Exlites Holdings International, Inc.

Consolidated Financial Statements

As of and for the quarter ended October 31, 2014

Exlites Holdings International, Inc.
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October 31, 2014

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Exlites Holdings International Inc.
Consolidated Balance Sheet
As of October 31, 2014
UNAUDITED

ASSETS

Assets		
Cash & Cash Equivalents	$	6,000
Inventory		2,500
Total Current Assets		8,500
Office Equipment		1,125
Total Non Current Assets		1,125
Total Assets	$	9,625

LIABILITIES & STOCKHOLDERS' DEFICIT

Current Liabilities		
Accounts Payable & Accrued Expenses	$	17,572
Derivative Liability		15,054
Due to Shareholders		41,788
Promissoty Note # 1		50,000
Promissoty Note # 2		4,500
Promissoty Note # 3		2,000
Promissoty Note # 4		5,000
Total Current Liabilities		135,914
Total Liabilities		135,914
Stockholders' Deficit		
Preferred stock, $0.001 par value, 50,000,000 shares authorized, 0, issued and outstanding at October 31, 2014		
Common stock, $0.001 par value, 500,000,000 shares authorized, 36,000,540, issued and outstanding at October 31, 2014		36,001
Additional paid-in-capital		483,050
Accumulated deficit		(645,340)
Total Stockholders' Deficit		(126,289)
Total Liabilities & Stockholders' Deficit	$	9,625

Exlites Holdings International Inc.
Consolidated Statement of Operations
Quarter Ended October 31, 2014
UNAUDITED

Revenues	$ -
Expenses	
Depreciation Expense	54
Interest - Derivative Liability	15,054
General & Administrative	11,574
Total Expenses	26,682
Net Income (Loss)	$ (26,682)

Exlites Holdings International Inc.
Consolidated Statement of Stockholders' Deficit
Quarter Ended October 31, 2014
UNAUDITED

	Common Stock Shares	Common Stock Amount	Additional Paid-in-Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance July 31, 2014	35,926,332	$ 35,926	$ 483,050	$ (618,658)	$ (99,681)
Shares issued for services	289	$ 0	-		$ 0
Shares issued for services	73,630	$ 74	-		$ 74
Shares issued for services	289	$ 0	-		$ 0
Net Loss	-	-	-	(26,682)	$ (26,682)
Balance October 31, 2014	36,000,540	$ 36,001	$ 483,050	$ (645,340)	$ (126,289)

The accompanying notes are an integral part of these financial statements.

Exlites Holdings International Inc.
Consolidated Statement of Cash Flows
Quarter Ended October 31, 2014
UNAUDITED

CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES

Net Income	$ (26,682)
Adjustments to reconcile net income to	
Increase in Derivative Liability	15,054
Increase in Notes Payable	11,500
Common stock issued for services	74
Depreciation Expense	54
Net cash used for operating activities	-
Net decrease in cash	-
Beginning cash	6,000
Ending cash	$ 6,000

Nature of Operations & History

Exlites Holdings International Inc. (the Company) is publically traded on OTC Markets under ticker symbol EXHI and was formed in the state of New Mexico in 1984 under the name Unico, Inc.

In 2008, the shareholders of the Company voted approval on a share exchange agreement with Exlites Co. Ltd. (a Japanese Corporation) whereby the Company issued 12,000,000 shares of common stock to Exlites Co. Ltd.'s shareholders as part of the acquisition. Subsequently, in September 2008, the Company changed its name from Vision International, Inc. to Exlites Holdings International, Inc.

As part of this acquisition, the Japanese owners contracted with a US citizen ("Major Shareholder") to maintain all the legal filings with federal, state, and local authorities and to maintain a small office in the US for this and other US interests held by the same Japanese citizens. As part of this contract, the Japanese owners paid Major Shareholder for her out of pocket expenses of the office and an agreed upon salary for her services. Such compensation was completed until the end of 2008, when the contract payments ceased and Major Shareholder filed suit for reimbursement of out of pocket expenses, unreimbursed salary, and additional amounts for "breach of contract, unjust enrichment, and fraudulent representation". Service was made to the Japanese owners in Japan, but no response was ever made, and the suit resulted in a default judgement for Major Shareholder. As part of the judgement, Major Shareholder asked for and received twenty nine million (29,000) shares of common stock of the Company, which gave her majority ownership, and subsequently made her sole board member and only officer of the Company.

The Company recently acquired Ashford Durable Medical Solutions, Inc. on January 17, 2013. Ashford then became a wholly owned subsidiary of the Company.

The Company is currently engaged in the durable medical supply business. The Company intends to grow Ashford into a national group of medical supply companies and become a preferred provider of medical supplies to hospitals, home health agencies, assisted living facilities and wellness centers. The Company's mission is to develop unrivaled, lasting and deep relationships with our customers by delivering quality products and related services to medical and home care markets with efficiency, consistency and innovation. The Company offers an extensive portfolio of medical supplies and equipment from industry leading manufacturers and plans to continue to acquire companies in the U.S. and Asia.

Basis of Presentation

Exlites Holdings International Inc. and Ashford Durable Medical Solutions, Inc. are controlled by the same shareholder group, and, therefore, the purchase of Ashford Durable Medical Solutions, Inc. by Exlites Holdings International Inc. is considered to be a combination of entities under common control for accounting purposes, as opposed to an acquisition. The Company will reflect this in the consolidated financial statements as if they were combined as of the beginning of the period, regardless of the actual date of the transaction. As a result, the consolidated financial statements reflect Ashford Durable Medical Solutions, Inc.'s operations for the twelve month period ending January 31, 2013 and thereafter, on a combined basis with Exlites Holdings International Inc.

Basis of Consolidation

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. The Company also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Company's voting rights relative to the size and dispersion of holdings of other shareholders give the Company the power to govern the financial and operating policies. Inter-company transactions, balances, income and expenses on transactions between companies within the consolidated group are eliminated. Profits and losses resulting from inter-company transactions are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Critical Accounting Estimates and Judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Cash and Cash Equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated balance sheet, any bank overdrafts are shown within borrowings in current liabilities.

Office Equipment

Office Equipment was purchased for $1,500 and placed into service in January 2013. Office Equipment has a seven-year useful life and is depreciated $54 each quarter. Below is a roll forward of Office Equipment:

Office Equipment Balance @ 1/31/13	1,500
Less: 2013 Depreciation	(214)
Office Equipment Balance @ 1/31/14	1,286
Less: Q1 Depreciation Expense	(54)
Office Equipment Balance @ 4/30/14	1,232
Less: Q2 Depreciation	(54)
Office Equipment Balance @ 7/31/14	1,179
Less: Q3 Depreciation	(54)
Office Equipment Balance @ 10/31/14	1,125

Accounts Payable & Accrued Expenses

Accounts Payable & Accrued Expenses are obligations to pay for equipment, goods, or services that have been acquired in the ordinary course of business from suppliers.

Current Liabilities

Current Liabilities are liabilities, which have a maturity date less than one year in the future.

Included in Current Liabilities are the following promissory notes, one of which is currently in default:

Note	Note Holder	Principal Amount	Interest Rate	Maturity Date
Promissory Note # 1	Gemeni Holdings, Inc.	50,000	7%	8-5-12
Promissory Note # 2	SAO Roque Holdings AG	4,500	15%	4-22-15
Promissory Note # 3	SAO Roque Holdings AG	2,000	15%	4-22-15
Promissory Note # 4	SAO Roque Holdings AG	5,000	15%	4-22-15

As of the date of these financial statements, the Company is in negotiations with the note holder of Promissory Note # 1 to work out a payment arrangement. Promissory Note #'s 2 – 4 are convertible at a 50% discount to the lowest closing price during the thirty trading days immediately prior to the date in which the note holder gives a notice of conversion.

Derivative Liability & Interest

The Company periodically assess its financial and equity instruments to determine if they require derivative accounting. Instruments which may potentially require derivative accounting are conversion features of debt and common stock equivalents in excess of available authorized common shares. Derivative interest is recorded using the Black-Scholes model which incorporates historic stock price volatility to estimate the potential expense associated with issuing stock on convertible instruments.

As of October 31, 2014, the Company had a convertible notes payable balance of $11,500. The Company has recorded a derivative liability of $15,054 as of October 31, 2014 representing the estimated value of the shares over and above the amount of debentures that would be issued on conversion. During the quarter ended October 31, 2014, the Company recorded $15,054 as derivative interest expense, which will then be offset against additional paid in capital when the debentures are converted.

Shareholders Equity

The Company has an authorized stock issuance of 500,000,000 common shares at $.001 par value and 50,000,000 preferred shares at $.001 par value. In 2013, in conjunction with the purchase of Ashford Durable Medical Solutions, Inc., the majority shareholder and officer/director elected to restate the financial statements by approving a "recapitalization" of the Company which restated retained earnings to zero and charges any negative retained earnings to additional paid in capital. This was done to start as of January 31, 2012 to reflect the change of ownership and control to current management, which started for the 2012 fiscal year ended January 31, 2013. The owner of the majority of shares of the Company has forwarded funds to the Company for minimal legal and tax obligations to keep all filings current with the state of New Mexico and other federal and local governmental authorities. In 2013, the Court approved a portion of the out of pocket expenses and salary reimbursement through an issuance of twenty nine million fifty thousand (29,050,000) shares of common stock, which were issued in May 2013. In June 2013, 300,000,000 shares were issued for marketing expenses and in July 2013, 30,000,000 shares were issued in exchange for paying down $50,000 worth of debt. In November 2013 15,000,000 shares were issues for services. In December 2013, an additional 15,000,000 shares were issued for services.

On March 5, 2014, the Company performed a 1 for 414 reverse stock split, consolidating 414,050,005 shares of its common stock into 1,000,121 shares.

From May 1, 2014 – July 31, 2014 the Company issued 15,000,000 shares in total, which were used to pay down a $65,000 promissory note. As the par value of the shares totalled $15,000, additional paid in capital was increased by $50,000.

From August 1, 2014 – October 31, 2014 the Company issued 74,208 shares in total, at par value, which were used to pay for services.

Recently Issued Accounting Pronouncements

Company management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

Related Party Transaction

The Company has no related party transactions.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying consolidated financial statements, the Company has incurred a deficit of $645,340 as of October 31, 2014. The ability of the Company to continue as a going concern is in doubt and dependent upon achieving a profitable level of operations or on the ability of the Company to obtain necessary financing to fund ongoing operations. Management believes that its current and future plans enable it to continue as a going concern for the next twelve months.

To meet these objectives, the Company continues to seek other sources of financing in order to support existing operations and expand the range and scope of its business. However, there are no assurances that any such financing can be obtained on acceptable terms and timely manner, if at all. The failure to obtain the necessary working capital would have a material adverse effect on the business prospects and, depending upon the shortfall, the Company may have to curtail or cease its operations.

The accompanying consolidated financial statements do not include any adjustment to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company has evaluated subsequent events through the date when the financial statements were issued and noted no material subsequent events except the following:

On November 26, 2014 a shareholder authorized the Company to convert the shareholders 20,000,000 common shares into 7,500,000 preferred shares, which are convertible into 7,500,000 common shares.

On December 19, 2014 the Company purchased one hundred percent of the outstanding shares of Soleeze Wave Company, a Florida corporation, in exchange for 25,000,000 common shares. Soleeze will be consolidated in the year-end financial statements.