

*Nocopi Technologies, Inc.*  
*Statements of Comprehensive Income*  
*(unaudited)*

	<u>Three Months ended June 30</u>		<u>Six Months ended June 30</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Revenues</b>				
Licenses, royalties and fees	\$ 144,900	\$ 107,100	\$ 330,400	\$ 271,700
Product and other sales	369,000	520,200	794,900	875,900
	<u>513,900</u>	<u>627,300</u>	<u>1,125,300</u>	<u>1,147,600</u>
<b>Cost of revenues</b>				
Licenses, royalties and fees	49,500	58,600	96,600	108,300
Product and other sales	184,300	247,200	357,500	448,800
	<u>233,800</u>	<u>305,800</u>	<u>454,100</u>	<u>557,100</u>
<b>Gross profit</b>	<u>280,100</u>	<u>321,500</u>	<u>671,200</u>	<u>590,500</u>
<b>Operating expenses</b>				
Research and development	45,800	41,900	90,300	83,000
Sales and marketing	74,200	86,000	157,400	170,000
General and administrative	117,700	120,000	263,200	259,700
	<u>237,700</u>	<u>247,900</u>	<u>510,900</u>	<u>512,700</u>
<b>Net income from operations</b>	<u>42,400</u>	<u>73,600</u>	<u>160,300</u>	<u>77,800</u>
<b>Other income (expenses)</b>				
Interest income	5,300	4,300	10,100	8,100
Interest expense and bank charges	(600)	(2,100)	(1,200)	(4,600)
	<u>4,700</u>	<u>2,200</u>	<u>8,900</u>	<u>3,500</u>
<b>Net income before income taxes</b>	<u>47,100</u>	<u>75,800</u>	<u>169,200</u>	<u>81,300</u>
Income taxes	4,600	5,000	11,900	(42,100)
<b>Net income</b>	<u>\$ 42,500</u>	<u>\$ 70,800</u>	<u>\$ 157,300</u>	<u>\$ 123,400</u>
<b>Basic and diluted net income per common share</b>	\$ .00	\$ .00	\$ .00	\$ .00
<b>Weighted average common shares outstanding</b>				
Basic	67,400,812	61,044,698	67,377,251	61,044,698
Diluted	67,400,812	61,605,985	67,377,251	61,577,129

*Nocopi Technologies, Inc.*  
*Balance Sheets*

	June 30 2021 (unaudited)	December 31 2020 (audited)
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,908,400	\$ 1,362,800
Accounts receivable less \$12,000 allowance for doubtful accounts	969,100	1,280,800
Inventory	486,500	324,800
Prepaid and other	29,400	97,800
<b>Total current assets</b>	<b>3,393,400</b>	<b>3,066,200</b>
<b>Fixed assets</b>		
Leasehold improvements	58,400	27,800
Furniture, fixtures and equipment	164,100	163,700
	222,500	191,500
Less: accumulated depreciation and amortization	116,400	104,300
	106,100	87,200
<b>Other assets</b>		
Long-term receivable	371,500	559,500
Operating lease right of use – building	138,400	160,300
	509,900	719,800
<b>Total assets</b>	<b>\$ 4,009,400</b>	<b>\$ 3,873,200</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 67,000	\$ 5,700
Accrued expenses	154,600	178,600
Income taxes	10,200	36,300
Operating lease liability – current	46,000	44,500
<b>Total current liabilities</b>	<b>277,800</b>	<b>265,100</b>
<b>Other liabilities</b>		
Accrued expenses – non-current	26,000	39,200
Operating lease liability – non-current	92,400	115,800
	118,400	155,000
<b>Stockholders' equity</b>		
Common stock, \$0.01 par value		
Authorized – 75,000,000 shares		
Issued and outstanding		
2021 – 67,495,055; 2020 – 67,353,690 shares	675,000	673,500
Paid-in capital	12,577,100	12,575,800
Accumulated deficit	(9,638,900)	(9,796,200)
<b>Total stockholders' equity</b>	<b>3,613,200</b>	<b>3,453,100</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 4,009,400</b>	<b>\$ 3,873,200</b>