
CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

(UNAUDITED)



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To the Board of Directors and
China Good Electric, Inc. and Subsidiary

The accompanying financial statements of China Good Electric, Inc. and Subsidiary as of and for the nine months ended September 30, 2017, were not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

/s/ L&L CPAs, PA
L&L CPAs, PA
Plantation, FL
February 8, 2018

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China Good Electric, Inc. and Subsidiary
Consolidated Balance Sheets
As of September 30, 2017 and December 31, 2016
(Unaudited)

	September 30, 2017	December 31, 2016
Current Assets:		
Cash	\$ 9,431	\$ 2,822
Total current assets	<u>9,431</u>	<u>2,822</u>
Total Assets	<u>\$ 9,431</u>	<u>\$ 2,822</u>
Liabilities:		
Loans payable	\$ 101,250	\$ 81,000
Interest payable	369	-
Accrued expenses - related party	<u>271,824</u>	<u>209,364</u>
Total current liabilities	<u>373,443</u>	<u>290,364</u>
Stockholders' Deficit:		
Preferred stock (\$0.001 par value, 20,000,000 shares authorized; 0 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively)	-	-
Common stock (\$0.001 par value, 1,000,000,000 shares authorized; 15,002,516 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively)	15,003	15,003
Additional paid in capital	(14,503)	(14,503)
Retained (deficit)	<u>(364,512)</u>	<u>(288,042)</u>
Total stockholders' deficit	<u>(364,012)</u>	<u>(287,542)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 9,431</u>	<u>\$ 2,822</u>
The accompanying notes are an integral part of these consolidated financial statements		

China Good Electric, Inc. and Subsidiary
Consolidated Statements of Operations
For the Nine Months Ended September 30, 2017 and 2016
(Unaudited)

	For the nine months ended	
	September 30, 2017	September 30, 2016
Revenue	\$ 651,721	\$ 372,469
Cost of revenue	556,866	294,451
Gross profit	94,855	78,018
Operating expenses:		
Advertising and promotion	-	300
Automobile expenses	5,993	5,241
Bank Fees	378	777
Computer Systems	28	174
Donations	2,310	3,551
Freight-Out	35,893	10,762
Insurance	239	636
Legal fees	21,750	1,411
Licenses & Penalties	559	400
Meals	1,645	4,133
Miscellaneous	1,498	1,457
Office Expenses	499	1,431
Office Supplies	134	28
Officer compensation	90,000	90,000
Postage and Delivery	17	1,004
Rent	1,643	9,787
Rental Equipment	872	319
Security Services	51	192
Telephone/Communication	6,562	3,541
Travel/Entertainment	20	371
Utilities	817	-
Yarda	48	905
Total operating expenses	170,956	136,420
Operating (loss)	(76,101)	(58,402)
Other expenses:		
Interest expense	(369)	-
Total other expenses	(369)	-
(Loss) before income tax	(76,470)	(58,402)
Income tax expense	-	-
Net (loss)	(76,470)	(58,402)
Net (loss) per share:		
Basic and diluted	\$ (0.01)	**
Weighted average number of shares		
Basic and diluted	15,002,516	15,002,516

** Less than \$.01

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

China Good Electric, Inc. and Subsidiary
Consolidated Statements of Cash Flows
For the Nine Months Ended September 30, 2017 and 2016
(Unaudited)

	For the nine months ended	
	September 30, 2017	September 30, 2016
Cash flows from operating activities:		
Net (loss)	\$ (76,470)	\$ (58,402)
Adjustments to reconcile net income to net cash (used in) operating activities:		
Changes in operating assets and liabilities:		
Increase in accounts payable	20,250	-
Increase in interest payable	369	-
Increase in accrued expenses - related party	62,460	50,855
Net cash (used in) operating activities	6,609	(7,547)
Net increase in cash and cash equivalents	6,609	(7,547)
Cash and cash equivalents at the beginning of the quarter	2,822	7,048
Cash and cash equivalents at the end of the quarter	\$ 9,431	\$ (499)
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

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

China Good Electric, Inc. and Subsidiary
Consolidated Statements of Changes in Stockholders' Deficits
For the Years Ended December 31, 2016, and For the Period ended September 30, 2017
(Unaudited)

	Preferred shares		Common Stock		Treasury Stock	Additional		Accumulated Deficits	Total
	Shares	Amount	Shares	Amount		Paid-In Capital			
Balances at December 31, 2015	-	\$ -	15,002,516	\$ 15,003	\$ -	\$ (14,503)	\$	(178,361)	\$ (177,861)
Net (loss)			-	-				(109,681)	(109,681)
Balances at December 31, 2016	-	\$ -	15,002,516	\$ 15,003	\$ -	\$ (14,503)	\$	(288,042)	\$ (287,542)
Net (loss)			-	-				(76,470)	(76,470)
Balances at September 30, 2017	-	\$ -	15,002,516	\$ 15,003	\$ -	\$ (14,503)	\$	(364,512)	\$ (364,012)

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

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 1 – BASIS OF PRESENTATION

The accompanying financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) under the accrual basis of accounting. All inter-company balances and transactions have been eliminated in consolidation. The Company has adopted a December 31 year end.

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND

China Good Electric Inc. (the “Company”) was incorporated as Triangle Uranium Corporation. On May 17, 1984, the Company changed its name to Planisol, Inc., and on October 10, 2007, the Company changed its name to China Good Electric, Inc. The Company was administratively abandoned and reinstated in September 2017 through a court appointed guardian – Custodian. The Company’s common shares are quoted on the “Pink Sheets” quotation market under the symbol “CGDL”.

In October 2017, the Board of Directors of the Company approved to issue 60,000 control shares of Convertible Preferred Series A Stock to Mr. Orlando Hernandez, for its services in connection with reorganization of the Company and as consideration for the acquisition of Victory Yacht Sales Corp. Such issuance gave Mr. Hernandez a majority of the then issued and outstanding voting power, or 80%, of the Company, resulting in a change in control of the Company. Mr. Hernandez was also the holder of 100% interest of Victory Yacht Sales Corp., our operating subsidiary organized and exiting under the laws of the State of Florida (“Victory”).

On October 30, 2017, the Company entered into a Plan of Exchange with Victory Yacht Sales Corp., a corporation organized and exiting under the laws of the State of Florida (“Victory”), pursuant to which the Company acquired 100% of the Capital Shares of Victory in exchange for an issuance by the Company of 20,000,000 shares of Common Stock to Victory Shareholders, and/or their assigns. The above issuance gave Victory Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 57% of the issued and outstanding shares of the Company’s Common Stock. The Company and Victory were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Victory, and Victory became wholly-owned operating subsidiary of the Company.

The transaction has been accounted for as a reverse acquisition and recapitalization of the Company whereby Victory deemed to be the accounting acquirer (legal acquiree) and the Company to be the accounting acquiree (legal acquirer). The accompanying consolidated financial statements are in substance those of Victory, with the assets and liabilities, and revenues and expenses, of the Company being included effective from the date of stock exchange transaction. The Company is deemed to be a continuation of the business of Victory. Accordingly, the accompanying consolidated financial statements include the following:

- (1) The balance sheet consists of the net assets of the accounting acquirer at historical cost and the net assets of the accounting acquiree at historical cost;
- (2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented and the operations of the accounting acquiree from the date of stock exchange transaction.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND (CONTINUED)

China Good Electric Inc., a Nevada corporation, and Victory Yacht Sales Corp., a Florida corporation, are hereinafter referred to as the “Company”.

The Company, through its wholly-owned subsidiary, is a world class yacht sales, brokerage and consulting firm with a founder that has over 25 years of experience in the boating industry, from building world class offshore center console boats such as Midnight Express, Latitude Powerboats, Apache and Cigarette. The Company has partnered with selective world class yacht manufacturers as Johnson Yachts, Mazu Yachts, Sunreef Luxury Catamarans, Heliothrope Catamarans as well as yacht tenders manufacturer Argos Nautic.

NOTE 3 – GOING CONCERN UNCERTAINTIES

These financial statements have been prepared assuming that Company will continue as a going concern, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future.

As of September 30, 2017, the Company had an accumulated deficit of \$364,512. Management has taken certain action and continues to implement changes designed to improve the Company’s financial results and operating cash flows. The actions involve certain - growing strategies, including - expansion of the business model into new markets. Management believes that these actions will enable the Company to improve future profitability and cash flow in its continuing operations through December 31, 2018. As a result, the financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of the Company’s ability to continue as a going concern.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying condensed consolidated financial statements reflect the application of certain significant accounting policies as described in this note and elsewhere in the accompanying condensed consolidated financial statements and notes.

Use of estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. These accounts and estimates include, but are not limited to, the valuation of accounts receivables, inventories, income taxes and the estimation on useful lives of property, plant and equipment. Actual results could differ from these estimates.

Basis of consolidation

The condensed consolidated financial statements include the accounts of the Company and its subsidiary, Victory Yacht Sales Corp. All significant inter-company balances and transactions within the Company have been eliminated upon consolidation.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less as cash equivalents. As of September 30, 2017, the Company had no cash or cash equivalent balances in excess of the federally insured amounts, respectively. The Company's policy is to invest excess funds in only well capitalized financial institutions.

Fixed assets

Fixed assets are carried at cost. Depreciation is computed using the straight-line method of depreciation over the assets estimated useful lives. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of fixed assets are sold or retired, the related cost and accumulated depreciation is removed from the accounts and any gain or loss is included in income.

Fair value for financial assets and financial liabilities

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

- | | |
|---------|---|
| Level 1 | Quoted market prices available in active markets for identical assets or liabilities as of the reporting date. |
| Level 2 | Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. |
| Level 3 | Pricing inputs that are generally observable inputs and not corroborated by market data. |

The carrying amounts of the Company's financial assets and liabilities, such as accounts payable and accrued expenses approximate their fair values because of the short maturity of these instruments.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis, consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at September 30, 2017 nor gains or losses are reported in the statement of operations that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date for the period ended September 30, 2017.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stock based compensation

The Company recognizes compensation costs to employees under FASB Accounting Standards Codification 718 “*Compensation - Stock Compensation*” (“ASC 718”). Under ASC 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share based compensation arrangements include stock options and warrants. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB Accounting Standards Codification 505, *Equity Based Payments to Non-Employees*. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

Income taxes

Income taxes are determined in accordance with ASC Topic 740, “*Income Taxes*” (“ASC 740”). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of income in the period that includes the enactment date. A valuation allowance is provided for deferred tax assets if it is more likely than not these items will either expire before the Company is able to realize their benefits, or that future deductibility is uncertain.

For the period ended September 30, 2017, the Company did not have any interest and penalties associated with tax positions. As of September 30, 2017, the Company did not have any significant unrecognized uncertain tax positions.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net loss per share

The Company reports earnings (loss) per share in accordance with FASB Accounting Standards Codification 260 “*Earnings per Share*” (“ASC 260”). This statement requires dual presentation of basic and diluted earnings (loss) with a reconciliation of the numerator and denominator of the earnings (loss) per share computations. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. If applicable, diluted earnings per share assume the conversion, exercise or issuance of all common stock instruments such as options, warrants and convertible securities, unless the effect is to reduce a loss or increase earnings per share. Therefore no diluted loss per share figure is presented. There were no adjustments required to net loss for the periods presented in the computation of basic loss per share.

The Company has not issued any options or warrants or similar securities since inception.

Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The consolidated financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Subsequent events

The Company adopted FASB Accounting Standards Codification 855 “*Subsequent Events*” (“ASC 855”) to establish general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting standards

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers (Topic 606),” on revenue recognition. This guidance provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The original effective date of this guidance was for interim and annual reporting periods beginning after December 15, 2016, early adoption is not permitted, and the guidance must be applied retrospectively or modified retrospectively. In July 2015, the FASB approved an optional one-year deferral of the effective date. As a result, we expect to adopt this guidance on January 1, 2018. We have not yet determined our approach to adoption or the impact the adoption of this guidance will have on our financial position, results of operations or cash flows, if any.

In February 2016, the FASB issued an accounting standards update which modifies the accounting for leasing arrangements, particularly those arrangements classified as operating leases. This update will require entities to recognize the assets and liabilities arising from operating leases on the balance sheet. This guidance is effective for fiscal and interim periods beginning after December 15, 2018 and is required to be applied retrospectively to all leasing arrangements. We are currently assessing the effects this guidance may have on our financial statements.

Other pronouncements issued by the FASB or other authoritative accounting standards groups with future effective dates are either not applicable or are not expected to be significant to the Company’s financial position, results of operations or cash flows.

NOTE 5 – ACCRUED EXPENSES – RELATED PARTY

As of September 30, 2017 and December 31, 2016, the balance of accrued expenses – related party were \$271,824 and \$209,364, respectively, which were due primarily to accrued compensation to its Chief Executive Officer, Mr. Orlando Hernandez. On August 12, 2014, the Company entered into an Employment Agreement with Mr. Hernandez for his contribution and work as the Company’s Chief Executive Officer, pursuant to which, Mr. Hernandez was entitled to receive \$10,000 per month up to September 30, 2019. Accordingly, the Company recognized a total of \$90,000 in expenses during the nine months ended September 30, 2017 and 2016, respectively.

NOTE 6 – CONVERTIBLE NOTES PAYABLE

On September 15, 2017, the Company issued its creditor an 11.22% promissory note in the principal amount of \$33,750 (“Note 1”) to settle the account payable as of September 30, 2017 in amount of \$33,750. Note 1 is due on March 15, 2018 and bears the interest at a rate of 11.22% per annum. According to Note 1, both principal and accrued interest should be converted into shares of Common Stock of the Company at 75% discount to the closing bid price on the day immediately prior to the conversion date. Since there was no trading market of the Company’s common stock and Note 1 was not able to be readily converted into cash, the Company believed there was no derivative liability related to Note 1. For the nine months ended September 30, 2017, the Company recorded interest expenses related to Note 1 in amount of \$158, which was included in accrued interest payable as of September 30, 2017.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 6 – CONVERTIBLE NOTES PAYABLE (CONTINUED)

On September 15, 2017, the Company issued its creditor a 7.5% promissory note in the principal amount of \$67,500 (“Note 2”) to settle the account payable as of September 30, 2017 in amount of \$67,500. Note 2 is due on March 15, 2018 and bears the interest at a rate of 7.5% per annum. According to Note 2, both principal and accrued interest should be converted into shares of Common Stock of the Company at 75% discount to the closing bid price on the day immediately prior to the conversion date. Since there was no trading market of the Company’s common stock and Note 2 was not able to be readily converted into cash, the Company believed there was no derivative liability related to Note 2. For the nine months ended September 30, 2017, the Company recorded interest expenses related to Note 2 in amount of \$211, which was included in accrued interest payable as of September 30, 2017.

NOTE 7 – CAPITAL STRUCTURE

The Company filed an Amendment to Articles of Incorporation to increase its authorized Common Stock, \$.001 par value, to 1,000,000,000 shares, and authorized Preferred Stock to 20,000,000 shares, \$.001 par value. Out of the 20,000,000 shares of Preferred Stock, 5,000,000 shares were further designated as Convertible Preferred Series A Stock, each share of which has a conversion ratio of 1:1,000 and is entitled to one thousand vote on any and all matters considered and voted upon by the Corporation's Common Stock. As of September 30, 2017 and December 31, 2016, the Company had 15,002,516 shares of Common Stock and 0 shares of Convertible Preferred Series A Stock issued and outstanding.

NOTE 8 – NET LOSS PER SHARE

The following table sets forth the computation of basic net loss per share for the nine months ended September 30, 2017 and 2016, respectively:

	September 30, 2017	September 30, 2016
Numerator:		
- Net (loss)	\$ (76,470)	\$ (58,402)
Denominator:		
- Weighted average shares outstanding – basic and diluted	15,002,516	15,002,516
Net loss per share – basic and diluted	\$ (0.01)	**

** Less than \$.01

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Company has a month-to-month arrangement for the use of space.

For the nine months ended September 30, 2017 and 2016, rent expense was \$1,643 and \$9,787, respectively.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

NOTE 10 – SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to September 30, 2017 to the date these financial statements were issued. The Company does not have any material subsequent events to disclose in these financial statements other than the followings.

In October 2017, the Board of Directors of the Company approved to issue 60,000 control shares of Convertible Preferred Series A Stock to Mr. Orlando Hernandez, for its services in connection with reorganization of the Company and as consideration for the acquisition of Victory Yacht Sales Corp. Such issuance gave Mr. Hernandez a majority of the then issued and outstanding voting power, or 80%, of the Company, resulting in a change in control of the Company. Mr. Hernandez was also the holder of 100% interest of Victory Yacht Sales Corp., our operating subsidiary organized and exiting under the laws of the State of Florida (“Victory”).

In October 2017, the Board of Directors of the Company approved to issue 500,000 shares of Common Stock to Small Cap Compliance LLC for its services as Custodian to the Company.

On October 30, 2017, the Company entered into a Plan of Exchange with Victory Yacht Sales Corp., a corporation organized and exiting under the laws of the State of Florida (“Victory”), pursuant to which the Company acquired 100% of the Capital Shares of Victory in exchange for an issuance by the Company of 20,000,000 shares of Common Stock to Victory Shareholders, and/or their assigns. The above issuance gave Victory Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 57% of the issued and outstanding shares of the Company's Common Stock. The Company and Victory were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Victory, and Victory became wholly-owned operating subsidiary of the Company.

On October 30, 2017, the Company issued an unrelated Consultant (the “Consultant”) a 15% promissory note (the “Services Note”) in the principal amount of \$85,000 for services rendered, pursuant to which the Consultant, at his options, is entitled to convert all or any portion of the accrued interest and unpaid principal balance of the Services Note into the shares of the common stock of the Company at a conversion price of 50% of the lowest trading price for the last twenty (20) trading days immediately prior to but not including the Conversion Date.

CHINA GOOD ELECTRIC, INC. AND SUBSIDIARY
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

I, Orlando Hernandez, certify that:

1. I have reviewed the consolidated Financial Statements for the nine months ended September 30, 2017 of China Good Electric, Inc. and Subsidiary.
2. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference hereto, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented hereto.

Date: February 8, 2018

/s/: Orlando Hernandez
Orlando Hernandez
Chief Executive Officer