Orbital Enterprises, Inc.

FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

SEPTEMBER 30, 2016

(UNAUDITED)

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Orbital Enterprises, Inc.

BALANCE SHEET

September 30, 2016

ASSETS		
Current Assets		
Cash and cash equivalents	$	50,038
Loans / Notes receivable		357,153
Total Current Assets		407,191
Fixed Assets		
Equipment, furniture and vehicles		2,846
Less: Accumulated depreciation		(142)
Total Fixed Assets		2,704
Other Assets		
Total Other Assets		-
TOTAL ASSETS		409,895
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accrued interest		433,647
Loans payable		132,580
Notes payable		1,293,270
Officer loan		7,700
Total Current Liabilities		1,867,197
Equity		
Common stock		66,630
Additional paid-in capital		712,006
Retained earnings		(2,195,988)
Net loss		(39,950)
Total Deficit		(1,457,302)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	$	409,895

Orbital Enterprises, Inc.

STATEMENT OF OPERATIONS

For the Three Months Ended September 30, 2016

REVENUE	
COST OF GOODS SOLD	-
GROSS PROFIT	-
EXPENSES	
Accounting	2,000
Automobile expenses	71
Bank service and credit card processing fees	69
Computer and internet expenses	17
Depreciation	142
Interest expense and other financing costs	22,616
Office expenses	3,564
Outside services	50,834
Legal and professional fees	3,500
Rent and storage costs	400
Travel and entertainment	458
Utilities	122
TOTAL OPERATING EXPENSES	83,793
OPERATING INCOME (LOSS)	(83,793)
OTHER INCOME AND EXPENSES	
Accrued Interest Adjustment	43,843
TOTAL OTHER INCOME AND EXPENSES	43,843
NET LOSS	$ (39,950)

Orbital Enterprises, Inc.

STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT
For the Three Months Ended September 30, 2016

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
BALANCE AT June 30, 2014	$ 16,630	$ 712,006	$ (1,677,751)	$ (949,115)
Capital contributed	-	-	-	-
Net loss for the period			(287,716)	(287,716)
BALANCE, June 30, 2015	$ 16,630	$ 712,006	$ (1,965,467)	$ (1,236,831)
Capital contributed	-	-	-	-
Net loss for the period			(230,521)	(230,521)
BALANCE, June 30, 2016	$ 16,630	$ 712,006	$ (2,195,988)	$ (1,467,352)
Capital contributed	50,000	-		50,000
Net loss for the period			(39,950)	(39,950)
BALANCE, September 30, 2016	$ 66,630	$ 712,006	$ (2,235,938)	$ (1,457,302)

Orbital Enterprises, Inc.

STATEMENT OF CASH FLOWS

For the Three Months Ended September 30, 2016

Cash flows from operating activities		
Net Loss	$	(39,950)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation		142
(Increase) decrease in inventory		-
(Increase) decrease in loans / notes receivable		(294,426)
(Increase) decrease in other assets		-
Increase (decrease) in accounts payable		-
Increase (decrease) in accrued interest		(21,228)
Increase (decrease) in deferred revenue		-
Net cash used in operating activities		(355,462)
Cash flows from investment activities		
Purchase of fixed assets		-
Net cash used in investing activities		-
Cash flows from financing activities		
Common stock		50,000
Net advances from (repayments to) officers		-
Loan (repayments)		-
Note proceeds		-
Net cash provided by financing activities		50,000
Increase (decrease) in cash and cash equivalents		(305,462)
Cash and cash equivalents, beginning of period		355,500
Cash and cash equivalents, end of period	$	50,038

Orbital Enterprises, Inc.
Notes to Financial Statements

Note 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Orbital Enterprises, Inc. (the "Company") was organized as Inter-Continental Services Corp., a Kansas corporation. On December 22, 2005, the Company changed its state of domicile to Nevada and changed its name to Orbital Enterprises. The Company was dormant from January 2003 through June 2005. On June 4, 2007, the Company reverse split its common stock 100 to 1 and on June 30, 2007 the Company acquired some of the assets of The Berlian Group, Inc., for 10 million shares of the Company's common stock.

On July 15, 2008, the Company entered into an agreement to acquire 100% of Lareneg, Inc. dba General Electronics ("Lareneg") of San Diego, California in a stock exchange. This agreement stipulated that no tax liens existed. Before such shares were issued to the Company, corporate counsel was notified by the IRS of an existing tax lien exceeding $60,000. As a result, the contract was cancelled and instead a license agreement to use the name Orbital was granted Lareneg.

On January 15, 2008, the Company acquired 100% of Media Masters of Las Vegas, Nevada in a stock exchange.

On July 15th of 2011, CEO Robert Meyer accepted the resignation of Carlos Arreola as Director and Vice President and Robert Cashman as Director and CFO of the Company. Mr. Cashman had filed a UCC1 with the State of California that allowed all Company assets and divisions to be forfeited to an entity Mr. Cashman controlled, Hallmark Venture Group, Inc ("Hallmark").

Mr. Meyer agreed to allow Hallmark continue to use the corporate location in exchange for rent payments for 90 days., At the end of this period Mr. Meyer was informed by an employee that during the previous night, and under Mr. Cashman's orders, all assets including but not limited to, corporate records, servers, phone systems, furniture, test equipment, vehicles, and even Mr. Meyer's personal effects had been misappropriated by Hallmark and its subsidiary Service Team Inc. Orbital Enterprises corporate attorneys, Gaston & Gaston were immediately notified of the misappropriation of assets. After the theft and seizure of the assets, it became clear that the UCC1 filed by Robert Cashman was fraudulent, and was subsequently removed by the State of California, thus allowing the company to move forward with a lawsuit against the aforementioned former Directors. On August 12th 2012 the Company filed a lawsuit for breach of fiduciary duty, claim and delivery, interference with economic advantage, and indemnification (Case Number 37-2012-00101746-CU-BT-CTL Filed with the Superior Court of the State of California, County of San Diego [Central]).

The case was settled in binding arbitration in 2014, with Messrs. Cashman and Arreola indemnifying Orbital Enterprises and Robert Meyer personally for all actions caused by them. Mr. Cashman agreed to pay up to 30,000 Dollars to Orbital Enterprises to cover costs, return all stolen items, and deliver to Mr. Meyer separately an asset with a value of at least $100,000. To date Mr. Cashman and Mr. Arreola have failed to meet any of their court ordered obligations.

GreenTech Group NA, Inc. ("GreenTech") was formed in April of 2011 as a subsidiary of Orbital Enterprises to become an electronic service warranty provider. GreenTech closed January 2016.

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The Company's policy is to prepare its financial statements in accordance with accounting principles generally accepted in the United States of America under the accrual basis of accounting which generally records items under historical cost and sometimes requires the use of estimates and assumptions. The accrual basis of accounting records revenue in the period earned rather than when received and records expenses in the period incurred rather than when paid. The estimates and assumptions used could affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The fair value of financial instruments classified as current assets or liabilities approximate their carrying value due to the short-term maturity of the instruments.

Estimates

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States of America. These principles require 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Commitments and Contingencies

The Company follows ASC 440, *Commitments* and ASC 450, *Loss Contingencies*, to report accounting for commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were no commitments or contingencies at September 30, 2016.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, ranging from three to seven years. Expenditures for additions and improvements are capitalized, while repair and maintenance costs are expensed as incurred. Depreciation for the three months ended September 30, 2016 is $142.

Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Amounts collected on trade accounts receivable are included in net cash provided by operating activities in the cash flow statements. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowance, management considers a number of factors, including historical losses, current receivables aging reports, the counter party's current ability to pay its obligations to the Company, and existing industry trends. The company reviews its allowances every month. Past due invoices over 90 days that exceed a specific amount are reviewed individually for collectability. During the three months ended September 30, 2016, the allowance for doubtful accounts was $0. The Company does not have any off-balance sheet exposure related to its customers.

Note 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Inventory

Inventory is valued at the lower of cost (on a first-in, first-out (FIFO) basis) or market. The Company purchases its inventory directly from various manufactures and includes these costs in its Cost of Sales as well as its packaging supplies, shipping, freight and duties costs. The Company evaluates inventory for items that have become obsolete. An allowance for obsolescence is established for items that are deemed not able to be sold. Currently there is no inventory.

Revenue Recognition

The Company applies provisions of ASC 605, which provides guidance on the recognition, presentation and disclosure of revenue in financial statements. ASC 605 outlines the basis criteria that must be met to recognize revenue and provides guidance for disclosure related to revenue recognition policies. In general, the Company recognizes revenue related to goods and services proved when (i) persuasive evidence of an arrangement exists, (ii) delivery has ccurred or services have been rendered, (iii) the fee is fixed or determinable, and (iv) collectability is reasonably assured.

Long-Lived Assets

Long-lived assets include equipment and intangible assets other than those with indefinite lives. We assess the carrying value of our long-lived asset groups when indicators of impairment exist and recognize an impairment loss when the carrying amount of a long-lived asset is not recoverable from the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Indicators of impairment include significant underperformance relative to historical or projected future operating results, significant changes in our use of the assets or in our business strategy, loss of or changes in customer relationships and significant negative industry or economic trends. When indications of impairment arise for a particular asset or group of assets, we assess the future recoverability of the carrying value of the asset (or asset group) based on an undiscounted cash flow analysis. If carrying value exceeds projected, net, undiscounted cash flows, an additional analysis is performed to determine the fair value of the asset (or asset group), typically a discounted cash flow analysis, and an impairment charge is recorded for the excess of carrying value over fair value. Property and equipment are recorded at historical cost less accumulated depreciation, unless impaired. Depreciation is charged to operations over the estimated useful lives of the assets using the straight-line. Upon retirement or sale, the historical cost of assets disposed of and the related accumulated depreciation are

Note 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

removed from the accounts and any resulting gain or loss is recognized. Expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which are as follows:

Automobiles and Equipment	3-5 years
Computer Software	3 years
Leasehold Improvements	3 years

Income Taxes

The company follows ASC 740, Income Taxes. Deferred tax assets or liabilities are recorded to reflect the future tax consequences of temporary differences between the financial reporting basis of assets and liabilities and their tax basis at each year end. These amounts are adjusted, as appropriate, to reflect enacted changes in tax rates expected to be in effect when the temporary differences reverse.

The Company records deferred tax assets and liabilities based on the differences between the financial statement and tax bases of assets and liabilities and on operating loss carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized.

Recently Issued Accounting Pronouncements

The Company does not believe that the adoption of any recently issued, but not yet effective, accounting standards will have a material effect on its financial position and results of operations.

Note 2 – RELATED PARTY TRANSACTIONS

From the company's inception through and including the three months ended September 30, 2016, the Company received financial assistance to develop and advance operations. The Company received funds primarily from related parties, such as friends and families in addition to assistance from officers of the Company. The amounts due are all non-interest bearing.

Note 3 – INCOME TAXES

Deferred income tax assets as of September 30, 2016 resulting from net operating losses have been fully offset by valuation allowances. The valuation allowances have been established equal to the full amounts of the deferred tax assets, as the Company is not assured that is more likely than not that these benefits will be realized.

Components of deferred tax assets were approximately as follows:

At September 30	2016
Net operating loss	2,195,988
Asset impairment	0
Valuation allowance	(2,195,988)
Total	0

At September 30, 2016, the Company has available net operating losses of approximately $2,196,000 which may be carried forward to apply against future taxable income. These losses expire at various points in time over the next twenty years. Deferred tax assets related to these losses have not been recorded due to uncertainty regarding their utilization.

The provisions of ASC 740 require companies to recognize in their financial statements the impact of a tax position if that position is more likely than not to be sustained upon audit, based upon the technical merits of the position. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure.

Management does not believe that the Company has any material uncertain tax positions requiring recognition or measure in accordance with the provision of ASC 740. Accordingly, the

adoption of these provisions of ASC 740 did not have a material effect on the Company's financial statements. The Company's policy is to record interest and penalties on uncertain tax positions, if any, as income tax expense.

Orbital Enterprises, Inc.
Notes to Financial Statements

Note 4 – NOTES AND LOANS PAYABLE

The Company has Notes Payable to the following individuals:

Note Holder		Amount	Interest Rate	Due Date
Craig Harper	$	100,000	10.0%	On demand
Cynthia Kohl and Chris Miller		8,000	0.0%	4/16/2011
Janathin Miller		35,000	9.9%	On demand
Jim & Sherrie Flood		125,000	10.0%	11/10/2011
Margaret O'Dell		10,000	0.0%	On demand
Roger Isorena		102,000	9.0%	On demand
Lawrence Zynda		42,000	8.0%	On demand
Milton McShane		10,000	8.0%	On demand
Noel Krantz		95,250	8.0%	On demand
Gary Lewis		175,000	8.0%	On demand
Yanhar Orb		7,000	8.0%	On demand
VolleyBall Etc		1,000	8.0%	On demand
Erin Marie McCronich		5,000	8.0%	On demand
PRB. LLC		450,000	8.0%	On demand
M.S. Bridge		50,000	8.0%	On demand
Melinda Silva, M.D. PC		22,000	8.0%	On demand
Debra K. Farrow		11,020	0.0%	On demand
		10,000	0.0%	On demand
		20,000	0.0%	On demand
		15,000	0.0%	On demand
TOTAL	$	1,293,270		

Note 4 – NOTES AND LOANS PAYABLE - CONTINUED

As of September 30, 2016 an officer and shareholder has advanced the Company $7,700. This obligation bears no interest.

At September 30, 2016 short-term loans payable total $132,580. Included in this amount is $131,080 due SpectralCast, Inc. These obligations bear no interest.

Accrued interest on all notes and loans as of September 30, 2016 is $433,647.

Note 5 – PURCHASE AGREEMENTS

On June 30, 2007, the Company entered into an Asset Purchase Agreement with The Berlian Group whereby the Company issues 10,000,00 common shares at $0.05 per share for selected assets with a value of $500,000.

On June 30, 2010, the Company returned computer programs included in the Asset Purchase Agreement with a value of $245,000 in exchange for the return of 2,000,000 shares of Orbital Enterprises, Inc. stock valued at $0.05 per share.

On July 15, 2007, the Company entered into a stock purchase agreement to acquire 100% of the stock of Lareneg, Inc., dba General Electronics, a San Diego, California based television repair and electronics company of 330,00 shares of Orbital Enterprises common stock.

On January 15, 2008, the Company entered into a stock purchase agreement to acquire 100% of the outstanding stock of Media Masters, Inc., a Las Vegas based television repair and installation company for 100,000 shares of Orbital Enterprises, Inc. common stock.

Note 6 – EQUITY

The Company is not authorized to issue preferred stock and has no preferred stock outstanding.

At December 23, 2005, the Company had 75,000,000 common shares authorized with a par value of $0.001 per share. There are 18,515,260 shares outstanding as of September 30, 2016.

Note 7 – GOING CONCERN

These financial statements are presented on the basis that the Company is a going concern. Going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time.

Note 7 – GOING CONCERN - CONTINUED

As shown in the accompanying financial statements, the Company had incurred cumulative losses of $2,235,938 as of September 30, 2016. The Company's existence from inception through the current period has been dependent upon advances from the Company's officers and a small number of equity and debt investors.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.