VELTEX CORPORATION
FINANCIAL STATEMENTS
THREE MONTHS ENDED
MARCH 31, 2015
(A COMPILATION)

Sassetti
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Veltex Corporation
Chicago, Illinois

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

We have compiled the accompanying balance sheet of Veltex Corporation (a Utah corporation) as of March 31, 2015, and the related statements of operations, stockholder's equity (deficit) and cash flows for the three months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 4 to the financial statements the Company has an accumulated deficit and no current operations which raises substantial doubt about the ability to continue as a going concern. Management's plans regarding these matters are also described in note 4 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Sassetti LLC

June 25, 2015
Oak Park, Illinois

VELTEX CORPORATION

BALANCE SHEET

MARCH 31, 2015

(A COMPILATION)

ASSETS

ASSETS		
Cash	$	11,268
Legal judgements (note 5)		-
TOTAL ASSETS	$	11,268
LIABILITIES		
Due to management company (note 3)	$	85,117
Accounts payable		12,535
TOTAL LIABILITIES		97,652
STOCKHOLDERS' EQUITY (DEFICIT)		
Capital stock-voting, $.001 par value; 200,000,000 shares authorized; 50,016,130 shares issued and oustanding of which 3,205,534 shares are held as treasury stock		50,016
Additional paid-in capital		1,514,908
Accumulated deficit		(1,648,102)
Less treasury stock, at cost		(3,206)
Total Stockholders' Deficit		(86,384)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	11,268

See accompanying notes and independent accountants' compilation report.

VELTEX CORPORATION

STATEMENT OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2015

(A COMPILATION)

REVENUE	$ -
EXPENSES	
Management fees (note 3)	15,000
Professional fees	10,000
Rent (note 2)	3,561
Stock option expense (note 6)	9,000
Office expense	1,129
OTC compliance	3,339
Meals and entertainment	642
Transfer agent fees	2,250
Travel	1,198
Taxes and licenses	822
Various expenses	3,200
Total Expenses	50,141
LOSS FROM OPERATIONS	(50,141)
INCOME TAXES	-
NET LOSS	$ (50,141)

See accompanying notes and independent accountants' compilation report.

VELTEX CORPORATION

STATEMENT OF STOCKHOLDERS' EQUITY / (DEFICIT)

THREE MONTHS ENDED MARCH 31, 2015

(A COMPILATION)

	Common Stock Shares	Common Stock Amount	Additional Paid In Capital	Accumulated Deficit	Treasury Stock Shares	Treasury Stock Amount	Total Stockholders' Equity / (Deficit)
Balances at January 1, 2015	49,316,130	$ 49,316	$ 1,476,608	$ (1,597,961)	3,205,534	$ (3,206)	$ (75,243)
Stock option exercised (note 6)	100,000	100	8,900	-	-	-	9,000
Restricted shares issued for cash	600,000	600	29,400	-	-	-	30,000
Net loss for three month period	-	-	-	(50,141)	-	-	(50,141)
Balances at March 31, 2015	$ 50,016,130	$ 50,016	$ 1,514,908	$ (1,648,102)	$ 3,205,534	$ (3,206)	$ (86,384)

See accompanying notes and independent accountants' compilation report.

VELTEX CORPORATION
STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	$ (50,141)
Adjustments to reconcile net loss to net cash used in operating activities -	
Stock option expense	9,000
Changes in:	
Increase in due to/from fund held by management company	16,461
Decrease in accounts payable and accrued expenses	(6,500)
Net Cash Used in Operating Activities	(31,180)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from sale of common stock	30,000
Net Cash Provided by Financing Activities	30,000
NET DECREASE IN CASH	(1,180)
CASH AND CASH EQUIVALENTS:	
Beginning of period	12,448
End of period	$ 11,268
SUPPLEMENTARY DISLOSURES OF CASH FLOW INFORMATION:	
Cash payments for:	
Interest	$ -
Income Taxes	$ -

See accompanying notes and independent accountants' compilation report.

VELTEX CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

(A COMPILATION)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business - Veltex Corporation (the "Company") was incorporated in Utah September 17, 1987, and is a holding corporation, which currently maintains its corporate headquarters in Chicago, Illinois. The Company's common shares trade OTC Markets under the symbol VLXC. The Company seeks to enhance shareholder value through aggressive recuperation of lost resources and assets while maximizing the worth of those recovered. The Company is also pursuing other avenues worldwide of enhancing shareholder value. Prior to 2008, the Company operated in the textile industry.

Basis of Accounting - The financial statements of the Company have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash Equivalents - All highly liquid investments with maturities of three months or less when purchased are considered cash equivalents.

Income Taxes - The Company accounts for income taxes under the provisions of ASC 740, "Income Taxes". Deferred tax assets and liabilities are provided for temporary differences between financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled, subject to a valuation allowance where uncertainty exists as to the ultimate recoverability of net deferred tax assets. The Company's various Federal and state tax returns are subject to examination by the IRS or other taxing authorities, generally for three years after they were filed.

The last Federal tax examination was completed in February 2015 for the years ending 2004 through 2009. The result of the examination was a no change letter. Management does not believe that the results of any future examination will have a material effect on the financial position of the Company.

The income tax accounting process for uncertainty in income taxes prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. A company must determine whether it is "more-likely-than-not" that a tax position will be sustained upon examination, including resolution of any related appeals or litigation procedures, based on the technical merits of the position. Once it is determined that a position meets the "more-likely-than-not" recognition threshold, the position is measured to determine the amount of benefit to recognize in the financial statements. Management's review of the Company's possible tax positions at March 31, 2015, did not result in any positions requiring disclosure. Should the Company need to record interest and/or penalties related to uncertain tax positions, or other tax authority assessments, it would classify such expenses as part of the income tax provision.

VELTEX CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

(A COMPILATION)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The Company has evaluated subsequent events through June 25, 2015, the date which the financial statements were available to be issued.

2. LEASE OBLIGATIONS

The Company leases its corporate office space and two storage units under a sub-lease agreement in downtown Chicago Illinois. The Company currently operates on a month to month basis. Total rent expense for the three months ended March 31, 2015 was $3,561.

3. RELATED PARTY TRANSACTIONS

The Company has a management contract with a related party (First Options of Chicago Inc., a Delaware corporation) to provide the Company's management services. The Company paid First Options of Chicago Inc. $15,000 during the three months ended March 31, 2015 for management services. On January 1, 2015, First Options of Chicago Inc. was granted stock options for 100,000 shares (no exercise price). Those shares were valued at $9,000 based upon market value. At March 31, 2015, First Options of Chicago, Inc. is owed $85,117 from Veltex due to expenses paid by First Options of Chicago on behalf of Veltex.

4. GOING CONCERN

As of March 31, 2015, the Company does not have sustainable sources of revenue and income, and an accumulated deficit of $1,648,102. The Company is currently pursuing $100,078,621 in legal judgments. Management has not been able to asses the ultimate collectability of these legal judgments.

These conditions raise substantial doubt about the ability of the Company to continue as a going concern. The Company's management plans to rely on stock issuances to generate funds for current operating costs and the potential collection of its legal judgment. See note 5.

5. LEGAL JUDGMENTS

On March 26, 2012, the United States District Court for the Central District of California entered a judgment in the principal amount of $100,078,621 in favor of Veltex in the suit entitled Veltex Corporation v. Javeed Azzia Matin, et. al., Case No. CV 10 1746 ABC (PJWs). This suit was brought against the former management of the Company and others. It arose from a scheme to fraudulently convey the shares of the Company to another entity for little or no consideration. The proceeds from the sale of the shares were converted by the defendants for their own use. The judgment was classified as a fraudulent conveyance and transfer of assets by the United States District Court.

The judgment also includes $2,005,172 in damages to reimburse the Company for legal expenses. These amounts are not recorded in the legal judgments. In addition, all judgments are accruing interest at applicable interest rates. The State of California stipulates an interest rate of ten percent from the judgment date.

On November 7, 2011, the District Court of the Third Judicial District, Salt Lake County, Utah found in the matter of Fletcher v. Javeed Matin, Case No. 080907145 that the interim receiver. Which it had appointed in July 2008 to protect the Company's assets until a new Board of Directors was elected, had breached his fiduciary duties to the Company. A judgment in the amount of $57,167 was entered against the receiver on January 12, 2012, by the United States Federal Court in California. The Company is still pursuing collections on this judgment.

Various government agencies are pursuing seizure of assets against the defendants, and management is unable to determine whether the judgment is collectable in whole or in part. Management is unable to address with reasonable certainty the collectability of these legal judgments, but will continue to pursue them within its legal rights.

Following is a summary of the judgements by type and, if any portion of the amount is received, the anticipated account(s) in which the amount would be recorded. Legal judgements consist of the following as of March 31, 2015:

Judgment (additional paid in capital)	$ 100,078,621
Judgment (other income)	57,167
Attorney damages (other income)	2,005,172
Estimated accrued interest (other income)	30,905,701
Total	$ 133,046,661

6. STOCKHOLDER'S EQUITY

Stock Options

On March 10, 2009, the Company granted First Options of Chicago Inc. (related party) the right to exercise the option to purchase 100,000 shares of restricted common stock at no exercise price at the beginning of each year without expiration. The option was granted on January 1, 2015, at an estimated cost of $9,000 to the Company, based upon market value.

6. STOCKHOLDER'S EQUITY - CONTINUED

In June 2014 the Company granted certain options to board members to purchase a total of 1,500,000 shares of restricted common stock and 300,000 shares to the Company's legal counsel at an exercise price of $0.10 per share. The options vest immediately and have a term of one year. All of these options are outstanding and unexercised as of March 31, 2015.

On March 10, 2009 the Board of Directors granted First Options of Chicago Inc. the option to purchase 1,500,000 shares of restricted common stock at an exercise price of $0.01 per share. The options are fully vested and are outstanding as of March 31, 2015, without an expiration date.

Common Stock

During the three months ended March 31, 2015, the Company issued 600,000 shares of restricted common stock to a board member for $30,000.

7. INCOME TAXES

The Company has incurred losses since its inception and, therefore, has not been subject to federal income taxes. As of March 31, 2015, the Company had domestic net operating loss ("NOL") carryforwards for income tax purposes of approximately $1,293,000 which expire in 2022 through 2034 . Under the provisions of Section 382 of the Internal Revenue Code greater than 50% ownership changes that occurred in the Company may significantly limit the Company's ability to utilize its NOL carry forwards to reduce future taxable income and related tax liabilities.

Section 382 allows an owner shift any time there is a transfer of stock by a person who directly, or indirectly, owns more than 5% of the corporation and the percentage of stock of the corporation owned by one or more five percent shareholders has increased, in the aggregate, by more than 50 percentage points over the lowest percentage of stock owned by such shareholders at any time during the "testing period." The "testing period" is generally a three-year period ending on the date of any owner or equity structure shift.

The amount of post-change income that may be offset by pre-change losses is limited each year by the "Section 382 Limitation." Generally, the Section 382 Limitation is an amount equal to the value of the old loss corporation multiplied by a long-term interest rate established monthly by the Internal Revenue Service. The Company has not yet determined the qualifying events and resulting limitation that may impact utilization of net operating losses against future periods.

7. INCOME TAXES - CONTINUED

At March 31, 2015, management has recorded an allowance for the entire amount of the deferred tax asset.

Net deferred tax assets consist of the following components as of March 31:

Deferred tax assets:	
Federal and operating loss carryforwards	$ 441,000
Valuation allowance for deferred tax asset	(441,000)
	$ -