

ENERLABS, INC.
FINANCIAL STATEMENTS
October 31, 2016

Together with Accountant's Compilation Report

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Accountants' Compilation Report

ENERLABS, INC.
Board of Directors:

Management is responsible for the accompanying financial statements of Enerlabs, Inc., which comprise the consolidated balance sheets as of October 31, 2016 and January 31, 2016 and the related consolidated statements of income for the three and nine months ended October 31, 2016 and 2015 and the consolidated statements of changes in cash flows for the nine months ended October 31, 2016 and 2015, in accordance with principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles in the United States. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and changes in cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Leslie G. Pettitt, PC

Bethany, Oklahoma

December 16, 2016

ENERLABS, INC.
CONSOLIDATED BALANCE SHEETS

	October 31, <u>2016</u>	January 31, <u>2016</u>
ASSETS		
Current Assets		
Cash	\$ -	\$ -
Other receivables	300	-
Current assets from discontinued operations	-	262,778
Total Current Assets	<u>300</u>	<u>262,778</u>
Property and Equipment		
Property and equipment of discontinued operations	-	79,794
	<u>-</u>	<u>79,794</u>
Other assets of discontinued operations	-	436,703
	<u>-</u>	<u>436,703</u>
Total Assets	<u>\$ 300</u>	<u>\$ 779,275</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	\$ -	\$ -
Current assets of discontinued operations	-	1,516,123
Total Current Liabilities	<u>-</u>	<u>1,516,123</u>
Other liabilities of discontinued operations	-	11,987
Total Liabilities	<u>-</u>	<u>1,528,110</u>
Stockholders' Equity		
Preferred stock, \$0.0001 par value, 20,000,000 share authorized, no shares issued and outstanding October 31, 2016 and January 31, 2016, respective	-	-
Common stock, \$.001 par value 100,000,000 shares authorized 15,999,944 and 12,367,184 shares issued and outstanding at October 31, 2016 and January 31, 2016 respectively	16,000	12,367
Additional paid in capital	21,591,060	20,928,611
Retained (deficit)	(21,606,760)	(21,689,813)
Total Stockholders' Equity	<u>300</u>	<u>(748,835)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 300</u>	<u>\$ 779,275</u>

See Accountants' Compilation Report.

ENERLABS, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2016 AND 2015

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Operating income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income from continuing operations before Income Taxes	-	-	-	-
Provision for income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income from continuing operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) from discontinued operations	<u>117,004</u>	<u>(62,919)</u>	<u>83,053</u>	<u>(5,313)</u>
Net loss	<u><u>\$ 117,004</u></u>	<u><u>\$ (62,919)</u></u>	<u><u>\$ 83,053</u></u>	<u><u>\$ (5,313)</u></u>
Net (Loss) per Share, Basic and Diluted				
From continuing operations	\$ -	\$ -	\$ -	\$ -
From discontinued operations	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>
Total	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Weighted average of number of shares outstanding	<u>11,872,619</u>	<u>13,817,184</u>	<u>12,201,126</u>	<u>13,435,968</u>

See Accountants' Compilation Report.

ENERLABS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED OCTOBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Net Income (Loss)	\$ 83,053	\$ (5,313)
Adjustments to reconcile net loss to net cash used by operating activities		
Other receivables	(300)	
Operating cashflows from discontinued operations	<u>(82,753)</u>	<u>(87,046)</u>
Net Cash Flows Used By Operating Activities	(0)	(92,359)
Cash Flows From Investing Activities		
Investment activities from discontinued operations	<u>-</u>	<u>(17,001)</u>
Net Cash Used In Investing Activities	-	(17,001)
Cash Flows from Financing Activities		
Financing activities from discontinued operations	<u>-</u>	<u>109,360</u>
Net Cash Provided By Financing Activities	-	109,360
Increase (Decrease) in Cash	-	-
Cash at Beginning of Period	-	-
Cash at End of Period	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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