

EPEC Holdings, Inc.
Consolidated Statements of Operations

	For the Year Ended December 31,	
	2018	2017
Revenues		
Sales	\$ 75,319	\$ -
License fees	-	50,255
Total revenues	<u>75,319</u>	<u>50,255</u>
Cost of goods sold	<u>40,946</u>	<u>-</u>
Gross profit	<u>34,373</u>	<u>50,255</u>
Operating expenses:		
Selling, general and administrative expenses	424,510	221,414
Depreciation	20,996	-
Stock compensation	2,700	232,900
Tangible asset impairment	-	4,095
Total operating expenses	<u>448,206</u>	<u>458,409</u>
Net operating loss	(413,834)	(408,154)
Other income (expense):		
Impairment of long-lived assets	(174,205)	-
Interest income	1,841	1,859
Other income	8,649	
Interest expense	(61,952)	(9,286)
Total other income (expense)	<u>(225,667)</u>	<u>(7,427)</u>
Net loss	<u>\$ (639,500)</u>	<u>\$ (415,581)</u>