HERCON PHARMACEUTICALS, LLC

Balance Sheet

(STANDALONE)

December 31, 2022 (Unaudited)

Assets	December 31, 2022
Current Assets:	
Cash	\$101,689
Other receivables	\$154,895
Total current assets	\$256,585
I/C note receivable	\$3,821,420
Total assets	\$4,078,005
Liabilities and Stockholders' Equity	
Stockholders' Equity	
Common stock, no par value	\$45,607,537
Surplus (Deficit)	(41,529,532)
Total stockholders' equity	\$4,078,005
Total liabilities and stockholders' equity	\$4,078,005

Reviewed & Approved by

Ronald J. Burghauser

Ronald J. Burghauser CFO

January 10, 2023

Date

HERCON PHARMACEUTICALS, LLC

Statement of Operations

(STANDALONE)

For the period from January 1, 2022 through December 31, 2022 (Unaudited)

	January 1, 2022 through December 31, 2022	
Operating expenses		
Plant overhead	\$	76,794
General and administrative	\$	751,358
Depreciation and amortization	\$	-
	\$	828,151
Profit (Loss) from operations	\$	(828,151)
Other income (expense)		
Financing-related expenses	\$	(23,067)
Asset Impairment	\$	1,096,012
Contingency for expenses	\$ \$	221,000
Total other income (expense)	\$	1,293,945
Profit (Loss) before income taxes	\$	465,794
Provision for income taxes	\$	-
Net Profit (Loss)	\$	465,794

Reviewed & Approved by

Ronald J. Burghauser

January 10, 2023

Ronald J. Burghauser CFO

Date

HERCON PHARMACEUTICALS, LLC Statement of Cash Flows

(STANDALONE)

For the period from January 1, 2022 through December 31, 2022

(Unaudited)

	January 1, 2022 through December 31, 2022	
Cash flows from operating activities:		
Net profit	\$	465,794
Adjustments to reconcile net loss to cash used in		
operating activities:		
Asset Impairment	\$	(1,096,012)
Changes in operating assets and liabilities:	<u>,</u>	254.444
Other receivables	\$	254,141
Prepaid expenses Accounts payable	Ş	16,674 (50,145)
Other liabilities	ې خ	(50,145) (64)
Short-term provisions	\$ \$ \$	(221,000)
Net cash used in operating activities	\$	(630,612)
Cash flows from investing activities:		
Proceeds from sale of property and equipment	\$	4,859,686
Loan Given - related party	\$	(3,821,420)
Net cash provided by investing activities	\$	1,038,266
Cash flows from financing activities:		
Loan Repaid - related party	\$	(332,587)
Net cash used in financing activities	\$	(332,587)
Net increase in cash	\$	75,067
Cash, beginning of period	\$	26,622
Cash, end of period	\$	101,689

Reviewed & Approved by

Ronald J. Burghauser

January 10, 2023

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Date