax liability associated with any net earnings will be offset by deferred tax assets related to the net operating loss carryforwards of Hendrx. A valuation allowance has been recorded for the remaining amount of net deferred tax asset due to the uncertainty surrounding its ultimate realization.

Impact of Inflation

Hendrx believes that inflation has had a negligible effect on operations over the past three years. Hendrx believes that it can offset inflationary increases in maintenance costs by increasing revenue and improving operating efficiencies.

<u>Critical Accounting Policies</u>

In Note 2 to the audited consolidated financial statements for the years ended December 31, 2004 and 2003 included in this Form 10-KSB, Hendrx discusses those accounting policies that are considered to be significant in determining the results of operations and its financial position. Hendrx believes that the accounting principles utilized by it conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate our estimates, including those related to bad debts, inventories, intangible assets, warranty obligations, product liability, revenue, and income taxes. Hendrx bases its estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions. With respect to revenue recognition, we apply the following critical accounting policies in the preparation of its financial statements

Revenue Recognition

Hendrx generates revenue through the sale of AWG units whether to wholesale distributors or to individual consumers. Revenues are recognized only when persuasive evidence for a sales arrangement exists; delivery of the product has occurred; the product fee is fixed or determinable; and collection of the fee is reasonably assured. Revenue derived from the sale of services is initially recorded as deferred revenue on the balance sheet. The amount is recognized as income over the term of the contract.

Recent Accounting Pronouncements

In December 2004, the FASB issued SFAS 123 (revised 2004), “Accounting for Stock Based Compensation.” This statement supersedes APB Opinion No. 25, “Accounting for Stock Issued to Employees.” This revised statement establishes standards for the accounting of transactions in which an entity exchanges its equity instruments for goods and services, including the grant of stock options to employees and directors. The Statement is effective for periods beginning after June 15, 2005, and will require Hendrx to recognize compensation cost based on the grant date fair value of the equity instruments its awards. Hendrx currently accounts for those instruments under the recognition and measurement principles of APB Opinion 25, including the disclosure-only provisions of the original SFAS 123. Accordingly, no compensation cost from issuing equity instruments has been recognized in Hendrx’s financial statements. Hendrx estimates that the required adoption of SFAS 123 (R) will not have a negative impact on its financial statements.

In March 2004, the FASB issued EITF No. 03-1, *The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments* ("EITF 03-1"). The objective of EITF 03-1 is to provide guidance for identifying impaired investments. EITF 03-1 also provides new disclosure requirements for investments that are deemed to be temporarily impaired. In October 2004, the FASB delayed the recognition and measurement provisions of EITF 03-1 until implementation guidance is issued. The disclosure requirements are effective for annual periods ending after June 15, 2004, and remain in effect. Management believes that the adoption of EITF 03-1 will not have a material impact on Hendrx’s financial condition or results of operations.

In December 2003, the FASB issued Interpretation No. 46 (“FIN 46R”) (revised December 2003), Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51 (“ARB 51”), which addresses how a business enterprise should evaluate whether it has a controlling interest in an entity through means other than voting rights and accordingly should consolidate the entity. FIN 46R replaces FASB Interpretation No. 46 (FIN 46), which was issued in January 2003. Before concluding that it is appropriate to apply ARB 51 voting interest consolidation model to an entity, an enterprise must first determine that the entity is not a variable interest entity (VIE). As of the effective date of FIN 46R, an enterprise must evaluate its involvement with all entities or legal structures created before February 1, 2003, to determine whether consolidation requirements of FIN 46R apply to those entities. There is no grandfathering of existing entities. Public companies must apply either FIN 46 or FIN 46R immediately to entities created after January 31, 2003 and no later than the end of the first reporting period that ends after March 15, 2004. The adoption of FIN 46 had no effect on Hendrx’s consolidated financial position, results of operations or cash flows.

Cautionary Statement Pursuant to Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

This Form 10-KSB includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements included in this Form 10-KSB, other than statements of historical facts, address matters that Hendrx reasonably expects, believes or anticipates will or may occur in the future. Such statements are subject to various assumptions, risks and uncertainties, many of which are beyond the control of Hendrx. These forward looking statements may relate to such matters as anticipated financial performance, future revenue or earnings, business prospects, projected ventures, new products and services, anticipated market performance and similar matters. When used in this report, the words “may,” “will,” ”expect,” “anticipate,” “continue,” “estimate,” “project,” “intend,” and similar expressions are intended to identify forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934 regarding events, conditions, and financial trends that may affect Hendrx’s future plans of operations, business strategy, operating results and financial position. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. To comply with the terms of the safe harbor, Hendrx caution readers that a variety of factors could cause its actual results to differ materially from the anticipated results or other matters expressed in its forward-looking statements.

These risks and uncertainties, many of which are beyond our control, include (i) the sufficiency of existing capital resources and Hendrx’s ability to raise additional capital to fund cash requirements for future operations; (ii) uncertainties related to the acceptance of Hendrx’s current and future products; (iii) the ability of Hendrx to achieve and maintain sufficient revenues to fund operations; (iv) volatility of the stock market; and (v) general economic conditions. Although Hendrx believes the expectations reflected in these forward-looking statements are reasonable, such expectations may prove to be incorrect.

Going Concern

Hendrx's auditor has expressed concern as to Hendrx's ability to continue as a going concern as a result of conditions recurring losses, limited revenue-generating activities and a working capital deficiency of $5,799,903 as of December 31, 2004. Hendrx's ability to continue as a going concern is subject to the ability of Hendrx to increase net income and obtain funding from outside sources. Management's plan to address Hendrx's ability to continue as a going concern, include: (1) obtaining funding from private placement sources; (2) obtaining additional funding from the sale of Hendrx's securities; (3) generating sufficient revenues to sustain operations; and (4) obtaining loans and grants from various financial institutions, where possible. Although management believes that it will be able to obtain the necessary funding to allow Hendrx to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

ITEM 7. FINANCIAL STATEMENTS

Hendrx's audited financial statements for the periods ended December 31, 2004 and 2003 are attached hereto as F-1 through F-25. Yuxin's audited financial statements for the periods ended December 31, 2004, December 31, 2003 and December 31, 2002 are attached hereto as Exhibit 99 (i).

Hendrx Corp.

(Formerly known as "Starsoft, Inc.")
Consolidated Financial Statements
Years Ended December 31, 2004 and 2003

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MOEN AND COMPANY
CHARTERED ACCOUNTANTS

Member:
Canadian Institute of Chartered Accountants
Institute of Chartered Accountants of British Columbia
Institute of Management Accountants (USA) (From 1965)

Registered with:
Public Company Accounting Oversight Board (USA) (PCAOB)
Canadian Public Accountability Board (CPAB)
Canada - British Columbia Public Practice Licence

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of
HENDRX Corp. (formerly Starsoft Inc.)

We have audited the accompanying consolidated balance sheet of HENDRX Corp. (formerly Starsoft Inc.) as of December 31, 2004, and the related statements of operations, retained earnings, cash flows and changes in stockholders' equity for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of HENDRX Corp. (formerly Starsoft Inc.) as of December 31, 2003 were audited by other auditors whose report, dated March 25, 2004 expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of HENDRX Corp. (formerly Starsoft Inc.) as of December 31, 2004, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, conditions exist which raise substantial doubt about he Company's ability to continue as a going concern unless it is able to generate sufficient cash flows to meet its obligations and sustain its operations. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

"Moen and Company"
("Signed")
Chartered Accountants

Vancouver, British Columbia, Canada

April 11, 2005

"Independent Accountants and Auditors"

CLYDE BAILEY P.C.

Certified Public Accountant
10924 Vance Jackson #404
San Antonio, Texas 78230
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Member:
American Institute of CPA's
Texas Society of CPA's

Board of Directors
StarSoft, Inc.

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying balance sheets of StarSoft, Inc. (Company), a development stage enterprise, as of December 31, 2003 and 2002 and the related statement of operations, statement of stockholders' equity, and the statement of cash flows from May 4, 1998 (Inception) to December 31, 2003, for the period ended December 31, 2003 and 2002. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The Company is a development stage enterprise, as defined in Financial Accounting Standards Board No. 7. The Company is devoting all of its present efforts in securing and establishing a new business, and its planned principal operations have not commenced, and, accordingly, no revenue has been derived during the organizational period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2003 and the results of its operations and its cash flows for the periods ended December 31, 2003 and 2002 and from May 4, 1998 (Inception) to December 31, 2003 in conformity with accounting principles generally accepted in the United States.

/s/ Clyde Bailey

Clyde Bailey P.C.
San Antonio, Texas
March 25, 2004

HENDRX CORP.

(Former name Starsoft, Inc.)
Consolidated Balance Sheets
At December 31, 2004 and 2003
(Expressed in US Dollars)

		2004		2003
Assets				
Current Assets				
Cash and cash equivalents (Note 2)	$	507,677	$	90
Accounts receivable (Note 4)		412,724		-
Inventories (Note 5)		978,376		-
Short term loan (Note 18)		114,952		-
Prepaid expenses and deposits		86,284		-
Total Current Assets		2,100,013		90
Fixed assets (Note 7)		5,071,568		-
Intangible assets (Note 6)		3,069,352		-
Goodwill (Note 3)		31,854,137		-
Total assets	**$**	**42,095,070**	**$**	**90**
Liabilities and Stockholders' Equity				
Current Liabilities				
Accounts payable and accrued liabilities (Note 9)	$	401,419	$	-
Accrued wage benefits (Note 12)		517,440		-
Short term bank loans (Note 11)		3,481,057		-
Loan from Kirin Capital Corp. (Note 3)		300,000		-
Due on purchase of subsidiary (Note 3)		3,200,000		-
Due to related parties (Note 10)		-		1,350
Total Current Liabilities		7,899,916		1,350
Stockholders' Equity				
Capital stock (Note 8)				
Par value		31,800		2,120
Additional paid in capital		34,129,400		68,880
Retained earnings (Deficit)		33,954		(72,260)
Total stockholders' equity		34,195,154		(1,260)
Total liabilities and stockholders' equity	**$**	**42,095,070**	**$**	**90**

Commitments: Note 3 and 11; Going Concern: Note 1; Guarantees: Note 11; Subsequent Events: Note 20

HENDRX CORP.

(Former name Starsoft, Inc.)

Consolidated Statements of Income
For the Years Ended December 31, 2004 and 2003
(Expressed in US Dollars)

		2004		2003
Revenue	$	254,938	$	-
Cost of Goods Sold		74,569		-
Gross Profit		180,369		-
Selling Expenses		2,307		
General and administrative expenses		64,191		252
Total Expenses		66,498		252
Profit before income taxes		113,871		(252)
Income taxes		7,657		-
Net profit for the year	$	106,214*	$	(252)

*** The above statement of income covers operations of the subsidiary from the date of acquisition on December 16, 2004 to December 31, 2004 – See complete financial statements of the subsidiary, attached as an Exhibit 99.1.**

HENDRX CORP.
(Former name Starsoft, Inc.)

Consolidated Statements of Retained Earnings (Deficit)

For the Years Ended December 31, 2004 and 2003

(Expressed in US Dollars)

		2004		2003
Retained earnings (Deficit),				
Beginning of the year	$	(72,260)	$	(72,008)
Net profit for the year		106,214		(252)
Retained earnings (Deficit), end of the year	**$**	**33,954**	**$**	**(72,260)**

HENDRX CORP.
(Former name StarSoft, Inc.)
Consolidated Statement of Changes in Stockholders' Equity
As of December 31, 2004
(Expressed in US Dollars)

	Common Shares	$0.001 Par Value	Paid-in Capital	Accumulated Deficit	Stockholders' Equity
Balance, May 4, 1998		$	$	$	$
Stock issued	1,000,000	1,000	9,000		10,000
Net income (loss) - 1998				(10,000)	(10,000)
Balance December 31, 1998	1,000,000	1,000	9,000	(10,000)	
Stock issued - 504	1,220,000	1,220	59,780		61,000
Net income (loss) - 1999				(61,046)	(61,046)
Balance December 31, 1999	2,220,000	2,220	68,780	(71,046)	(46)
Stock Cancelled October 24, 2000	(100,000)	(100)	100		
Net income (loss) - 2000				(454)	(454)
Balance December 31, 2000	2,120,000	2,120	68,880	(71,500)	(500)
Net income (loss) - 2001				(167)	(167)
Balance December 31, 2001	2,120,000	2,120	68,880	(71,667)	(667)
Net income (loss) - 2002				(341)	(341)
Balance December 31, 2002	2,120,000	2,120	68,880	(72,008)	(1,008)
Net income (loss) - 2003				(252)	(252)
Balance December 31, 2003	2,120,000	2,120	68,880	(72,260)	(1,260)
2004 Forward stock split and					
2004 Forward stock split and reorganization of stock	19,080,000	16,960	(16,960)		
	19,080,000	19,080	51,920	(72,260)	(1,260)
Issuance of shares for acquisition of wholly-owned subsidiary	12,720,000	12,720	34,077,480		34,090,200
Net profit for year ended December 31, 2004				106,214	106,214
Balance, December 31, 2004	31,800,000	$ 31,800	$ 34,129,400	$ 33,954	$ 34,195,154

HENDRX CORP.
(Former name Starsoft, Inc.)
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2004 and 2003
(Expressed in US Dollars)

		2004		2003
Cash derived from (used for)				
Operating activities				
Net profit (loss) for the year	$	106,214	$	(252)
Changes in non-cash working capital items				
Accounts payable and accrued liabilities		21,800		-
Total funds from operating activities		128,014		(252)
Financing activities				
Due to related parties		(1,350)		250
Total funds from financing activities		(1,350)		250
Investing activities		-		-
Cash and cash equivalents, increase (decrease) during the year		126,664		(2)
Cash and cash equivalents, beginning of the year		90		92
Cash and cash equivalents of wholly-owned subsidiary at date of acquisition		380,923		-
Cash and cash equivalents, end of the year	**$**	**507,677**	**$**	**90**
Supplementary cash flow information				
Income taxes paid	**$**	**7,357**	**$**	

Note 1. ORGANIZATION AND NATURE OF BUSINESS

Organization

HENDRX Corp. (formerly StarSoft Inc.) ("the Company") was incorporated under the laws of the State of Nevada on May 4, 1998 for the purpose to promote and carry on any lawful business for which a corporation may be incorporated under the laws of the State of Nevada. The Company operated from May 4, 1998 through approximately October 31, 2000 developing and marketing computer software. The Company had also planned to offer consulting services for software developers but that aspect of the Company business never materialized. Since October 31, 2000, the Company ceased operations and was in the development stage until December 16, 2004, when it acquired 100% of the issued shares of Eastway Global Investment Limited, which included the latter company's wholly-owned operating subsidiary Fujian Yuxin Electronic Equipment Co., Ltd.

Organization and Nature of Business of the Wholly Owned Operating Subsidiary

Fujian Yuxin Electronic Equipment Co., Ltd., was incorporated under the laws of People's Republic of China on February 18, 1993.

The principal business of the Company is to manufacture and distribute water dispenser systems, air conditioners and energy-saving bulbs. The main effort of the Company is to specialize in the manufacture and distribution of water dispenser systems. The Company owns the patents of atmospheric water generators internationally. Its head office and plant facilities are located in Ron Qiao Economic Development Zone, Fuqing City, Fujian Province, P.R. China.

Going Concern

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has a working capital deficiency of $5,799,903 at December 31, 2004, and might not have sufficient work capital for the next twelve months. These factors create doubt as to the ability of the Company to continue as a going concern. Realization values may be substantially different from the carrying values as shown in these financial statements should the Company be unable to continue as a going concern. Management is in the process of identifying sources for additional financing to fund the ongoing development of the Company's business. (See Subsequent Events Note 19)

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All significant inter-company transactions and balances have been eliminated on consolidation.

Basis of presentation

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States ("USGAAP").

Development Stage Enterprise

The Company was a development stage enterprise, as defined in Financial Accounting Standards Board No. 7 until the date of the acquisition in Note 1, above. Its planned principal operations had not commenced prior to that date, and, accordingly, no revenue had been derived during the organizational period. The development stage discontinued when the Company acquired the wholly owned subsidiary on December 16, 2004.

Accounting Method

The Company financial statements are prepared using the accrual method of accounting. Fixed assets are stated at cost. Depreciation and amortization uses the straight-line method for financial reporting purposes and accelerated methods for income tax purposes.

Use of estimates

The preparation of financial statements in conformity with USGAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Concentration of credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents that are not collateralized and accounts receivable that are unsecured. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and highly liquid short-term interest bearing securities with the maturity at the date of purchase of three months or less.

Selling and administrative expenses

These expenses are recorded as incurred.

Inventories

Inventories consist of the manufacture of finished goods, raw materials used in production and work-in-process, and are stated at the weighted average method, on a first-in, first-out basis.

Income taxes

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the amount of taxable income and pretax financial income and between the tax bases of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and liabilities are included in the financial statement at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled as prescribed in FASB Statement No. 109, Accounting for Income Taxes. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes..

Stock based compensation

The Company adopted SFAS No. 148 "Accounting for Stock-based Compensation – Transition and Disclosure, an amendment of FASB Statement No. 123" ("SFAS 148"). This Statement amends SFAS 123 to provide alternative methods transition for a voluntary change to the fair value method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements. Certain of the disclosure modifications are required to fiscal years ending after December 15, 2002 and are included in the notes to these financial statements.

Compensated absences

Employees of the corporation are entitled to paid vacations, sick days and other time off depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The corporation's policy is to recognize the costs of compensated absences when paid to employees.

(Expressed in US Dollars)

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Earnings per Common Share

The Company adopted Financial Accounting Standards (SFAS) No. 128. Earnings Per Share which simplifies the computation of earnings per share requiring the restatement of all prior periods.

Basic earnings per share are computed on the basis of the weighted average number of common shares outstanding during each year.

Diluted earnings per share are computed on the basis of the weighted average number of common shares and dilutive securities outstanding. Dilutive securities having an anti-dilutive effect on diluted earnings per share are excluded from the calculation.

Long-lived assets

Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable.

Capital assets and depreciation

Capital assets are recorded at cost. Depreciation is provided on the straight line method based on the following estimated useful life, with a 10% residual value:

Buildings	20 years
Manufacturing machinery and equipment	10 years
Transportation equipment	10 years
Electronic equipment	5 years
Office equipment	5 years

Intangible assets and amortization

<u>Land use rights</u>

The subsidiary, Fujian Yuxin Electronic Equipment Co., Ltd., entered into an agreement on May 15, 1995 for land use rights with Fujian Fuqing Land Management Bureau for a 50 year period, and recorded at the appraisal value at the date of acquisition and amortized over 50 years.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Patents

The Company owns patents of atmospheric water generation ("AWG") registered in the People's Republic of China under number P200304823. The subsidiary utilizes patents under license that are registered in the United States under the numbers 5,106,512, 5,149,466, 5,203,989 and 5,366,705.

The patents are recorded at the appraisal value at the date of acquisition and amortized over 15 years.

Recognition criteria

Gains are recognized when realized. Expenses and losses are recognized when an expenditure or previously recognized asset does not have future economic benefit. Expenses that are not linked with specific revenues are related to a period on the basis of transactions or events occurring in that period or by allocation to the periods to which they apply. The cost of assets that benefit more than one period is normally allocated over the periods benefited.

Revenue recognition

Hendrx generates revenue through the sale of atmospheric water generation units whether to wholesale distributors or to individual consumers. Revenues are recognized only when persuasive evidence for a sales arrangement exists; delivery of the product has occurred; the product fee is fixed or determinable; and collection of the fee is reasonably assured. Revenue derived from the sale of services is initially recorded as deferred revenue on the balance sheet. The amount is recognized as income over the term of the contract.

Research and development

Research and development costs, which include the cost of materials and services consumed and salaries and wages of personnel directly engaged in research and development, are expensed as incurred.

Financial instruments

The company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, short term loans, income taxes payable and due to related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Segmented information

The Company's identifiable assets are all located in China. Revenue on a geographical basis is disclosed in note 13, below.

Foreign currency translation

The reporting currency of the Company is the United States Dollar. The accounts of other currencies are translated into US Dollars on the following basis:

Monetary assets and liabilities are translated at the current rate of exchange.
The weighted average exchange rate for the period is used to translate revenue, expenses, and gains or losses from the functional currency to the reporting currency.
The gain or loss on the transactions of foreign currency financial transactions is reported as a separate component of stockholders' equity and not recognized in net income. Gains or losses on remeasurement from the recording currency are recognized in current net income.
Gains or losses from foreign currency transactions are recognized in current net income.
Fixed assets are measured at historical exchange rates that existed at the time of the transaction.
Depreciation is measured at historical exchange rates that existed at the time the underlying related asset was acquired.

The effect of exchange rate changes on cash balances is reported in the statement of cash flows as a separate part of the reconciliation of change in cash and cash equivalents during the period.

Recent Accounting Pronouncements

In November 2002, the FASB issued interpretation NO. 45. "Guarantor's Accounting and Disclosure Requirements for Guarantees, including Indirect Guarantees of Indebtedness of Others" ("Interpretation No. 45"). Interpretation No. 45 elaborates on the existing disclosure requirements for most guarantees including loan guarantees such as standby letters of credit. It also clarifies that at the time a company issues a guarantee, the Company must recognize an initial liability for the fair market value of the obligations it assumes under that guarantee and must disclose that information in its interim and annual financial statements. The initial recognition and measurement provisions of Interpretation No. 45 apply on a prospective basis to guarantees issued or modified after December 31, 2002. Interpretation NO. 45 did not have an effect on the financial statements.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Recent Accounting Pronouncements (Cont'd)
In January 2003, The FASB issued Interpretation No. 46 "Consolidation of Variable Interest Entities" ("Interpretation NO. 46"), that clarifies the application of Accounting Research Bulletin No. 51 "Consolidated Financial Statements" to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. Interpretation NO. 46 is applicable immediately for variable interest entities created after January 31, 2003. For variable interest entities created prior to January 31, 2003, the provisions of Interpretation No. 46 are applicable no later than July 1, 2003. Interpretation NO. 46 did not have an effect on these financial statements.

In December 2002, the FASB issued SFAS No. 148 "Accounting for Stock-based Compensation – Transition and Disclosure, an amendment of FASB Statement No. 123" ("SFAS 148"). This Statement amends SFAS 123 to provide alternative methods of transition for a voluntary change to the fair value method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements. Certain of the disclosure modifications are required for fiscal years ending after December 15, 2002 and are included in the notes to these financial statements.

Statement of Financial Accounting Standards SFAS No. 149 "Amendment of Statement 133 on Derivative Instruments and Hedging Activities", SFAS No. 150 "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" were recently issued. SFAS No. 149 and 150 have no current applicability to the Company or their effect on the financial statements would not have been significant.

Note 3. ACQUISITION OF EASTWAY GLOBAL INVESTMENTS LIMITED AND ITS WHOLLY-OWNED OPERATING SUBSIDIARY FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD.

On December 16, 2004, the Company acquired from Mr. Hendrik Tjandra, Eastway Global Investment Limited, a corporation formed under the laws of the British Virgin Islands, a "Holding Company" the latter of which owns a Chinese "Operating company" named FuJian Yuxin Electronic Equipment Co., Ltd.

The Operating Company carries on the business of the design, manufacture and sale of atmospheric water generators from a facility on lands leased by the operating company located in Fuqing, Fujian, China.

The Holding Company was the owner of all of its registered capital of the Operating company, and Mr. Hendrik Tjandra ("Hendrik") was the owner of all the issued and outstanding shares in the capital of the Holding Company.

Note 3. ACQUISITION OF EASTWAY GLOBAL INVESTMENTS LIMITED AND ITS WHOLLY-OWNED OPERATING SUBSIDIARY FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD. (Cont'd)

The completion of the purchase and sale of the shares took place immediately upon delivery and execution of the agreement on December 16, 2004.

David Tjahjadi, the son of Hendrik Tjandra, is also a principal to the agreement as he is an officer and director of the Operating company.

Hendrik Tjandra and David Tjahjadi are named "the Principals" in the agreement.

Terms and conditions of this agreement are as follows:

(a) a deposit of $300,000 deposited with the Solicitors of Kirin Capital pursuant to a letter Agreement dated October 29, 2004 between Kirin Capital Corp., the Principals and the Operating Company.

(b) The purchase price for the shares is $3,500,000 cash plus the market value of purchase price shares, in (d); below, and in future earn-out shares as computed in (e), below.

(c) The cash purchase price in (b), above, shall be paid as follows:
- (i) $300,000 by assignment and release of the deposit outlined in (a), above, to Hendrik, and
- (ii) $1,000,000 payable to Hendrik on January 31, 2005, and
- (iii) $1,000,000 payable to Hendrik on April 30, 2005, and
- (iv) $1,200,000 payable to Hendrik on August 3, 2005

(d) the issuance on closing of 12,720,000 common shares to Hendrik equal to 40% of the issued and outstanding shares of HENDRX Corp.

(e) an earn-out bonus to the Principals, in equal shares, the number of shares required to bring the principals' aggregate holding of shares in the capital of HENDRX Corp. up to 51% within 30 days after the release and publication of HENDRX Corp.'s audited financial statements for the first fiscal year in which the gross revenue, on a consolidated basis, exceeds $15,000,000.

(f) The payment dates in (c)(iii) and (iv), above, shall have an additional "Grace Period" of 60 days to make any such payment. Interest shall accrue during the Grace Period for Hendrik's benefit on any unpaid amount at the rate of 18% per annum, compounded monthly.

(Expressed in US Dollars)

Note 3. ACQUISITION OF EASTWAY GLOBAL INVESTMENTS LIMITED AND ITS WHOLLY-OWNED OPERATING SUBSIDIARY FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD. (Cont'd)

(g) A non-compete agreement whereby the Principals agree not to compete with the Businesses carried on by HENDRX Corp. and /or the Operating company or any affiliates or related companies, anywhere in the world, for a period of 2 years from the closing date.

(h) Funding commitment by HENDRX Corp. as follows:

(i) to raise financing or dedicate existing financing and resources, of $1,500,000 for further development of the Business, within 30 days after the closing date; and
(ii) after closing, HENDRX Corp. shall formalize with Hendrik an irrevocable marketing commitment and strategy for marketing the business and for increasing market and investor awareness of the Business, whereby HENDRX Corp. shall use its best commercial efforts to raise financing, or to dedicate existing financing and/or resources, of $2,000,000 to be allocated therefrom as to (a) $1,000,000 to market the operating company and promote the Business, market and product strategy, and (b) $1,000,000 to increase brand and product awareness through video, digital print and electronic media, endorsements, sponsorship and media campaigns.

The market price of 12,720,000 common shares issued for this acquisition was $2.68 per common share for total stock consideration of $34,090,200 plus cash payments of $3,500,000, as outlined above, for total consideration of $37,590,200.

There is goodwill on the acquisition, computed as follows:

Assets Acquired		
Current Assets	$	1,973,259
Fixed Assets		5,071,568
Intangible Assets		3,069,352
TOTAL ASSETS		10,114,179
Liabilities Assumed		
Current Liabilities		4,378,116
Net Equity		5,736,063
Consideration issued, as above		37,590,200
Goodwill, on acquisition	$	31,854,137

The acquisition agreement was signed on December 16, 2004. Net profit from the operations of the subsidiary of Fujian Yuxin Electronic Equipment Co., Ltd. of $126,709 is included in these financial statements from the date of acquisition on December 16, 2004 to December 31, 2004.

(Expressed in US Dollars)

Note 4. ACCOUNTS RECEIVABLE

Bad debts are determined on a direct write off basis.

Note 5. INVENTORIES

Inventories are stated at the weighted average method on a first-in first-out basis. Details of inventories as at December 31, 2004, are as follows:

	December 31, 2004
Finished goods	$ 123,797
Raw materials	542,702
Work-in-process	311,877
Total	$ 978,376

Note 6. INTANGIBLE ASSETS AND ACCUMULATED AMORTIZATION

December 31, 2004	Cost	Accumulated Amortization	Net Book Figures
Land use rights	$ 1,560,931	$ 375,693	$ 1,185,238
Patents	2,067,931	183,817	1,884,114
Total	$ 3,628,862	$ 559,510	$ 3,069,352

Note 7. FIXED ASSETS AND ACCUMULATED DEPRECIATION

December 31, 2004	Cost	Accumulated Depreciation	Net Book Figures
Buildings	$ 2,298,057	$ 444,592	$ 1,853,465
Manufacturing machinery and equipment	3,421,748	440,979	2,980,769
Transportation equipment	245,041	69,134	175,907
Electronic equipment	83,870	45,755	38,115
Office equipment	58,606	35,294	23,312
Total	$ 6,107,322	$ 1,035,754	$ 5,071,568

(Expressed in US Dollars)

Note 8. COMMON STOCK

At Inception on May 4, 1998, a total of 1,000,000 shares of stock were issued to the Company officers and directors for services performed and payments made on the Company behalf during its formation. This transaction was valid at $.01 per share or an aggregate amount of $10,000.

On March 15, 1999, to provide initial working capital, the Company completed a Regulation Rule 504 offering of an aggregate of 1,220,000 shares of common stock at $.05 per share. These sales generated $61,000 in proceeds to the Company which were primarily used to pay operating expenses.

On October 24, 2000, after unsuccessfully trying to locate Vespa Trading, a shareholder, to deliver their shares purchased in the Company Regulation Rule 504 offering, 100,000 shares were cancelled and returned to the treasury.

Net Loss Per Share

Basic and diluted weighted average number of shares outstanding for the year ended December 31, 2004 and 2003 are as follows:

		2003	2004
Weighted average number of shares (after forward split)			
Basic		31,800,000	31,800,000
Diluted		31,800,000	32,317,440
Net Profit (Loss) per share			
Basic	$	0.00	0.00
Diluted	$	0.00	0.00

Note 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31, 2004
Accounts payable - trade	$	170,063
Wages and benefits payable		25,274
Other payables		206,082
Total	$	401,419

(Expressed in US Dollars)

Note 10. RELATED PARTY TRANSACTIONS

(a) During the years ended December 31, 2004, sales to related parties are as follows:

Related Parties		**Year Ended December 31, 2004**
Controlled by the Chairman of the Company and related parties		
PT. Galaksi Perkasa	$	1,024,715

(b) During the years ended December 31, 2004, purchases from related parties are as follows:

Related Parties		**Year Ended December 31, 2004**
Fuqing Huanyu plastic products Co., Ltd. controlled by sister of Mr. Hendrik Tjandra	$	73,091
Fuqing Yongxia Color Printing Factory controlled by sister of Mr. Hendrik Tjandra		40,265
Total	$	113,356

(c) There are no balances due to, or from, related parties at December 31, 2004.

(Expressed in US Dollars)

Note 11. SHORT TERM BANK LOANS/GUARANTEES

Short term loans are borrowing from banks. The terms of these short term loans are summarized as follows:

	Interest Rate (Per Annum)		December 31, 2004
Agricultural Bank of China, Fuqing Branch	6.638%	$	2,089,106
Xiamen International Bank	5.310%		641,736
Huaxing Trust Company	9.864%		266,205
Fujian Industry Bank, Fuqing Branch	6.903%		484,010
Total		$	3,481,057

These short term loans are secured by the Company's assets and guaranteed by a company, Fujian Tianyu Steel Products Co., Ltd. owned by the Chairman of Hendrx Corp.

The Company also provides guarantees of bank, Fujina Tianyu Steel, loans of a company owned by the Chairman of Hendrx Corp, in the amount of $5,268,544 at December 31, 2004, as below.

Bank guarantees of loans of Fujian Tianyu Steel, as borrower from the banks are below:

	Bank Loan Payable Balance at December 31, 2004		Maximum Amount of Guarantee at December 31, 2004	
	RMB	US$ (i)	RMB	US$
Fuqing Agriculture Bank	18,500,000	$ 2,238,544	18,500,000	$ 2,238,544
Fuqing Agriculture Bank	5,000,000	605,000	5,000,000	605,000
Communication Bank	8,200,000	992,200	10,000,000	1,210,000
ChungXing Bank	4,400,000	532,400	5,000,000	605,000
	36,100,000	4,368,144	38,500,000	4,658,544
	Hong Kong Dollars		Hong Kong Dollars	
Xing Chang Bank	5,000,000	610,000	5,000,000	610,000
TOTAL		$ 4,978,144		$ 5,268,544

(i) secured by general security on all assets of borrower.

Note 12. PENSION AND EMPLOYMENT LIABILITIES

The Company does not have any liabilities as at December 31, 2003, for pension, post-employment benefits or post-retirement benefits. The Company does not have a pension plan. The consolidated balance sheet includes past service wage benefits payable by the wholly-owned subsidiary, Fujian Yuxin Electronic Equipment Co., Ltd. at December 31, 2004 of $517,440. These past service wage benefits were accrued and expensed by the subsidiary prior to the acquisition of control by the Company. The Company has authorized on January 26, 2005 the approval of the issuance of 134,400 common shares at a price of $3.85 to liquidate this debt of the subsidiary by issuance of these shares in varying amounts to the employees of the subsidiary.

Note 13. GEOGRAPHIC INFORMATION

(a) Revenue from external customers

There were no significant sales for the period from the date of acquisition of the operating subsidiary on December 16, 2004 to December 31, 2004, and accordingly this information is not disclosed.

(b) Assets

All of the assets of the Company as at December 31, 2004 are located in China.

Note 14. PATENTS

In 2003, Mr. Hendrik Tjandra transferred his patents of atmospheric water generation (“AWG”) to the wholly-owned subsidiary, Fujian Yuxin Electronic Equipment Co., Ltd., These patents are registered in the People’s Republic of China under the number P200304823. The subsidiary utilizes patents under licence that are registered in the United States under the numbers 5,106,512, 5,149,466, 5,203,989 and 5,366,705.

Based on the appraisal report dated May 20, 2003 by Fujian Huayi Assets Appraisal Co., Ltd., these patents are valued at $2,067,931 (RMB 17,090,000 Yuan). This amount was recorded by the Company for the patents as intangible assets; $1,034,755 was credited to the registered capital and $1,033,176 was recorded as additional paid in capital.

(Expressed in US Dollars)

Note 15. TAXES

The operating subsidiary is subject to taxes applicable in China consisting of value added taxes on domestic sales and income taxes on profits.

United States Income Tax:		2004
Deferred tax assets	$	31,537
Valuation allowance	$	(31,537)
Net deferred tax assets	$	-

Note 16. SALES DISTRIBUTORS

The Company has entered agreements with a number of entities that will act as sales distributors for the Company. These parties are either independent third parties or related parties. Terms and conditions with those sales distributors may vary, but they essentially require the sales distributor to commit to buy finished products from the Company, to sell these products to customers and to provide technical support to customers as ongoing follow-up of sales.

Note 17. DIVIDENDS PAID

In 2004 the subsidiary, Fujian Yuxin Electronic Equipment Co., Ltd. prior to acquisition by the Company paid dividends of $2,344,393 (RMB19,374,771) to its shareholders as a distribution of profits and the amount is charged as a reduction to retained earnings of the subsidiary in the fiscal year ended December 31, 2004.

Note 18. SHORT TERM LOAN

In August 2002, the Company lent RMB 950,000 (equivalent to US$114,952 as at December 31, 2004) to Hengxing Trading Company for business development purposes. This amount is unsecured, yields no interest and with no specific terms of repayment. This loan is expected to be returned in 2005 by an agreement between the legal representative, Mr. Linbin of Hengxing Trading Company and the president, Mr. Hendrix Tjandra on behalf of Fujian Yuxin Electronic Products Co., Ltd.

(Expressed in US Dollars)

Note 19. SUBSEQUENT EVENTS

(a) Financing by Common Stock

(i) A total private equity placement is authorized of 5,000,000 common shares at a price of $1.50 per share for gross proceeds of $7,500,000 by private equity placement. The Company, to April 11, 2005 raised the amount of $6,393,000 by the issuance of 4,262,000 common shares at a price of $1.50 per share. There is a 10% commission payable on this private equity placement.

(ii) On January 26, 2005, the Company authorized the issuance of 134,400 shares of restricted common stock, for services rendered at a price of $3.35 per share to 327 employees, each of whom is an employees of Fujian Yuxin Electronic Equipment Co., Ltd., a wholly-owned subsidiary. These shares were issued on February 2, 2005, at a market price of $3.85 per share for a total of $517,440.

(b) Use of Funds from Private Equity Placement

(i)	pay instalment due on January 31, 2005 to Hendrik Tjandra of $1,000,000	$	1,000,000
(ii)	amount of $1,500,000 for working capital		1,500,000
(iii)	payment of commission of 10% on $6,393,000		639,300
(iv)	pay instalment due - April 30, 2005 to Hendrik Tjandra of $1,000,000 and August 31, 2005 of $1,200,000		2,200,000
(v)	Pay deposit of $300,000 back to Kirim Capital after financing is completed and instalments to Hendrik Tjandra are fully paid.		300,000
(vi)	Balance of funds for marketing campaigns of $753,700.		753,700
		$	6,393,000

(c) Amendment of Articles of Association

By written consent resolution of the Board of Director on January 14, 2005, by Articles of Amendment to the Articles of Incorporation of StarSoft, Inc. dated February 18, 2005, the Company

(i) changed its name to Hendrx Corp.

(ii) authorized the total common stock that may be issued by the corporation at 350,000,000 shares of common stock with a par value per share of one-tenth of one cent $(0.001) and no other class shall be authorized. The change in the corporation's name and the decrease in the number of authorized common shares, will be effective on March 28, 2005.

(d) By resolution of the Board of Directors effective March 12, 2005, the Company adopted a 2005 – 2007 Omnibus Stock Option Plan ("Plan") for key employees, directors and consultants and reserved 3,500,000 common shares for issuance under this plan out of the Company's authorized but unissued common shares. Out of these shares reserved, the Company granted non-qualified stock options to each of seven directors to acquire 50,000 common stock, for five years, at a price of $1.50 per share.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

On February 9, 2005, Hendrx dismissed Clyde Bailey P.C. (“Clyde”), the principle accountant previously engaged to audit Hendrx’s financial statements, and retained Moen and Company (“Moen”) as the principal accountants to replace Clyde. Hendrx’s Board of Directors appoved the change of accountants from Clyde to Moen.

Clyde’s audit reports of Hendrx’s financial statements for the fiscal years ended December 31, 2003 and 2002 did not contain any adverse opinion or disclaimer of opinion, nor were same qualified or modified as to uncertainty, audit scope, or accounting principles.

During the audit of the fiscal years ending December 31, 2003 and 2002 including the subsequent interim periods since engagement through February 9, 2005, the date of dismissal, Hendrx had no disagreements with Clyde in respect to accounting or auditing issues. Had there been any disagreements that were not resolved to the satisfaction, such disagreements would have caused Clyde to make reference in connection with their opinion to the subject matter of the disagreement. Further, during the time period there were no reportable events as such are defined in Item 304(a)(1)(iv) of Regulation S-B.

Prior to the appointment of Moen, neither Hendrx nor anyone on its behalf consulted with Moen regarding the application of accounting principles to a specified transaction, either completed of proposed, or as to the type of audit opinion that might be rendered on Hendrx’s financial statements.

ITEM 8A. CONTROLS AND PROCEDURES

Hendrx’s chief executive officer and chief financial officer are responsible for establishing and maintaining disclosure controls and procedures for the Hendrx.

(a) Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (“Exchange Act”), as of December 31, 2004.. Based on this evaluation, our principal executive officer and our principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed by us in the reports we submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and that such information was accumulated and communicated to our chief executive officer and chief financial officer, in a manner that allowed for timely decisions regarding required disclosure.

The auditors did not test the effectiveness of nor relied on the internal controls of Hendrx for the fiscal years ended December 31, 2004 and 2003.

(b) Changes in Internal Controls

During the period ended December 31, 2004, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

ITEM 8B. OTHER INFORMATION

None.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS, AND CONTROL PERSONS

The following individual constitutes all of Hendrx's executive officers and directors as of April 15, 2005.

NAME	AGE	POSITION(S) AND OFFICE(S)
Hendrik Tjandra	54	Chairman of the Board of Directors, Chief Executive Officer
James Shao	44	Chief Financial Officer
Mark Lambert	48	Chief Operating Officer
Anthony Lee	44	Chief Marketing Officer, Director
David Tjahjadi	24	Director
Dr. Ian Woods	61	Director
Jane Yang	55	Director
Paul Turner	42	Director
Nadir Walji	53	Director
Saleem Mohamed	35	Secretary

Hendrik Tjandra was appointed as a director of Hendrx on December 16, 2004 and as chairman of the board of directors. On April 4, 2005 Mr. Tjandra was appointed as the company's chief executive officer. Mr. Tjandra will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified. Officers hold their positions at the pleasure of the board of directors, absent any employment agreement.

Mr. Tjandra graduated from China's Fujian Normal University with a degree in physics. Mr. Tjandra's experience includes acting as a deputy general manager of Alim Steel, an Indonesian steel producer from 1983 until 1990 and as the general manager of PT AECO, an Indonesian electronic's manufacturer from 1990 until 1993. Mr. Tjandra returned to Fujian, China in 1993 and established Tian Yu Steel, now a significant regional steel producer and Yuxin.

James Shao was appointed as the chief financial officer of Hendrx on January 24, 2005. Officers hold their positions at the pleasure of the board of directors, absent any employment agreement.

Mr. Shao earned a Bachelor Degree in Business Administration from Fuzen University and a MBA from the New York Institute of Technology. He also obtained designations from the Canadian Certified General Accountants (CGA) and as a US Certified Internal Auditor (CIA), both of which designations remain active. Mr. Shao's experience prior to his appointment as Hendrix's CFO includes employment as the Assistant General Manager in the Real Estate Development Division of the Fu-Mao Construction Group, a large, diversified conglomerate with operational divisions in real estate development, construction, hospitality and investment consulting industries in southern Taiwan. Mr. Shao was employed with Fu-Mao from 1986 until 1995. He was then recruited to serve as the financial controller of Spectra Pacific Development Corp. where, from 1995 until 2000, he was also responsible for the budget and internal control systems for The Meridian, a boutique hotel situated in Vancouver, Canada. From 2000 until 2004 Mr. Shao was employed as an auditor with Dale Matheson Carr-Hilton Labonte, Chartered Accountants, based in Vancouver, Canada.

Mark Lambert was appointed as the chief operating officer of Hendrx on January 24, 2005. Officers hold their positions at the pleasure of the board of directors, absent any employment agreement.

Mr. Lambert earned a Bachelor of Science Degree in chemical engineering from the University of California, Berkeley and a Master of Business Administration in Marketing from Golden Gate University in San Francisco, California.

Mr. Lambert's experience prior to his appointment includes employment with Imperial Chemical Industries (ICI) as the marketing manager for specialty water treatment products from 1989 until 1992, as the vice-president of business development for United States Filter Consumer Products, a water distribution business which is a subsidiary of United States Filter Corporation, from 1992 until 1997 and later as the vice-president for the Western Region for Culligan International from 1997 until 2001, subsequent to its acquisition by United States Filter Corporation. Since 2001, Mr. Lambert has provided business consulting services to various commercial ventures as the president of Water Industry Solutions, Inc., which services have included strategic planning, sales force development and training, product and technology assessment, marketing strategies, business valuations and acquisitions support.

Anthony Lee was appointed as a director of Hendrx on November 30, 2004 and as the company's president, chief executive officer and chief financial officer. On January 24, 2005 Mr. Lee resigned his position as chief financial officer and subsequently resigned as president and chief executive officer on April 4, 2005 when Mr. Lee was appointed as the chief marketing officer. Mr. Lee will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified. Officers hold their positions at the pleasure of the board of directors, absent any employment agreement.
Mr. Lee is the founder, secretary, treasurer and CEO of Seymour Creek Financial, Inc., a consulting firm based in Vancouver, British Columbia, that specializes in the development of private and public sector companies. Since 1984 Seymour Creek Financial, Inc. has focused on bilateral technology based commerce between companies in the United States, China, Europe and South East Asia. Mr. Lee also serves as Hendrx's chief marketing officer.

David Tjahjadi was appointed as a director of Hendrx on December 28, 2004. Mr. Tjahjadi will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified.

Mr. Tjahjadi graduated from Seattle University with a Bachelor of Arts Degree in E-Commerce. Prior to joining Fujian in 2002, Mr. Tjahjadi acted as the export-import department manager for PT GALAKSI PERKASA, an Indonesian distributor and was responsible for acquiring distribution rights from China's largest manufacturer of sanitary products, the Hengan Group. Mr. Tjahjadi is also the vice-president of Fujian's international marketing department where he is responsible for maintaining existing contracts and distributors while focusing on new international markets.

Dr. Ian Woods was appointed as a director of Hendrx on December 14, 2004. Dr. Woods will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified.

Dr. Woods graduated from the Queen's University in Kingston, Ontario, Canada with a degree in Physics and Mathematics, from the University of British Columbia in Vancouver, Canada with a PhD in Physics and from the University of British Columbia's Faculty of Medicine with an MD in medicine. Dr. Woods' experience includes private practice as a physician. He was a founding member of the Burke Mountain Medical Center in Port Coquitlam, British Columbia. During 1998, Dr. Woods was appointed as the vice-president of Science and Technology for Genesis BioVentures, Inc. a public company involved in the development of novel protein technologies for breast cancer diagnosis and treatment. Dr. Woods subsequently accepted a position with Viral Genetics, Inc. to act as a Scientific Advisor and Consultant. Viral Genetics, Inc. is involved in developing a thymus protein to be used in the treatment of end-stage HIV patients. Since 2003, Dr. Woods has also provided leadership to BioVenture Holdings, Inc., a company working to develop breakthrough technologies including a solution for the emerging crisis in global water supplies.

Jane Yang was appointed as a director of Hendrx on April 4, 2005. Ms. Yang will serve until the next annual meeting of Hendrx's stockholders or until her successor is elected and qualified.

Ms. Yang graduated from Shanghai University, holds a Masters of Business Administration from San Francisco State University and completed a two year International Management and Business Program offered jointly by the San Francisco and Shanghai city governments. Ms. Yang is currently the chief executive officer of Flixx-Avatar Ltd. of Birmingham, United Kingdom, is a merchant banking business that is active in international trade and finance since 1996 and the chief financial officer of Commercial Scientific Corporation, a private company based in Los Angeles, California that offers financial and commercial advisory services for development stage companies with high growth potential since 1995. Ms. Yang's prior experience includes acting as the chief financial officer of Makers International, Inc., an exporter of technologically advanced medical equipment from 1990 to 1995 and vice-president of the Shanghai Research Institute of Industrial Microbiology a state owned enterprise involved in research and development, product development, marketing and sales from 1980 to 1990..

Paul Turner was appointed as a director of Hendrx on December 14, 2004. Mr. Turner will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified.

Mr. Turner graduated from England's Sussex University and the London College of Law with an advanced degree in law. Mr. Turner's experience includes private practice with London, England based law firms of Ince & Co. and Watson Farley, followed by senior positions with Cathay International Plc. a public company listed in the United Kingdom with extensive interest in China and Assetline Holdings, Ltd., a construction equipment exchange that utilizes an internet based auction system, now headquartered in Tokyo, Japan. Mr. Turner worked with Assetline Holdings, Ltd. from 1998 until 2001 and oversaw much of that company's global expansion. Since 2001, Mr. Turner has focused on his own consulting company, Turner & Co., offering legal advice and business consulting services to a variety of clients.

Nadir Walji was appointed as a director of Hendrx on December 14, 2004. Mr. Walji will serve until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified.

Mr. Walji is a business consultant who has experience in developing the application of new technologies. He has partnered with ERA-GSM deploying wireless mobile communication networks in Poland and currently serves as an officer and director of certain public companies. Mr. Walji has acted as a director of strategic planning for ValorInvest Limited, a Swiss based company that provides various financial and management services to organizations and technology incubators. Mr. Walji has served since 2000 as the secretary for Brasiclica Mining Corp., a copper mining company; as a director of Sudamet Ventures Inc., an inactive company from 2000; as a director of Chilean Gold Ltd., an inactive company since 2000; as a director of Orex Ventures Inc., an inactive company since 2000; and served as a director of ComCam, Inc. from 2002 until November of 2004.

Saleem Mohamed was appointed as director and secretary of Hendrx on November 30, 2004. On April 4, 2005, Mr. Mohamed resigned his position as director. Mr. Mohamed will serve as secretary until the next annual meeting of Hendrx's stockholders or until his successor is elected and qualified.

Mr. Mohamed has extensive experience in project management, strategic planning, marketing and communications. He is the co-founder of Opus Networks, Inc., which is a leading early stage venture capital network, that partners with technology founders, venture groups, associates and investors with an expansive network to build leading high tech companies. Concurrent with Opus Networks, he is CEO of Pacific Seaboard Investments Ltd., a consultant company that assists companies in the design and implementation of their business plans, financial models, market evaluations, capital structure, re-organization of management, and funding requirements. Mr. Mohamed has served as the CEO of Pacific Seaboard Investments, Ltd. since 1987.

Board of Directors Committees

The board of directors is in the process of establishing an audit committee. An audit committee typically reviews, acts on and reports to the board of directors with respect to various auditing and accounting matters, including the recommendations and performance of independent auditors, the scope of the annual audits, fees to be paid to the independent auditors, and internal accounting and financial control policies and procedures. Certain stock exchanges currently require companies to adopt formal written charter that establishes an audit committee that specifies the scope of an audit committee's responsibilities and the means by which it carries out those responsibilities. In order to be listed on any of these exchanges, Hendrx would be required to establish an audit committee.

The board of directors is in the process of establishing a compensation committee. Directors currently are reimbursed for out-of-pocket costs incurred in attending meetings and have each been granted, with the exception of Jane Yang, as of March 12, 2005, stock option compensation. Hendrx does not believe that it will adopt a provision for providing additional forms of compensation to directors in the future.

Code of Ethics

Hendrx is in the process of developing a Code of Ethics within the meaning of Item 406(b) of Regulation S-B of the Securities Exchange Act of 1934. The Code of Ethics applies to directors and senior officers, such as the principal executive officer, principal financial officer, controller, and persons performing similar functions.

Compliance with Section 16(A) of the Exchange Act

Based solely upon a review of Forms 3, 4 and 5 furnished to Hendrx, Hendrx is aware of the following persons who, during the fiscal year ended December 31, 2004, were directors, officers, or beneficial owners of more than ten percent of the common stock of Hendrx who failed to file, on a timely basis, reports required by Section 16(a) of the Securities Exchange Act of 1934, as amended, during such fiscal year:

Dr. Ian Woods failed to file Form 3 or Form 5 despite being a director of Hendrx.

Nadir Walji failed to file Form 3 or Form 5 despite being a director of Hendrx.

ITEM 10. EXECUTIVE COMPENSATION

Except as set forth below, no compensation in excess of $100,000 was awarded to, earned by, or paid to any executive officer of Hendrx during the years 2004, 2003, and 2002. The following table and the accompanying notes provide summary information for each of the last three fiscal years concerning cash and non-cash compensation paid or accrued to Hendrx's current and past officers..

SUMMARY COMPENSATION TABLE

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation ($)	Restricted Stock Award(s) ($)	Securities Underlying Options SARs (#)	LTIP payouts ($)	All Other Compensation ($)
Hendirk Tjandra, Chief Executive Officer	2004 2003 2002	- - -	- - -	- - -	- - -	- - -	- - -	- - -
James Shao, Chief Financial Officer	2004 2003 2002	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Mark Lambert Chief Operating Officer	2004 2003 2002	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Anthony Lee, Former President, Chief Executive Officer and Chief Financial Officer	2004 2003 2002	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Marvin Wosk, Former President, Chief Executive Officer and Chief Financial Officer	2004 2003 2002	- - -	- - -	- - -	- - -	- - -	- - -	- - -

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of April 15, 2005 the number and percentage of outstanding shares of common stock which, according to the information supplied to Hendrx, that were beneficially owned by (i) each current director of Hendrx, (ii) each current executive officer of Hendrx, (iii) all current directors and executive officers of Hendrx as a group, and (iv) each person who, to the knowledge of Hendrx, is the beneficial owner of more than 5% of Hendrx's outstanding common stock. Except as otherwise indicated, the persons named in the table below have sole voting and dispositive power with respect to all shares beneficially owned, subject to community property laws (where applicable).

Title of Class	Name And Address of Beneficial Owner	Amount And Nature of Beneficial Ownership	Percent of Class
Common Stock	Hendirk Tjandra, Chairman of the Board of Directors, Chief Executive Officer Room 1311-23 She On Centre 6-8 Harbour Road Wanchai, Hong Kong 12304, China	12,720,000	37.5%
Common Stock	James Shao, Chief Financial Officer 19 West 60th Avenue Vancouver, B.C. V5X 1Z3	0	0.0%
Common Stock	Mark Lambert, Chief Operating Officer 1451 Santa Fe Dr., Encinitas California 92024	0	0.0%
Common Stock	Anthony Lee, Director 438 Seymour Street, Suite 1102 Vancouver, B.C. V6B 6H4	0	0.0%
Common Stock	David Tjahjadi, Director Rong Qiao Economic Development Zone, Fuquing Fujian, 12304 China	0	0.0%
Common Stock	Dr. Ian Woods, Director 4055 Indian River Road Suite 38, N. Vancouver, B.C. V7G 2R7 Canada	0	0.0%
Common Stock	Jane Yang, Director 1880 Century Park East, Suite 1402 Los Angeles, CA 90067	0	0.0%
Common Stock	Paul Turner, Director 3E-B1 Lonsdale Gardens 25 Tai Hang Drive, Jardie’s Lookout, Hong Kong, K3 23401 China	0	0.0%
Common Stock	Nadir Walji, Director 2610-1066 West Hastings Street Vancouver, B.C. V6E 3X2 Canada	0	0.0%
Common Stock	Saleem Mohamed, Secretary 6260 Field Place Burnaby, B. C. V5E 3W1 Canada	0	0.0%
Common Stock	Pictet Funds Tower 42 Level 37 25 Old Broad Street London Ec2N 1HQ United Kingdom	2,000,000	5.9%
Common Stock	Executive Officers and Directors as a Group (10)	12,720,000	37.5%

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On December 16, 2004, Hendrx concluded a Share Purchase Agreement ("Agreement") with Eastway Global Investment Limited ("Eastway"), Fujian Yuxin Equipment Co., Ltd. ("Yuxin"), Hendrik Tjandra and David Tjahjadi in connection with Hendrx's acquisition of Eastway and its wholly owned subsidiary Yuxin, an equipment manufacturer located in Fujian, China.

Mr. Tjandra was appointed as a director of Hendrx coincident with the execution of the Agreement and subsequently as chief executive officer. Mr. Tjahjadi was appointed as a director subsequent to the execution of the Agreement. Mr. Tjandra is the father of Mr. Tjahjadi.

Under the Agreement Hendrx must pay to Hendrik Tjandra, the sole shareholder of Eastway, an aggregate of $3,500,000 over staggered dates to be satisfied in full by August 31, 2005 and 12,720,000 common shares of Hendrx's stock with an earn out bonus to be paid in additional shares of Hendrx's common stock, in equal parts, to Hendrik Tjandra and David Tjahjadi within 30 days of Hendrx's first publication of audited gross revenues in excess of $15,000,000 , the payment of which will cause Hendrik Tjandra and David Tjahjadi to hold, on the date of issuance, an aggregate number of shares equal to 51% of the Hendrx's issued and outstanding common stock. In addition, Hendrx is obliged to inject $1,500,000 working capital to Yuxin and should use its best effort to generate $2,000,000 for marketing purposes.

Hendrx paid $100,000 and $200,000 against the cash purchase price of $3,500,000 on December 17, 2004 and December 20, 2004 and authorized the issuance of 12,720,000 common shares to Mr. Tjandra. On March 7, 2005, Hendrx paid $1,000,000 to Mr. Tjandra according to the terms of the Agreement. Hendrx remains obligated to Mr. Tjandra in the amount of $2,200,000, $1,000,000 of which is due on April 30, 2005 and $1,200,000 of which is due on August 31, 2005.

On March 12, 2005, Hendrx granted CEO Hendrik Tjandra an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted director Anthony Lee an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted director Nadir Walji an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted director David Tjahjadi an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted director Ian Woods an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted secretary and former director Saleem S. Mohamed an option to purchase 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

On March 12, 2005, Hendrx granted director Paul Turner 50,000 shares of common stock for a term of 5 years at $1.50 per share pursuant to the Stock Option Plan.

ITEM 13. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-B are listed in the Index to Exhibits on page 31 of this Form 10-KSB, and are incorporated herein by this reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

Moen and Company provided audit services to Hendrx in connection with its annual report for the fiscal year ended December 31, 2004. Clyde Bailey P.C. ("Clyde") provided audit services to Hendrx in connection with its annual report for the fiscal year ended December 31, 2003.. The aggregate fees billed by Moen for the audit of Hendrx's annual financial statement for 2004 were $35,000. The aggregate fees billed by Clyde for the audit of Hendrx's annual financial statement for 2003 and a review of Hendrx's quarterly financial statements for 2004 were $1,000.

Audit Related Fees

Moen did not bill Hendrx fees in 2004 for professional services that are reasonably related to the audit or review of Hendrx's financial statements that are not disclosed in "Audit Fees" above. Clyde did not bill Hendrx fees in 2004 or 2003 for professional services that are reasonably related to the audit or review of Hendrx's financial statements that are not disclosed in "Audit Fees" above.

Tax Fees

Moen did not bill Hendrx fees for professional services rendered in connection with the preparation of Hendrx's tax returns in 2004. Hendrx is to look for a CPA to perform professional tax services for 2004 year-end tax return. Clyde's bill for professional services rendered in connection with the preparation of Hendrx's tax returns for the respective periods were included in Audit Fees.

All Other Fees

Moen did not bill Hendrx fees in 2004 for other professional services rendered or any other services not disclosed above. Clyde did not bill Hendrx fees in either of 2004 and 2003 for other professional services rendered or any other services not disclosed above.

Audit Committee Pre-Approval

Hendrx is in the process of forming an audit committee, and thus did not have a standing audit committee as of the date Moen or Clyde were engaged. Therefore, all services provided to Hendrx by Moen and Clyde as detailed above, were pre-approved by Hendrx's Board of Directors. Moen and Clyde performed all work only with their permanent full time employees.

SIGNATURES

In accordance with Section 12 of the Securities Exchange Act of 1934, the registrant caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, this 15th day of April, 2005.

Hendrx Corp..

/s/ Hendrik Tjandra
Name: Mr. Hendrik Tjandra
Title: Chief Executive Officer

/s/ James Shao
Name: Mr. James Shao
Title: Chief Financial Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	**Title**	**Date**
/s/ Hendrik Tjandra Mr. Hendrik Tjandra	Chairman of the Board of Directors	April 15, 2005
/s/ Anthony W. Y. Lee Mr. Anthony W.Y. Lee	Director	April 15, 2005
/s/ David Tjahjadi Mr. David Tjahjadi	Director	April 15, 2005
/s/ Dr. Ian Woods Dr. Ian Woods	Director	April 15, 2005
/s/ Paul Turner Paul Turner	Director	April 15, 2005
/s/ Nadir Walji Nadir Walji	Director	April 15, 2005
/s/ Jane Yang Jane Yang	Director	April 15, 2005

INDEX TO EXHIBITS

EXHIBIT NO.	PAGE NO.	DESCRIPTION
3(i)(a)	*	Articles of Incorporation of Hendrx adopted May 4, 1998 (incorporated by reference to the Form 10-SB filed with the Securities and Exchange Commission ("Commission") on January 12, 2004).
3(i)(b) .	32	Amended Articles of Incorporation adopted March 28, 2005...
3(ii)(a)	*	Bylaws of Hendrx adopted May 4, 1998 (incorporated by reference to the Form 10-SB filed with the Commission on January 12, 2004).
3(ii)(b)	*	Amended Bylaws adopted January 10, 2005 (incorporated by reference to the Form 8-K filed with the Commission on January 10, 2004).
10	*	Share Purchase Agreement between Hendrx and Hendrik Trjandra dated December 16, 2004 (incorporated by reference to the Form 8-K filed with the Commission on December 20, 2004)
31(i)	33	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31(ii)	34	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32(i)	35	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32(ii)	36	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99(i)	37	Fujian Yuxin Equipment Co., Ltd ("Yuxin") audited financial statements for the periods ended December 31, 2004, 2003 and 2002.
99(ii)	56	Stock Option Plan approved March 12, 2005

* Incorporated by reference from previous filings of Hendrx..

EXHIBIT 3(i)(b)

ARTICLES OF AMENDMENT TO THE
ARTICLES OF INCORPORATION OF
STARSOFT, INC.

Pursuant to Section 78.320 of the Nevada Revised Statutes, the undersigned person, desiring to amend the Articles of Incorporation of Starsoft, Inc., under the laws of the State of Nevada, does hereby sign, verify, and deliver to the Office of the Secretary of State of the State of Nevada these Articles of Amendment to the Articles of Incorporation for the above-named company (hereinafter referred to as the “Corporation”):

Pursuant to the provisions of Section 78.320, the amendments contained herein were duly approved and adopted by a majority of stockholders and by the board of directors of the Corporation.

The Articles of Incorporation of the Corporation were first filed with the Office of the Secretary of State of the State of Nevada on April 27, 1998; and

A Certificate of Change was filed with the Secretary of State of the State of Nevada on December 15, 2004.

Pursuant to a unanimous written consent resolution of the board of directors dated January 14, 2005 and action taken by a majority of the stockholders in lieu of a meeting on February 18, 2005, the directors and stockholders of the Corporation approved the filing of these Articles of Amendment to change the name of the Corporation and to decrease the number of authorized common shares.

THEREFORE, the First Article of the Articles of Incorporation of the Corporation is hereby amended and restated in its entirety as follows:

“FIRST. The name of the corporation is:

Hendrx Corp.”

THEREFORE, the Fourth Article of the Articles of Incorporation of the Corporation is hereby amended and restated in its entirety as follows:

“FOURTH. That the total number of common stock authorized that may be issued by the Corporation is THREE HUNDRED AND FIFTY MILLION (350,000,000) shares of stock with a ONE TENTH OF ONE CENT ($.001) par value and no other class of stock shall be authorized. Said shares may be issued by the Corporation from time to time for such considerations as may be fixed by the Board of Directors.”

The amendments to change the name of the Corporation and to decrease the number of authorized common shares were adopted by 17,850,000 shares, or 52.6%, of the 33,934,400 issued and outstanding shares of common stock entitled to approve such amendments.

The change in the Corporation’s name and the decrease in the number of authorized common shares on will be effective on March 28, 2005 upon the filing of these amendments to the Articles of Incorporation of Starsoft, Inc. with the Office of the Secretary of State of the State of Nevada.

DATED this 18th day of February, 2005.
/s/ Anthony Lee
Anthony Lee, Chief Executive Officer and Director

EXHIBIT 31(a)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hendrik Tjandra, chief executive officer of Hendrx Corp (“Registrant”) certify that:

1. I have reviewed this Annual Report on Form 10-KSB (“Report”) of Registrant;

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this Report is being prepared;

b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

c) Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: April 15, 2005
/s/ Hendrik Tjandra
Hendrik Tjandra
Chief Executive Officer

EXHIBIT 31(b)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mr. James Shao, chief financial officer of Hendrx Corp (“Registrant”) certify that:

1. I have reviewed this Annual Report on Form 10-KSB (“Report”) of Registrant;

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) 13a-14 for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this Report is being prepared;

b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

c) Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: April 15, 2005
/s/ James Shao
James Shao,
Chief Financial Officer

EXHIBIT 32(a)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-KSB of Hendrx Corp. ("Registrant") for the annual period ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof ("Report"), I, Hendrik Tjandra, chief executive officer, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this Report fairly represents, in all material respects, the financial condition of Registrant at the end of the period covered by this Report and results of operations of Registrant for the period covered by this Report.

/s/ Hendrik Tjandra
Hendrik Tjandra
Chief Executive Officer
April 15, 2005

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32(b)

CERTIFICATION OF CHIEF FINANCIAL OFFICER AND PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-KSB of Hendrx Corp. (“Registrant”) for the annual period ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, James Shao, chief financial officer, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this Report fairly represents, in all material respects, the financial condition of Registrant at the end of the period covered by this Report and results of operations of Registrant for the period covered by this Report.

/s/ James Shao
James Shao
Chief Financial Officer
April 15, 2005

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 99(i)

Audited Financial Statements

of Fujian Yuxin Electronic Equipment Co., Ltd.

As at December 31, 2004, 2003 and 2002

And for the Three Years Then Ended

HENDRX CORP. 10KSB
Audited Financial Statements
of Fujian Yuxin Electronic Equipment Co., Ltd.

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// MOEN AND COMPANY
CHARTERED ACCOUNTANTS

Member:
Canadian Institute of Chartered Accountants
Institute of Chartered Accountants of British Columbia
Institute of Management Accountants (USA) (From 1965)

Registered with:
Public Company Accounting Oversight Board (USA) (PCAOB)
Canadian Public Accountability Board (CPAB)
Canada - British Columbia Public Practice Licence

Securities Commission Building
PO Box 10129, Pacific Centre
Suite 1400 – 701 West Georgia Street
Vancouver, British Columbia
Canada V7Y 1C6

Telephone: (604) 662-8899
Fax: (604) 662-8809
Email: moenca@telus.net

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of
FujianYuxin Electronic Equipment Co., Ltd.

We have audited the accompanying balance sheets of FujianYuxin Electronic Equipment Co., Ltd. as of December 31, 2004, 2003 and 2002, and the related statements of operations, retained earnings, cash flows and changes in stockholders' equity for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FujianYuxin Electronic Equipment Co., Ltd. as of December 31, 2004, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, conditions exist which raise substantial doubt about he Company's ability to continue as a going concern unless it is able to generate sufficient cash flows to meet its obligations and sustain its operations. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

"Moen and Company"
("Signed")
Chartered Accountants

Vancouver, British Columbia, Canada
April 11, 2005

"Independent Accountants and Auditors"

FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD.

Balance Sheets

At December 31, 2004, 2003 and 2002

(Expressed in US Dollars)

		2004		2003		2002
Assets						
Current Assets						
Cash and cash equivalents (Note 2)	$	507,632	$	808,236	$	110,697
Accounts receivable (Note 3)		412,724		1,052,066		685,743
Inventories (Note 4)		978,376		1,465,743		1,736,873
Short term loan (Note 18)		114,952				
Taxes refundable (Note 15)				361,244		417,108
Prepaid expenses and deposits		86,284		-		122,221
Total Current Assets		2,099,968		3,687,289		3,072,642
Fixed assets (Note 6)		5,071,568		4,279,987		3,997,892
Intangible assets (Note 5)		3,069,352		3,236,473		1,243,664
Total assets	**$**	**10,240,888**	**$**	**11,203,749**	**$**	**8,314,198**
Liabilities and Stockholders' Equity						
Current Liabilities						
Accounts payable and accrued liabilities (Note 7)	$	379,619	$	844,007	$	1,117,924
Accrued wage benefits		517,440				
Short term loans (Note 9)		3,481,057		2,948,223		2,885,203
Due to related parties (Note 8)		-		-		168,422
Total Current Liabilities		4,378,116		3,792,230		4,171,549
Stockholders' Equity						
Capital stock (Note 14)		3,600,000		3,600,000		2,549,684
Additional paid in capital		1,033,175		1,033,175		-
Retained earnings		1,229,597		2,778,344		1,592,965
Total stockholders' equity		5,862,772		7,411,519		4,142,649
Total liabilities and stockholders' equity	**$**	**10,240,888**	**$**	**11,203,749**	**$**	**8,314,198**

Commitments:	Note 9
Going Concern:	Note 1
Guarantees:	Note 10

FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD.

Statements of Income

For the Years Ended December 31, 2004, 2003 and 2002

(Expressed in US Dollars)

	2004	2003	2002
Revenue	$ 9,319,461	$ 8,729,315	$ 5,082,690
Cost of goods sold	6,593,458	5,842,108	4,077,090
Gross profit	2,726,003	2,887,207	1,005,600
Gross profit percentage	29.25%	33.07%	19.78%
Selling expenses	84,323	165,629	144,661
General and administrative expenses			
Amortization	167,120	75,122	-
Automobile expenses	-	4,716	5,018
Bad debts	16,777	-	25,526
Bank charges and interest	207,265	163,131	147,036
Depreciation	56,181	12,791	-
Foreign exchange	1,656	15,174	148
Office	67,021	60,405	29,461
Past service wage benefits	517,440		
Repairs and maintainance	1,198	1,335	442
Research and development	857	2,240	2,702
Salaries, wages and benefits	178,480	33,266	53,694
Property and other taxes	4,641	37,781	43,310
Travel	15,123	6,539	8,189
Total general and administrative expenses	1,233,759	412,500	315,526
Total selling and general administrative expenses	1,318,082	578,129	460,187
Loss on discontinued operations (Note 12)	-	131,536	340,270
Total expenses	1,318,082	709,665	800,457
Gain on extinguishment of debt	-	168,422	-
Profit before income taxes	1,407,921	2,345,964	205,143
Income taxes - prior year adjustment	332,379	-	-
Income taxes - current year	279,896	360,546	53,092
Net profit for the year	**$ 795,646**	**$ 1,985,418**	**$ 152,051**

FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD.

Statements of Retained Earnings

For the Years Ended December 31, 2004, 2003 and 2002

(Expressed in US Dollars)

		2004		2003		2002
Retained earnings,						
beginning of the year	$	2,778,344	$	1,592,965	$	1,440,914
Net profit for the year		795,646		1,985,418		152,051
		3,573,990		3,578,383		1,592,965
Dividends paid (Note 17)		(2,344,393)		(800,039)		-
Retained earnings, end of the year	**$**	**1,229,597**	**$**	**2,778,344**	**$**	**1,592,965**

FUJIAN YUXIN ELECTRONIC EQUIPMENT CO., LTD.

Statements of Cash Flows

For the Years Ended December 31, 2004, 2003 and 2002

(Expressed in US Dollars)

	2004	**2003**	**2002**
	-	-	-
Cash derived from (used for)			
Operating activities			
Net profit for the year	$ 795,646	$ 1,985,418	$ 152,051
Items not requiring use of cash			
Depreciation	307,885	106,318	105,114
Amortization	167,121	75,122	29,258
	1,270,652	2,166,858	286,423
Changes in non-cash working capital items			
Accrued wage benefits	517,440		
Accounts receivable	639,342	366,323)	152,847
Prepaid expenses and deposits	(86,284)	122,221	158,143
Inventories	487,367	271,130	281,229
Accounts payable and accrued liabilities	(464,388)	(273,917)	697,122
Income taxes refundable	361,244	55,864	(255,188)
Total funds from operating activities	2,725,373	1,975,833	1,320,576
Financing activities			
Short term loans	532,834	63,020	72,392
Dividends paid	(2,344,393)	800,039)	-
Due to related parties	-	168,422)	-
Share capital	-	15,561	-
Total funds from financing activities	(1,811,559)	889,880)	72,392
Investing activities			
Fixed assets	(1,099,466)	(388,414)	(1,455,420)
Short term loan	(114,952)		
Total funds used for investing activities	(1,214,418)	388,414)	(1,455,420)
Cash and cash equivalents, increase (decrease) during the year	(300,604)	697,539	(62,452)
Cash and cash equivalents, Beginning of the year	808,236	110,697	173,149
Cash and cash equivalents, end of the year	**$ 507,632**	**$ 808,236**	**$ 110,697**
Supplementary cash flow information			
Non cash flow items			
Patents received by company from shareholder for share capital and additional paid in capital	$ -	$ 2,067,931	$ -
Income taxes paid	612,275	360,546	53,092
Interest paid	207,265	163,131	147,036

Note 1. ORGANIZATION AND NATURE OF BUSINESS

Fujian Yuxin Electronic Equipment Co., Ltd. ("The Company") was incorporated under the laws of People's Republic of China on February 18, 1993.

The principal business of the Company is to manufacture and distribute water dispenser systems, air conditioners and energy-saving bulbs. The main effort of the Company is to specialize in the manufacture and distribute water dispenser systems. The Company owns the patents of atmospheric water generators internationally. Its head office and plant facilities are located in Ron Qiao Economic Development Zone, Fuqing City, Fujian Province, P.R. China.

The Company discontinued the manufacture of color TV sets and VCD records in 2002 and 2003, resulting in losses on discontinued operations in 2002 of $340,270 and in 2003 of $131,536.

Hendrik Tjandra, owner of 100% of the issued capital of the Company sold his 100% interest to Eastway Global Investment Limited ("Eastway"), a corporation formed under the laws of the British Virgin Islands. As a result, Fujian Yuxin Electronic Equipment Co., Ltd. became a wholly-owned operating subsidiary of Eastway Global Investment Limited. On December 16, 2004, Hendrx Corp. (name changed from StarSoft, Inc.) acquired from Hendrik Tjandra, Eastway Global Investment Limited, which then became a wholly-owned subsidiary of Hendrx Corp., with Eastway having Fujian Yuxin Electronic Equipment Col, Ltd., as a wholly owned operating subsidiary.

Going Concern

These financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has a working capital deficiency of $2,278,148 at December 31, 2004 and might not have sufficient working capital for the next twelve months. These factors create doubt as to the ability of the Company to continue as a going concern. Realization values may be substantially different from the carrying values as shown in these financial statements should the Company be unable to continue as a going concern. Management is in the process of identifying sources for additional financing to fund the ongoing development of the Company's business.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States ("USGAAP").

Use of estimates

The preparation of financial statements in conformity with USGAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Concentration of credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents that are not collateralized and accounts receivable that are unsecured. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and highly liquid short-term interest bearing securities with the maturity at the date of purchase of three months or less.

Selling and administrative expenses

These expenses are recorded as incurred.

Inventories

Inventories consist of the manufacture of finished goods, raw materials used in production and work-in-process, and are stated at the weighted average method, on a first-in, first-out basis.

Income taxes

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the amount of taxable income and pretax financial income and between the tax bases of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and liabilities are included in the financial statement at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled as prescribed in FASB Statement No. 109, Accounting for Income Taxes. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

Stock based compensation

SFAS No. 123, "Accounting for stock-based compensation" permits the use of either a "fair value based method" or the "intrinsic value method" defined in Accounting Principles Board Opinion 25, "Accounting for stock issued to employees" (APB 25) to account for employee stock-based compensation arrangements.

The Company accounts for employee stock based compensation using the intrinsic value method prescribed in APB 25 and related interpretations. Accordingly, compensation cost for stock options is measured as the excess, if any, of the fair value of the Company's common stock at the date of the grant over the amount an employee must pay to acquire the common stock. Non-employee stock based compensation is accounted for using the fair value method in accordance with SFAS No. 123 – "Accounting for Stock Based Compensation".

No disclosures relating to stock based compensation have been included with the accompanying financial statements, as no stock options have been granted to directors and employees.

Compensated absences

Employees of the corporation are entitled to paid vacations, sick days and other time off depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The corporation's policy is to recognize the costs of compensated absences when paid to employees.

(Expressed in US Dollars)

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Net profit per share

As the Company is presently a nonpublic company, and therefore pursuant to US GAAP financial statements disclosures, it is not required to present earnings per share.

Disclosure about fair value of financial instruments

As defined in FASB 107, the company estimates whether the fair value of all financial instruments differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet, which need to be disclosed. The estimated fair values of amounts have been determined by the Company using available market information and appropriate valuation methodologies.. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

Long-lived assets

Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable. Accordingly, fixed assets no longer in use as a result of discontinued operations resulted in a charge to operations for the year ended December 31, 2003 of $42,295 (see note 12, below)

Capital assets and depreciation

Capital assets are recorded at cost. Depreciation is provided on the straight line method based on the following estimated useful life, with a 10% residual value:

Buildings	20 years
Manufacturing machinery and equipment	10 years
Transportation equipment	10 years
Electronic equipment	5 years
Office equipment	5 years

Intangible assets and amortization

Land use rights

The Company entered into an agreement on May 15, 1995 for land use rights with Fujian Fuqing Land Management Bureau for a period of 50 years, and is recorded at the appraisal value at the date of purchase and amortized over 50 years.

Patents

The Company owns patents of atmospheric water generation ("AWG") registered in the People's Republic of China under the number P200304823. The Company has licensed patents registered in the United States under the numbers 5,106,512, 5,149,466, 5,203,989 and 5,366,705.

The patents were recorded at the appraisal value at date of purchase and amortized over 15 years.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Recognition criteria

Gains are recognized when realized. Expenses and losses are recognized when an expenditure or previously recognized asset does not have future economic benefit. Expenses that are not linked with specific revenues are related to a period on the basis of transactions or events occurring in that period or by allocation to the periods to which they apply. The cost of assets that benefit more than one period is normally allocated over the periods benefited.

Revenue recognition
The Company generates revenue through the sale of atmospheric water generation units whether to wholesale distributors or to individual consumers. Revenues are recognized only when persuasive evidence for a sales arrangement exists; delivery of the product has occurred; the product fee is fixed or determinable; and collection of the fee is reasonably assured. Revenue derived from the sale of services is initially recorded as deferred revenue on the balance sheet. The amount is recognized as income over the term of the contract.

Research and development
Research and development costs, which include the cost of materials and services consumed and salaries and wages of personnel directly engaged in research and development, are expensed as incurred.

Financial instruments
The company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, short term loans, income taxes payable and due to related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Segmented information
The Company's identifiable assets are all located in China. Revenue on a geographical basis is disclosed in note 11, below.

Foreign currency translation

The reporting currency of the Company is the United States Dollar. The accounts of other currencies are translated into US Dollars on the following basis:

Monetary assets and liabilities are translated at the current rate of exchange.
The weighted average exchange rate for the period is used to translate revenue, expenses, and gains or losses from the functional currency to the reporting currency.
The gain or loss on the of foreign currency financial statements is reported as a separate component of stockholders' equity and not recognized in net income. Gains or losses on remeasurement from the recording currency are recognized in current net income.
Gains or losses from foreign currency transactions are recognized in current net income.
Fixed assets are measured at historical exchange rates that existed at the time of the transaction.
Depreciation is measured at historical exchange rates that existed at the time the underlying related asset was acquired.

The effect of exchange rate changes on cash balances is reported in the statement of cash flows as a separate part of the reconciliation of change in cash and cash equivalents during the period.

(Expressed in US Dollars)

Note 3. ACCOUNTS RECEIVABLE

	December 31, 2004	2003	2002
Accounts receivable - trade	$ 412,724	$ 683,530	$ 334,255
Accounts receivable - other	-	368,536	351,488
Total	$ 412,724	$ 1,052,066	$ 685,743

Ageing of accounts receivable – trade, for the year ended December 31, 2004 and 2003 are as follows:

	2004		2003	
	%	$	%	$
Number of days outstanding				
0 - 30 days	81%	$ 333,101	56%	$ 385,544
31 - 90 days	19%	79,623	10%	66,862
Over 90 days	0%		34%	231,124
	100%	412,724	100%	683,530

Bad debts are determined on a direct write off basis. Bad debts written off for the fiscal year ended December 31, 2004 total $16,777 (2003 - $89,241 applied to discontinued operating – Note 12).

Note 4. INVENTORIES

Inventories are stated at the weighted average method on a first-in first-out basis. Details of inventories as at December 31, 2004, 2003 and 2002, are as follows:

	December 31, 2004	2003	2002
Finished goods	$ 123,797	$ 479,906	$ 703,556
Raw materials	542,702	418,550	727,769
Work-in-process	311,877	567,287	305,548
Total	$ 978,376	$ 1,465,743	$ 1,736,873

(Expressed in US Dollars)

Note 5. INTANGIBLE ASSETS AND ACCUMULATED AMORTIZATION

December 31, 2004		**Cost**		**Accumulated Amortization**		**Net Book Figures**
Land use rights	$	1,560,931	$	375,693	$	1,185,238
Patents		2,067,931		183,817		1,884,114
Total	$	3,628,862	$	559,510	$	3,069,352

December 31, 2003		**Cost**		**Accumulated Amortization**		**Net Book Figures**
Land use rights	$	1,560,931	$	346,435	$	1,214,496
Patents		2,067,931		45,954		2,021,977
Total	$	3,628,862	$	392,389	$	3,236,473

December 31, 2002		**Cost**		**Accumulated Amortization**		**Net Book Figures**
Land use rights	$	1,560,931	$	317,267	$	1,243,664
Total	$	1,560,931	$	317,267	$	1,243,664

Note 6. FIXED ASSETS AND ACCUMULATED DEPRECIATION

December 31, 2004		**Cost**		**Accumulated Depreciation**		**Net Book Figures**
Buildings	$	2,298,057	$	444,592	$	1,853,465
Manufacturing machinery and equipment		3,421,748		440,979		2,980,769
Transportation equipment		245,041		69,134		175,907
Electronic equipment		83,870		45,755		38,115
Office equipment		58,606		35,294		23,312
Total	$	6,107,322	$	1,035,754	$	5,071,568

(Expressed in US Dollars)

Note 6. FIXED ASSETS AND ACCUMULATED DEPRECIATION (Cont'd)

December 31, 2003		Cost		Accumulated Depreciation		Net Book Figures
Buildings	$	2,210,148	$	345,056	$	1,865,092
Manufacturing machinery and equipment		2,415,114		256,995		2,158,119
Transportation equipment		245,041		52,825		192,216
Electronic equipment		75,893		39,252		36,641
Office equipment		61,660		33,741		27,919
Total	$	5,007,856	$	727,869	$	4,279,987

December 31, 2002		Cost		Accumulated Depreciation		Net Book Figures
Buildings	$	2,209,989	$	355,408	$	1,854,581
Manufacturing machinery and equipment		2,067,186		179,146		1,888,040
Transportation equipment		245,023		53,580		191,443
Electronic equipment		75,645		38,694		36,951
Office equipment		60,935		34,058		26,877
Total	$	4,658,778	$	660,886	$	3,997,892

Note 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31,				
		2004		2003		2002
Accounts payable - trade	$	170,063	$	540,007		842,819
Accrued liabilities		-		9,267		1,264
Wages and benefits payable		25,274		19,726		26,372
Other payables		184,282		275,007		247,469
Total	$	379,619	$	844,007	$	1,117,924

(Expressed in US Dollars)

Note 8. RELATED PARTY TRANSACTIONS

(c) During the years ended December 31, 2004, 2003 and 2002, sales to related parties are as follows:

	Year Ended December 31,		
Related Parties	**2004**	**2003**	**2002**
Controlled by the President and related parties			
PT. Galaksi Perkasa	$ 1,024,715	$ 1,650,261	916,624
Fuzhou Sales Department	-	86,873	915
Quanzhou Sales Department	-	1,020	-
Total	$ 1,024,715	$ 1,738,154	$ 917,539

(d) During the years ended December 31, 2004, 2003 and 2002, purchases from related parties are as follows:

	Year Ended December 31,		
Related Parties	**2004**	**2003**	**2002**
Fuqing Huanyu plastic products Co., Ltd. controlled by sister of Mr. Hendrik Tjandra	$ 73,091	$ 283,043	174,720
Tiansheng Oils Fats Industries Ltd. Controlled by brother of Mr. Hendrik Tjandra	-	1,501	-
Fuqing Yongxia Color Printing Factory controlled by sister of Mr. Hendrik Tjandra	40,265	16,940	6,050
Total	$ 113,356	$ 301,484	$ 180,770

(e) As at December 31, 2004 and 2003, no amount due to related parties, (December 31, 2002 - $168,422 due to PT.. Galaksi Perkasa, a company controlled by the same directors as the directors of the Company, this amount was contributed to the Company in 2003, see (e), below)).

(f) During the year ended December 31, 2003, Mr. Hendrik Tjandra transferred his patents (water dispenser system) into the Company valued at $2,067931, $1,034,755 of which was for the issuance as share capital and $1,033,176 as additional paid in capital.

(g) During the year ended December 31, 2003, PT. Galaksi Perkasa contributed debt owed by the Company of $168,422 to the Company, this amount is recorded as a separate item in the income statement as gain on extinguishment of debt pursuant to FAS 145.

(Expressed in US Dollars)

Note 9. SHORT TERM LOANS/GUARANTEES

Short term loans are borrowing from banks. The terms of these short term loans are summarized as follows:

	Interest Rate (Per Annum)	2004	December 31, 2003	2002
Agricultural Bank of China, Fuqing Branch	6.638%	$ 2,089,106	$ 2,089,106	$ 2,401,229
Xiamen International Bank	5.310%	641,736		
Huaxing Trust Company	9.864%	266,205		
Fujian Industry Bank, Fuqing Branch	6.903%	484,010	859,117	483,974
Total		$ 3,481,057	$ 2,948,223	$ 2,885,203

These short term loans are secured by the Company's assets and guaranteed by a related company, Fujian Tianyu Steel Products Co., Ltd., owned by the Chairman of Fujian Yuxin Electronic Equipment Co., Ltd.

The Company also provides a guarantee of bank loans of a related company, Fujian Tianyu Steel Products Co., Ltd., in the amount of $5,268,544 at December 31, 2004.

Bank guarantees of loans of Fujian Tianyu Steel, as borrower from the banks are below:

	Bank Loan Payable Balance at December 31, 2004		Maximum Amount of Guarantee at December 31, 2004	
	RMB	US$ (i)	RMB	US$
Fuqing Agriculture Bank	18,500,000	$ 2,238,544	18,500,000	$ 2,238,544
Fuqing Agriculture Bank	5,000,000	605,000	5,000,000	605,000
Communication Bank	8,200,000	992,200	10,000,000	1,210,000
ChungXing Bank	4,400,000	532,400	5,000,000	605,000
	36,100,000	4,368,144	38,500,000	4,658,544
	Hong Kong Dollars		Hong Kong Dollars	
Xing Chang Bank	5,000,000	610,000	5,000,000	610,000
TOTAL		$ 4,978,144		$ 5,268,544

(i) secured by general security on all assets of borrower.

Note 10. PENSION AND EMPLOYMENT LIABILITIES

The Company does not have any liabilities as at December 31, 2004, for pension, post-employment benefits or post-retirement benefits. The Company does not have a pension plan. However, the Company has recorded past services wage benefits for its employees of $517,440 which is recorded as a charge to operations for the year ended December 31, 2004.

(Expressed in US Dollars)

Note 11. GEOGRAPHIC INFORMATION

(c) Revenue from external customers

	December 31,								
Countries		**2004**	**%**		**2003**	**%**		**2002**	**%**
Australia	$	976,158	10.48%	$	20,830	0.24%	$	-	-
Britain		200	0.00%						
Canada		-89,398 *	-0.96%		97,346	1.12%		-	-
China		176,080	1.89%		359,086	4.11%		1,072,755	21.11%
Greece		870	0.01%						
Holland		711	0.01%						
Indonesia		1,103,594	11.84%		1,651,411	18.92%		859,870	16.92%
India		255,175	2.74%						
Iran		1,995	0.02%						
Israel		267,259	2.87%		2,003	0.02%		-	-
Lebanon		3,247,854	34.85%		3,629,530	41.58%		940,546	18.50%
Malaysia		-	0.00%		23,034	0.26%		-	-
Nigeria		-	0.00%		310,761	3.56%		-	-
Singapore		949,953	10.19%		1,213,413	13.90%		399,019	7.85%
Spenish		251,235	2.70%						
Taiwan		-	0.00%		401	0.00%		-	-
Thailand		898,730	9.64%		151,216	1.73%		-	-
United States		1,279,045	13.72%		1,270,284	14.56%		1,810,500	35.62%
Total	$	9,319,461	100.00%	$	8,729,315	100.00%	$	5,082,690	100.00%

* Cancellation of sale of prior year

(d) Assets

All of the assets of the Company as at December 31, 2004, 2003 and 2002 are located in China.

Note 12. LOSS ON DISCONTINUED OPERATIONS

These costs are as a result of discontinued production of television sets and related products, and the costs are made up as follows:

	December 31,				
		2004		**2003**	**2002**
Bad debts, due to uncollectibility of old account	$	-	$	89,241	340,270
Fixed assets written off		-		42,295	-
Total	$	-	$	131,536	$ 340,270

(Expressed in US Dollars)

Note 13. PATENTS

In 2003, Mr. Hendrik Tjandra transferred his patents of atmospheric water generation ("AWG") registered in the People's Republic of China under the number P200304823. The Company utilizes patents under licence that are registered in the United States under the numbers 5,106,512, 5,149,466, 5,203,989 and 5,366,705.

Based on the appraisal report dated May 20, 2003 by Fujian Huayi Assets Appraisal Co., Ltd., these patents are valued at $2,067,931 (RMB 17,090,000 Yuan). This amount was recorded by the Company for the patents as intangible assets; $1,034,755 was credited to the registered capital and $1,033,176 was recorded as additional paid in capital.

Note 14. SHARE CAPITAL

As at December 31, 2004, 2003 and 2002, the Company's registered capital is $3,600,000. Mr. Hendrik Tjandra owes 100% of the shares as at December 31, 2003 (December 31, 2002 – 60%).

	Authorized Capital	Paid in Capital
Balance, December 31, 2001 and 2002	$ 3,600,000	$ 2,549,684
July 30, 2003, intangible assets transferred to company by shareholder		1,034,755
	3,600,000	3,584,439
Foreign currency adjustment		15,561
	3,600,000	3,600,000
July 30, 2003, additional paid in capital related to intangible assets transferred to company by shareholder		1,033,176
Balance, December 31, 2003 and December 31, 2004	$ 3,600,000	$ 4,633,176

(Expressed in US Dollars)

Note 15. TAXES

The Company is subject to taxes applicable in China consisting of value added taxes on domestic sales and income taxes on profits.

	Balance at December 31,		
	2004	**2003**	**2002**
	Refundable (Payable)		
Taxes refundable - value added taxes	$ --	$ 414,336	$ 470,200
Value added taxes ("VAT") are based on 17% of domestic sales. Export sales are not subject to VAT. The Company obtains input tax credits ("ITC") for VAT paid on purchases. The VAT refundable represents ITC in excess of VAT on demestic sales.			
Income taxes payable	--	(53,092)	(53,092)
Income taxes payable represent reassessment of income taxes in 2003 payable for 2002. This tax liability was subsequently paid in January 2004			
Net taxes refundable	$ --	$ 361,244	$ 417,108

Note 16. SALES DISTRIBUTORS

The Company has entered agreements with a number of entities that will act as sales distributors for the Company. These parties are either independent third parties or related parties. Terms and conditions with those sales distributors may vary, but they essentially require the sales distributor to commit to buy finished projects from the Company, to sell these products to customers and to provide technical support to customers as ongoing follow-up of sales.

Note 17. DIVIDENDS PAID

In 2004 the Company paid dividends of $2,344,393 (RMB19,374,771) to its shareholders as a distribution of profits. This amount is charged as a reduction to retained earnings of the Company in the fiscal year ended December 31, 2004.

Note 18. SHORT TERM LOAN

In August 2002, the Company lent RMB 950,000 (equivalent to US$114,952 as at December 31, 2004) to Hengxing Trading Company for business development purposes. This amount is unsecured, yields no interest and with no specific terms of repayment. This loan is expected to be returned in 2005 by a verbal agreement between the legal representative, Mr. Linbin of Hengxing Trading Company and the president, Mr. Hendrix Huang of Fujian Yuxin Electronic Products Co., Ltd.

Exhibit 99(ii)

HENDRX CORP.

STOCK OPTION AND COMPENSATION PLAN

1. ***Purpose***. The purpose of this Stock Option and Compensation Plan (the "Plan") of Hendrx Corp. (the "Company") is to increase stockholder value and to advance the interests of the Company by furnishing a variety of economic incentives ("Incentives") designed to attract, retain and motivate employees and certain key consultants. Incentives may consist of opportunities to purchase or receive shares of Common Stock, $.001 par value, of the Company ("Common Stock"), monetary payments, or both on terms determined under this Plan.

2. ***Administration***. The Plan shall be administered by the Stock Option Committee (the "Committee") of the Board of Directors of the Company, or the entire Board of Directors, until such time as a stock option committee is formed. The Committee shall consist of not less than three directors of the Company to be appointed from time to time by the Board of Directors of the Company. Each member of the Committee shall be a "disinterested person" within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, and the regulations promulgated thereunder (the "1934 Act"). The Board of Directors of the Company may from time to time appoint members of the Committee in substitution for, or in addition to, members previously appointed, and may fill vacancies, however caused, in the Committee. The Committee shall select one of its members as its chairman and shall hold its meetings at such times and places as it shall deem advisable. A majority of the Committee's members shall constitute a quorum. All action of the Committee shall be taken by the majority of its members. Any action may be taken by a written instrument signed by majority of the members and any action so taken shall be fully effective as if it had been made by a majority vote at a meeting duly called and held. The Committee may appoint a secretary, shall keep minutes of its meetings and shall make such rules and regulations for the conduct of its business as it shall deem advisable. The Committee shall have complete authority to award Incentives under the Plan, to interpret the Plan, and to make any other determination which it believes necessary and advisable for the proper administration of the Plan. The Committee's decisions and matters relating to the Plan shall be final and conclusive on the Company and its participants.

3. ***Eligible Participants***. Employees of or consultants to the Company or its subsidiaries or affiliates (including officers and directors, but excluding directors who are not also employees of or consultants to the Company or its subsidiaries or affiliates) shall become eligible to receive Incentives under the Plan when designated by the Committee. Participants may be designated individually or by groups or categories (for example, by pay grade) as the Committee deems appropriate. Participation of officers of the Company or its subsidiaries or affiliates and any performance objectives relating to such officers' participation must be approved by the Committee. Participation by others and any performance objectives relating to others may be approved by groups or categories (for example, by pay grade) and authority to designate participants who are not officers and to set or modify such targets may be delegated.

4. ***Types of* Incentives/Awards**. Incentives under the Plan may be granted in anyone or a combination of the following forms: (a) incentive stock options and non-statutory stock options (section 6); (b) stock appreciation rights ("SARs") (section 7); (c) stock awards (section 8); (d) restricted stock (section 8); (e) performance shares (section 9); and (f) cash awards (section 10).

5. ***Shares Subject to the Plan.***

5.1. Number of Shares. Subject to adjustment as provided in Section 11.6, the number of shares of Common Stock which may be issued under the Plan shall not exceed 3,500,000 shares of $.001 par value Common Stock.

5.2. Cancellation. To the extent that cash in lieu of shares of Common Stock is delivered upon the exercise of a SAR pursuant to Section 7.4, the Company shall be deemed, for purposes of applying the limitation on the number of shares, to have issued the greater of the number of shares of Common Stock which it was entitled to issue upon such exercise or on the exercise of any related option. In the event that a stock option or SAR granted hereunder expires or is terminated or canceled unexercised as to any shares of Common Stock, such shares may again be issued under the Plan either pursuant to stock options, SARs or otherwise. In the event that shares of Common Stock are issued as restricted stock or pursuant to a stock award and thereafter are forfeited or reacquired by the Company pursuant to rights reserved upon issuance thereof, such forfeited and reacquired shares may again be issued under the Plan, either as restricted stock, pursuant to stock awards or otherwise. The Committee may also determine to cancel, and agree to the cancellation of, stock options in order to make a participant eligible for the grant of a stock option at a lower price than the option to be canceled.

5.3. Type of Common Stock. Common Stock issued under the Plan in connection with stock options, SARS, performance shares, restricted stock or stock awards may be in the form of authorized and un-issued shares.

6. ***Stock Options***. A stock option is a right to purchase shares of Common Stock from the Company. Each stock option granted by the Committee under this Plan shall be subject to the following terms and conditions:

6.1. Price. The option price per share shall be determined by the Committee subject to adjustment under Section 11.6.

6.2. Number. The number of shares of Common Stock subject to the option shall be determined by the Committee, subject to adjustment as provided in Section 11.6. The number of shares of Common Stock subject to a stock option shall be reduced in the same proportion that the holder thereof exercises a SAR if any SAR is granted in conjunction with or related to the stock option.

6.3. Duration and Time for Exercise. Subject to earlier termination as provided in Section 11.4, the term of each stock option shall be determined by the Committee but shall not exceed ten years and one day from the date of grant. Each stock option shall become exercisable at such time or times during its term as shall be determined by the Committee at the time of grant. The Committee may accelerate the exercisability of any stock option. Subject to the foregoing and with the approval of the Committee, all or any part of the shares of Common Stock with respect to which the right to purchase has accrued may be purchased by the Company at the time of such accrual or at any time or times thereafter during the term of the option.

6.4. Manner of Exercise. A stock option may be exercised, in whole or in part, by giving written notice to the Company, specifying the number of shares of Common Stock to be purchased and accompanied by the full purchase price for such shares. The option price shall be payable in United States dollars upon exercise of the option and may be paid by cash; uncertified or certified check; bank draft; by delivery of shares of Common Stock in payment of all or any part of the option price (cashless exercise) which shares shall be valued for this purpose at the Fair Market Value on the date such option is exercised; by instructing the Company to withhold from the shares of Common Stock issuable upon exercise of the stock option shares of Common Stock in payment of all or any part of the option price, which shares shall be valued for this purpose at the Fair Market Value or in such other manner as may be authorized from time to time by the Committee. Prior to the issuance of shares of Common Stock upon the exercise of a stock option, a participant shall have no rights as a stockholder.

6.5. Incentive Stock Options. Notwithstanding anything in the Plan to the contrary, the following additional provisions shall apply to the grant of stock options which are intended to qualify as Incentive Stock Options (as such term is defined in Section 422A of the Internal Revenue Code of 1986, as amended):

(a) The aggregate Fair Market Value (determined as of the time the option is granted) of the shares of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any participant during any calendar year (under all of the Company's plans) shall not exceed $100,000;

(b) Any Incentive Stock Option certificate authorized under the Plan shall contain such other provisions as the Committee shall deem advisable, but shall in all events be consistent with and contain all provisions required in order to qualify the options as Incentive Stock Options;

(c) All Incentive Stock Options must be granted within ten years from the earlier of the date on which this Plan was adopted by the Board of Directors or the date this Plan was approved by the stockholders;

(d) Unless sooner exercised, all Incentive Stock Options shall expire no later than 10 years after the date of grant;

(e) The option price for Incentive Stock Options shall be not less than the Fair Market Value of the Common Stock subject to the option on the date of grant; and

(f) No Incentive Stock Options shall be granted to any participant who, at the time such option is granted, would own (within the meaning of Section 422A of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the employer corporation or of its parent or subsidiary corporation.

7. ***Stock Appreciation Rights.*** A SAR is a right to receive, without payment to the Company, a number of shares of Common Stock, cash or any combination thereof, the amount of which is determined pursuant to the formula set forth in Section 7.4. A SAR may be granted (a) with respect to any stock option granted under this Plan, either concurrently with the grant of such stock option or at such later time as determined by the Committee (as to all or any portion of the shares of Common Stock subject to the stock option), or (b) alone, without reference to any related stock option. Each SAR granted by the Committee under this Plan shall be subject to the following terms and conditions:

7.1. Number. Each SAR granted to any participant shall relate to such number of shares of Common Stock as shall be determined by the Committee, subject to adjustment as provided in Section 11.6. In the case of a SAR granted with respect to a stock option, the number of shares of Common Stock to which the SAR pertains shall be reduced in the same proportion that the holder of the option exercises the related stock option.

7.2. Duration. Subject to earlier termination as provided in Section 11.4, the term of each SAR shall be determined by the Committee but shall not exceed ten years and one day from the date of grant. Unless otherwise provided by the Committee, each SAR shall become exercisable at such time or times, to such extent and upon such conditions as the stock option, if any, to which it relates is exercisable. The Committee may in its discretion accelerate the exercisability of any SAR.

7.3. Exercise. A SAR may be exercised, in whole or in part, by giving written notice to the Company, specifying the number of SARs which the holder wishes to exercise. Upon receipt of such written notice, the Company shall, within 90 days thereafter, deliver to the exercising holder certificates for the shares of Common Stock or cash or both, as determined by the Committee, to which the holder is entitled pursuant to Section 7.4.

7.4. Payment. Subject to the right of the Committee to deliver cash in lieu of shares of Common Stock (which, as it pertains to officers and directors of the Company, shall comply with all requirements of the 1934 Act), the number of shares of Common Stock which shall be issuable upon the exercise of a SAR shall be determined by dividing:

(a) the number of shares of Common Stock as to which the SAR is exercised multiplied by the amount of the appreciation in such shares (for this purpose, the "appreciation" shall be the amount by which the Fair Market Value of the shares of Common Stock subject to the SAR on the exercise date exceeds (1) in the case of a SAR related to a stock option, the purchase price of the shares of Common Stock under the stock option or (2) in the case of a SAR granted alone, without reference to a related stock option, an amount which shall be determined by the Committee at the time of grant, subject to adjustment under Section 11.6); by

(b) the Fair Market Value of a share of Common Stock on the exercise date.

In lieu of issuing shares of Common Stock upon the exercise of a SAR, the Committee may elect to pay the holder of the SAR cash equal to the Fair Market Value on the exercise date of any or all of the shares which would otherwise be issuable. No fractional shares of Common Stock shall be issued upon the exercise of a SAR; instead, the holder of the SAR shall be entitled to receive a cash adjustment equal to the same fraction of the Fair Market Value of a share of Common Stock on the exercise date or to purchase the portion necessary to make a whole share at its Fair Market Value on the date of exercise.

8. ***Stock Awards and Restricted Stock.*** A stock award consists of the transfer by the Company to a participant of shares of Common Stock, without other payment therefor, as additional compensation for services to the Company. A share of restricted stock consists of shares of Common Stock which are sold or transferred by the Company to a participant at a price determined by the Committee (which price shall be at least equal to the minimum price required by applicable law for the issuance of a share of Common Stock) and subject to restrictions on their sale or other transfer by the participant.. The transfer of Common Stock pursuant to stock awards and the transfer and sale of restricted stock shall be subject to the following terms and conditions:

8.1. Number of Shares. The number of shares to be transferred or sold by the Company to a participant pursuant to a stock award or as restricted stock shall be determined by the Committee.

8.2. Sale Price. The Committee shall determine the price, if any, at which shares of restricted stock shall be sold to a participant, which may vary from time to time and among participants and which may be below the Fair Market Value of such shares of Common Stock at the date of sale.

8.3. Restrictions. All shares of restricted stock transferred or sold hereunder shall be subject to such restrictions as the Committee may determine, including, without limitation any or all of the following:

(a) a prohibition against the sale, transfer, pledge or other encumbrance of the shares of restricted stock, such prohibition to lapse at such time or times as the Committee shall determine (whether in annual or more frequent installments, at the time of the death, disability or retirement of the holder of such shares, or otherwise);

(b) a requirement that the holder of shares of restricted stock forfeit, or (in the case of shares sold to a participant) resell back to the Company at his or her cost, all or a part of such shares in the event of termination of his or her employment or consulting engagement during any period in which such shares are subject to restrictions; and

(c) such other conditions or restrictions as the Committee may deem advisable.

8.4. Escrow. In order to enforce the restrictions imposed by the Committee pursuant to Section 8.3, the participant receiving restricted stock shall enter into an agreement with the Company setting forth the conditions of the grant. Shares of restricted stock shall be registered in the name of the participant and deposited, together with a stock power endorsed in blank, with the Company. Each such certificate shall bear a legend in substantially the following form:

"The transferability of this certificate and the shares of Common Stock represented by it are subject to the terms and conditions (including conditions of forfeiture) contained in the Stock Option and Compensation Plan of Hendrx Corp. (the "Company"), and an agreement entered into between the registered owner and the Company. A copy of the Plan and the agreement is on file in the office of the secretary of the Company."

8.5. End of Restrictions. Subject to Section 11.5, at the end of any time period during which the shares of restricted stock are subject to forfeiture and restrictions on transfer, such shares will be delivered free of all restrictions to the participant or to the participant's legal representative, beneficiary or heir.

8.6. Stockholder. Subject to the terms and conditions of the Plan, each participant receiving restricted stock shall have all the rights of a stockholder with respect to shares of stock during any period in which such shares are subject to forfeiture and restrictions on transfer, including without limitation, the right to vote such shares. Dividends paid in cash or property other than Common Stock with respect to shares of restricted stock shall be paid to the participant currently.

9. ***Performance Shares***.. A performance share consists of an award which shall be paid in shares of Common Stock, as described below. The grant of performance share shall be subject to such terms and conditions as the Committee deems appropriate, including the following:

9.1. Performance Objectives. Each performance share will be subject to performance objectives for the Company or one of its operating units to be achieved by the end of a specified period. The number of performance shares granted shall be determined by the Committee and may be subject to such terms and conditions as the Committee shall determine. If the performance objectives are achieved, each participant will be paid in shares of Common Stock or cash. If such objectives are not met, each grant of performance shares may provide for lesser payments in accordance with formulae established in the award.

9.2. Not Stockholder. The grant of performance shares to a participant shall not create any rights in such participant as-a stockholder of the Company until the payment of shares of Common Stock with respect to an award.

9.3. No Adjustments. No adjustment shall be made in performance shares granted on account of cash dividends which may be paid or other rights which may be issued to the holders of Common Stock prior to the end of any period for which performance objectives were established.

9.4. Expiration of Performance Share. If any participant's employment or consulting engagement with the Company is terminated for any reason other than normal retirement, death or disability prior to the achievement of the participant's stated performance objectives, all the participant's rights on the performance shares shall expire and terminate unless otherwise determined by the Committee. In the event of termination by reason of death, disability, or normal retirement, the Committee, in its own discretion, may determine what portions, if any, of the performance shares should be' paid to the participant.

10. ***Cash Awards***. A cash award consists of a monetary payment made by the Company to a participant as additional compensation for his or her services to the Company. Payment of a cash award will normally depend on achievement of performance objectives by the Company or by individuals. The amount of any monetary payment constituting a cash award shall be determined by the Committee in its sole discretion. Cash awards may be subject to other terms and conditions, which may vary from time to time and among participants, as the Committee deems appropriate.

11. ***General***.

11.1. Effective Date. The Plan will become effective upon its approval by a majority of the outstanding shares of Common Stock of the Company at the 2005 Annual Meeting of Shareholders duly called. Unless approved within one year after the date of the Plan's adoption by the Committee, or by the Company's Board of Directors, the Plan shall not be effective for any purpose.

11.2. Duration. The Plan shall remain in effect until all Incentives granted under the Plan have either been satisfied by the issuance of shares of Common Stock or the payment of cash or been terminated under the terms of the Plan and all restrictions imposed on shares of Common Stock in connection with their issuance under the Plan have lapsed. No Incentives may be granted under the Plan after the tenth anniversary of the date the Plan is approved by the stockholders of the Company.

11.3. Non-transferability of Incentives. No stock option, SAR, restricted stock or performance award may be transferred, pledged or assigned by the holder thereof except, in the event of the holder's death, by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Internal Revenue Code of 1986, as amended, pr Title I of the Employee Retirement Income Security Act, or the rules thereunder, and the Company shall not be required to recognize any attempted assignment of such rights by any participant. During a participant's lifetime, an Incentive may be exercised only by him or her or by his or her guardian or legal representative.

11.4. Effect of Termination or Death. In the event that a participant ceases to be an employee of or consultant to the Company for any reason, including death, any Incentives may be exercised or shall expire at such times as may be determined by the Committee.

11.5. Additional Condition. Notwithstanding anything in this Plan to the contrary:

(a) the Company may, if it shall determine it necessary or desirable for any reason, at the time of award of any Incentive or the issuance of any shares of Common Stock pursuant to any Incentive, require the recipient of the Incentive, as a condition to the receipt thereof or to the receipt of shares of Common Stock issued pursuant thereto, to deliver to the Company a written representation of present intention to acquire the Incentive or the shares of Common Stock issued pursuant thereto for his or her own account for investment and not for distribution; and (b) if at any time the Company further determines, in its sole discretion, that the listing, registration or qualification (or any updating of any such document) of any Incentive or the shares of Common Stock issuable pursuant thereto is necessary on any securities exchange or under any federal or state securities or blue sky law, or that the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with the award of any Incentive, the issuance of shares of Common Stock pursuant thereto, or the removal of any restrictions imposed on such shares, such Incentive shall not be awarded or such shares of Common Stock shall not be issued or such restrictions shall not be removed, as the case may be, in whole or in part, unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

11.6. Adjustment. In the event of any merger, consolidation or reorganization of the Company with any other corporation or corporations, there shall be substituted for each of the shares of Common Stock then subject to the Plan, including shares subject to restrictions, options, or achievement of performance share objectives, the number and kind of shares of stock or other securities to which the holders of the shares of Common Stock will be entitled pursuant to the transaction. In the event of any recapitalization, stock dividend, stock split, combination of shares or other change in the Common Stock, the number of shares of Common Stock then subject to the Plan, including shares subject to restrictions, options or achievements of performance shares, shall be adjusted in proportion to the change in outstanding shares of Common Stock. In the event of any such adjustments, the purchase price of any option, the performance objectives of any Incentive, and the shares of Common Stock issuable pursuant to any Incentive shall be adjusted as and to the extent appropriate, in the discretion of the Committee, to provide participants with the same relative rights before and after such adjustment.

11.7. Incentive Plans and Agreements. Except in the case of stock awards or cash awards, the terms of each Incentive shall be stated in a plan or agreement approved by the Committee. The Committee may also determine to enter into agreements with holders of options to reclassify or convert certain outstanding options, within the terms of the Plan, as Incentive Stock Options, or as non-statutory stock options and in order to eliminate SARs with respect to all or part of such options and any other previously issued options.

11.8. Withholding.

(a) The Company shall have the right to withhold from any payments made under the Plan or to collect as a condition of payment, any taxes required by law to be withheld. At any time when a participant is required to pay to the Company an amount required to be withheld under applicable income tax laws in connection with a distribution of Common Stock or upon exercise of an option or SAR, the participant may satisfy this obligation in whole or in part by electing (the "Election") to have the Company withhold from the distribution shares of Common Stock having a value up to the amount required to be withheld. The value of the shares to be withheld shall be based on the Fair Market Value of the Common Stock on the date that the amount of tax to be withheld shall be determined ("Tax Date").

(b) Each Election must be made prior to the Tax Date. The Committee may disapprove of any Election, may suspend or terminate the right to make Elections, or may provide with respect to any Incentive that the right to make Elections shall not apply to such Incentive. An Election is irrevocable.

(c) If a participant is an officer or director of the Company within the meaning of Section 16 of the 1934 Act, then an Election must comply with all of the requirements of the 1934 Act.

11.9. No Continued Employment, Engagement or Right to Corporate Assets. No participant under the Plan shall have any right, because of his or her participation, to continue in the employ of, or to continue his or her consulting engagement for, the Company for any period of time or any right to continue his or her present or any other rate of compensation. Nothing contained in the Plan shall be construed as giving an employee, a consultant, such persons' beneficiaries or any other person any equity or interests of any kind in the assets of the Company or creating a trust of any kind or a fiduciary relationship of any kind between the Company and any such person.

11.10. Deferral Permitted. Payment of cash or distribution of any shares of Common Stock to which a participant is entitled under any Incentive shall be made as provided in the Incentive. Payment may be deferred at the option of the participant if provided in the Incentive.

11.11. Amendment of the Plan. The Committee or the Board of Directors may amend or discontinue the Plan at any time. However, no such amendment or discontinuance shall, subject to adjustment under Section 11.6: (a) change or impair, without the consent of the recipient, an Incentive previously granted; (b) materially increase the maximum number of shares of Common Stock which may be issued to all participants under the Plan; (c) materially increase the benefits which may be granted under the Plan; (d) materially modify the requirements as to eligibility for participation in the Plan; or (e) materially increase the benefits accruing to participants under the Plan.

11.12. Immediate Acceleration of Incentives. Notwithstanding any provision in this Plan or in any Incentive to the contrary: (1) the restrictions on all shares of restricted stock shall lapse immediately; (2) all outstanding options and SARs will become exercisable immediately; and (3) all performance shares shall be deemed to be met and payment made immediately, if subsequent to the date that the Plan is approved by the Committee, or the Board of Directors of the Company, any of the following events occur, unless otherwise determined by the Board of Directors and a majority of the Continuing Directors (as defined below):

(1) any person or group of persons becomes the beneficial owner of 30% or more of any equity security of the Company entitled to vote for the election of directors;

(2) a majority of the members of the Board of Directors of the Company is replaced within the period of less than two years by directors not nominated and approved by the Board of Directors; or

(3) the stockholders of the Company approve an agreement to merge or consolidate with or into another corporation or an agreement to sell or otherwise dispose of all or substantially all of the Company's assets (including a plan of liquidation).

For purposes of this Section 11.12, beneficial ownership by a person or group of persons shall be determined in accordance with Regulation 13D (or any similar successor regulation) promulgated by the Securities and Exchange Commission pursuant to the 1934 Act. Beneficial ownership of more than 30% of an equity security may be established by any reasonable method, but shall be presumed conclusively as to any person who files a Schedule 13D report with the Securities and Exchange Commission reporting such ownership. If the restrictions and forfeitability periods are eliminated by reason of the provision in (1) above, the limitations of this Plan shall not become applicable again should the person cease to own 30% or more of any equity security of the Company.

For purposes of this Section 11.12, "Continuing Directors" are directors: (a) who were in office prior to the time that any of the provisions in (1), (2) or (3) above occurred or any person who has publicly announced an intention to acquire 20% or more of any equity security of the Company; (b) directors in office for a period of more than two years; and (c) directors nominated and approved by the existing Continuing Directors.

11.13. Definition of Fair Market Value. Whenever "Fair Market Value" of Common Stock shall be determined for purposes of this Plan, it shall be determined by reference to the last sale price of a share of Common Stock on the principal United States Securities Exchange registered under the 1934 Act on which the Common Stock is listed (the "Exchange"), or, on the National Association of Securities Dealers, Inc. Automatic Quotation System (including the National Market system) ("NASDAQ") on the applicable date, or if the Company's Common Stock has not yet been listed on the Exchange, the Board of Directors may determine an alternate methodology to determine "Fair Market Value." If the Exchange or NASDAQ is closed for trading on such date, or if the Common Stock does not trade on such date, then the last sale price used shall be the one on the date the Common Stock last traded on the Exchange or NASDAQ.