

**EZENIA! INC. and Subsidiaries**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2018 and 2017**

	<u>December 2018</u>	<u>December 2017</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 390,129	\$ 112,772
Accounts receivable, Net	97,535	92,620
Prepaid software licenses	-	9,857
Prepaid expenses and other current assets	38,626	38,897
<b>Total current assets</b>	<b>\$ 526,291</b>	<b>\$ 254,146</b>
Equipment and improvements, Net	3,303	1,223
Intangible assets, net	403,297	658,011
Investments	10,261	-
<b>Total Assets</b>	<b>\$ 943,151</b>	<b>\$ 913,380</b>
 <b>Liabilities and Stockholders' Equity</b>		
Current liabilities		
Accounts payable	\$ 2,289	\$ 2,363
Accrued expenses	137,700	184,642
Deferred revenue	-	15,092
Accrued obligations	959,883	959,883
Total current liabilities	\$ 1,099,872	\$ 1,161,981
Warrant Liability	-	238,717
Mandatorily redeemable preferred stock	635,871	\$ 635,871
<b>Total long term liabilities</b>	<b>\$ 635,871</b>	<b>\$ 874,588</b>
 <b>Stockholders' Equity</b>		
Common stock - \$.01 par value; 40,000,000 shares authorized, 16,361,100 issued and 15,601,601 outstanding at December 31, 2018 and December 31, 2017	156,016	156,016
Capital in excess of par value	67,144,023	67,144,023
Accumulated deficit	(66,356,174)	(66,633,945)
Treasury stock at cost, 759,537 shares	(2,944,946)	(2,944,946)
Total Equity	<u>(2,001,081)</u>	<u>(2,278,852)</u>
Non-controlling interest	<u>1,208,489</u>	<u>1,155,663</u>
	<b>\$ 943,151</b>	<b>\$ 913,380</b>