

Lot78, Inc.

Quarterly Report

For Period End

March 31, 2016

CURRENT INFORMATION REGARDING

Lot78, Inc. **A Nevada corporation**

The following information is furnished to assist with "due diligence" compliance. The information is furnished pursuant to Rule 15c2-11 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended: The items and attachments generally follow the format set forth in Rule 15c2-11.

1. Exact name of Company and its predecessor (If any)

The exact name of the issuer is Lot78, Inc. (herein sometimes called the "Company" or the "Issuer").

The Company was incorporated in the State of Nevada on June 27, 2008 under the name "Global Club, Inc." The original business plan of the Company was to develop a wide range of loyalty programs based on a system of "Global Club points" awarded for purchases made in associated establishments. The Company was not successful in implementing its Global Club points business model on a large-scale basis, and pursued alternative business opportunities and potential acquisition partners. On March 14, 2011, the Company filed a Certificate of Amendment with the Secretary of State of Nevada changing the name of the Company to "Bold Energy, Inc."

On November 12, 2012, the Company, then under the name Bold Energy, Inc., entered into a Share Exchange Agreement (with Anio Limited ("Anio Ltd."), a limited liability company established under the laws of the United Kingdom, which conducts its primary line of business under the name Lot78, Inc., the shareholders of Anio Ltd., and the controlling stockholders of the Company. Pursuant to the Share Exchange Agreement, the Company acquired 11,510 (100%) shares of common stock of Anio Ltd. from the Anio Ltd. Shareholders and in exchange issued 31,909,654 pre-split (54.26%) restricted shares of its common stock to the Anio Ltd. Shareholders. The Share Exchange Agreement contains customary representations, warranties and conditions to closing. The closing of the Share Exchange Agreement occurred on February 4, 2013. As a result of the Share Exchange Agreement, Anio Ltd. became a wholly-owned subsidiary of the Company and the Company now carries on the business of Anio Ltd. as its primary business. Effective May 14, 2013, the Company changed its fiscal year end from July 31st to September 30th to align its fiscal year end with that of Anio Ltd. Anio Ltd. subsequently changed its name to Lot78 UK Ltd. on March 28, 2013.

On July 15, 2016, the Company entered into a Letter of Intent to merge with Compound Holdings, LLC, a Connecticut limited liability company. Subsequently, on July 18, 2016, the Company and Compound Holdings LLC entered into a definitive Agreement and Plan of Merger. Pursuant to the plan of merger, upon closing, the Company intends to change its name to Compound Holdings, Inc.

2. Address of its principal executive offices

A. Company Headquarters

One Technology Way
Tolland, CT 06084

Phone: (860) 308-2054
Email: dave@juicebar.com
Website: www.juicebar.com

B. Investor Relations Contact

Pacifix Financial Ltd.
2100 Manchester Road Suite 615
Wheaton, IL 60187

Phone: 888.611.7716
Email: at@pacifixfinancial.com
Website: www.pacifixfinancial.com

3. Security Information

A. The Company's Amended Articles of Incorporation authorize it to issue up to One Billion (1,000,000,000) shares of common stock, par value \$0.001 per share. The Company's Amended Articles of Incorporation also provide for the issuance of up to Ten Million (10,000,000) shares of preferred stock, no par value

Trading Symbol:	LOTE
Exact Title & Class of Securities Outstanding:	Common
CUSIP:	54567W200
Par or Stated Value:	\$0.001 per Share
Total Shares Authorized (as of July 26, 2016)	1,000,000,000
Total Shares Outstanding (as of July 26, 2016)	782,563,636

Trading Symbol:	None
Exact Title & Class of Securities Outstanding:	Preferred
CUSIP:	None
Par or Stated Value:	None
Total Shares Authorized (as of July 26, 2016)	10,000,000
Total Shares Outstanding (as of July 26, 2016)	-0-

B. Transfer Agent

VStock Transfer LLC
18 Lafayette Place
Woodmere, NY 11598
(212) 828-8436

The transfer agent is registered under the Exchange Act.

C. List Any Restrictions on the Transfer of the Securities

None.

D. Describe Any Trading Suspension Orders Issued by the SEC in the Past 12 Months

None.

E. List Any Stock Split, Stock Dividend, Recapitalization, Merger, Acquisition, Spin-Off or Reorganization either Currently Anticipated or that Occurred within the Past 12 Months.

On February 17, 2016 Barton Hollow, LLC, a Nevada limited liability company, and stockholder of the Issuer, filed an Application for Appointment of Custodian pursuant to Section 78.347 of the Act in the District Court for Clark County, Nevada. Barton Hollow was subsequently appointed custodian of the Issuer by Order of the Court on April 4, 2016 (the "Order"). In accordance with the provisions of the Order, Barton Hollow thereafter moved to: (a) reinstate the Issuer with the State of Nevada; (b) provide for the election of interim officers and directors; and (c) call and hold a stockholder meeting.

On July 15, 2016, Barton Hollow, together with the newly-elected director of the Issuer, caused the Issuer to enter into a Letter of Intent to merge with Compound Holdings, LLC, a Connecticut limited liability company. Pursuant to the Letter of Intent, the parties thereto would endeavor to arrive at, and enter into, a definitive merger agreement providing for the Merger. As an inducement to the members of Compound Holdings LLC to enter into the Letter of Intent and thereafter transact, the Issuer caused to be issued to the members 500,000,000 shares of its common stock.

Subsequently, on July 18, 2016, the Issuer and Compound Holdings LLC entered into a definitive Agreement and Plan of Merger (the "Merger Agreement"). Concomitant therewith, the stockholders of the Issuer elected David Schmid, the President of Compound Holdings LLC, Chief Executive Officer of the Issuer, who, along with Barton Hollow, ratified and approved the Merger Agreement and Merger.

The Issuer anticipates the Merger will close in the 3rd quarter of 2016. The Merger is designed as a reverse subsidiary merger pursuant to Section 368(a)(2)(E) of the Internal Revenue Code. That is, upon closing, Compound Holdings LLC will merge into a newly-created subsidiary of the Issuer with the members of Compound Holdings LLC receiving shares of the common stock of the Issuer as consideration therefor. Upon closing of the Merger, Compound Holdings LLC will be the surviving corporation in its merger with the wholly-owned subsidiary of the Issuer, therefore has become the wholly-owned operating subsidiary of the Issuer.

4. Issuance History.

As of the date of this Information Statement, there are 782,563,636 shares of the Company's common stock issued and outstanding.

During the preceding two (2) years, the Company has issued the following securities:

On July 15, 2016, we issued 500,000,000 shares of our common stock to David Schmid, our Chief Executive Officer, pursuant to the Letter of Intent dated July 15, 2016.

5. Financial Statements

See Exhibits.

6. Describe the Issuer's Business, Products and Services

A. Description of the Issuer's Business Operations

Lot78, Inc. (hereinafter "Lot78" or the "Company") is a business development company based on Connecticut. The Company plans to invest and help grow companies it believes are either under-performing or would be helped by the business experience of the Company.

The Company is currently targeting a 20% holding in an electric vehicle charging station company.

The Company will not restrict its investment opportunities to any specific market.

B. Date and State (or Jurisdiction) of Incorporation

The Company was incorporated in the State of Nevada on June 27, 2008 under the name "Global Club, Inc."

C. The Issuer's Primary SIC Code:

Primary: 6719

D. The Issuers Fiscal Year End

December 31st

E. The Issuer's Principal Products or Services, and Their Markets.

The Company is a business development company whose principal service involves the facilitation of growth of those companies it invests in. The Company will not restrict its investment opportunities to any specific markets.

7. Describe the Issuer's Facilities.

We currently maintains a shared office space at One Technology Way, Tolland, CT 06084. The lease is \$971 per month.

8. Officers, Directors and Control Persons.

A. Names of Officers, Directors and Control Persons

The following table sets forth certain information furnished by the following persons, or their representatives, regarding the ownership of the Common Shares of the Company as of the date of this report, by (i) each person known to the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock, (ii) each of the Company's executive officers and directors, and (iii) all of the Company's executive officers and directors as a group. Unless otherwise indicated, the named person is deemed to be the sole beneficial owner of the shares.

<u>Name of Beneficial Owner</u>	Number of Shares	Percent
David Schmid	500,000,000	63.9%
Oliver Amherst	72,321,928	9.2%
Total (1 Officer and Director):	500,000,000	63.9%

B. Legal/Disciplinary History.

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None.

C. Beneficial Shareholders.

Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

<u>Name</u>	<u>Address</u>	<u>No. of Shares</u>	<u>%</u>
David Schmid	One Technology Way Tolland, CT 06084	500,000,000	63.9%
Oliver Amhurst	Cedarhurst, NY 11516	72,321,928	9.2%

9. **Third Party Providers**

A. Legal Counsel

Adam S. Tracy, Esq.
Securities Compliance Group, Ltd.
2100 Manchester Road
Suite 615
Wheaton IL 60187
(888) 978-9901
at@ibankattorneys.com

B. Accountant or Auditor

C. Investor Relations Consultant

Pacifix Financial, LLC
2100 Manchester Road
Suite 615
Wheaton, IL 60187
(888) 611-7716
at@pacifixfinancial.com

D. Other Advisor

10. Issuer Certification

I, David Schmid certify that:

1. I have reviewed this Information Statement of Lot78, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, 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 in this disclosure statement.

LOT78, INC.



Date: July 28, 2016
David Schmid - PRESIDENT AND CHIEF
EXECUTIVE OFFICER

EXHIBITS

The following documents are attached hereto as exhibits and are incorporated herein.

ATTACHMENT

DESCRIPTION

- | | |
|----|--|
| A. | Financial Statements for the Year Ending
December 31, 2015, and the Three Month period
Ending March 31, 2016 |
|----|--|

Lot78, Inc.
Balance Sheet
As of December 31, 2015

	<u>Dec 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Peoples United	22,722.01
Total Checking/Savings	<u>22,722.01</u>
Total Current Assets	<u>22,722.01</u>
TOTAL ASSETS	<u>22,722.01</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To(From) David Schmid	11,765.98
Payroll Liabilities	<u>2,777.47</u>
Total Other Current Liabilities	<u>14,543.45</u>
Total Current Liabilities	<u>14,543.45</u>
Total Liabilities	14,543.45
Equity	
Member 1 Equity	121,978.47
Net Income	<u>-113,799.91</u>
Total Equity	<u>8,178.56</u>
TOTAL LIABILITIES & EQUITY	<u>22,722.01</u>

Lot78, Inc.
Profit & Loss
January through December 2015

	<u>Jan - Dec 15</u>
Ordinary Income/Expense	
Expense	
Bank Charge	97.50
Computer and Internet Expenses	1,495.11
Finders Fees	3,000.00
Fuel	83.34
Marketing	91.49
Meals and Entertainment	1,357.46
Office Supplies	126.76
Payroll Expenses	9,804.87
Postage and Delivery	372.92
Professional Fees	1,004.65
Property	51,751.61
Property Bid	9,740.00
Repairs and Maintenance	34,235.00
Rubbish Removal	492.64
Telephone Expense	146.56
Total Expense	<u>113,799.91</u>
Net Ordinary Income	<u>-113,799.91</u>
Net Income	<u><u>-113,799.91</u></u>

Lot78, Inc.
Statement of Cash Flows
January through December 2015

	<u>Jan - Dec 15</u>
OPERATING ACTIVITIES	
Net Income	-113,799.91
Adjustments to reconcile Net Income to net cash provided by operations:	
Due To(From) David Schmid	11,765.98
Payroll Liabilities	<u>2,777.47</u>
Net cash provided by Operating Activities	-99,256.46
FINANCING ACTIVITIES	
Member 1 Equity	<u>121,978.47</u>
Net cash provided by Financing Activities	<u>121,978.47</u>
Net cash increase for period	<u>22,722.01</u>
Cash at end of period	<u><u>22,722.01</u></u>

Lot78, Inc.
Balance Sheet
As of March 31, 2016
Mar. 31, 2016

ASSETS

Current Assets

Checking/Savings

People's United Account	13,852.36
Operating Account	5,392.45
Security Deposit Account	1,500.00
Undeposited Funds	500.00

Total Checking/Savings 21,244.81

Accounts Receivable

Accounts Receivable	5,620.00
---------------------	----------

Total Accounts Receivable 5,620.00

Total Current Assets 26,864.81

TOTAL ASSETS 26,864.81

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Direct Deposit Liabilities	-462.79
Due To (From) David Schmid	12,022.05
Payroll Liabilities	2,407.04
Tenant Security Deposits Held	1,500.00

Total Other Current Liabilities 15,466.30

Total Current Liabilities 15,466.30

Total Liabilities 15,466.30

Equity

 Member 1 Equity 121,978.47

 Retained Earning -113,799.91

 Net Income 3,219.95

Total Equity 11,398.51

TOTAL LIABILITIES & EQUITY 26,864.81

Lot78, Inc.
Profit & Loss
January through March 2016
Jan - Mar 16

Ordinary Income/Expense	
Income	
Rental Income	17,785.00
Total Income	<u>17,785.00</u>
Expense	
Bank Service Charge	13.00
Dues & Subscriptions	75.00
Fuel	41.59
Insurance Expense	981.73
Payroll Expenses	7,856.43
Marketing	127.62
Licenses & Fees	180.00
Meals and Entertainment	128.16
Mortgage	1,791.66
Office Supplies	24.25
Postage and Delivery	60.22
Professional Fees	1,042.70
Repairs and Maintenance	903.72
Utilities	1,338.97
Total Expense	<u>14,565.05</u>
Net Ordinary Income	<u>3,219.95</u>
Net Income	<u><u>3,219.95</u></u>

Lot78, Inc
Statement of Cash Flows
January through March 2016
Jan - Mar 16

OPERATING ACTIVITIES	
Net Income	3,219.95
Adjustments to reconcile Net Income to net cash provided by operations:	
Direct Deposit Liabilities	-462.79
Due to (From) David Schmid	256.07
Payroll Liabilities	-370.43
Accounts Receivable	-5,620.00
Tenant Security Deposits Held	1,500.00
Net cash provided by Operating Activities	<u>-4,697.15</u>
Net cash increase for period	<u>-1,477.20</u>
Cash at beginning of period	<u>22,722.01</u>
Cash at end of period	<u><u>21,244.81</u></u>