INDEX TO FINANCIAL STATEMENTS

NUTRAFUELS, INC.
Condensed Balance Sheets
(Unaudited)

ASSETS	September 30, 2017	December 31, 2016
CURRENT ASSETS		
Cash	$ 387,402	$ 12,133
Accounts receivable	115,240	-
Inventory	259,961	94,404
Prepaid expenses and other current assets	229,016	152,040
Total current assets	991,619	258,577
PROPERTY AND EQUIPMENT		
Furniture, fixtures and equipment	372,540	296,447
Leasehold improvements	146,285	112,285
Total Property and Equipment	518,825	408,732
Less accumulated depreciation	(265,683)	(214,842)
Property and equipment, net	253,142	193,890
Total Assets	$ 1,244,761	$ 452,467
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$ 99,481	$ 19,335
Accrued expenses	8,624,463	724,492
Customer deposits	86,951	34,996
Convertible debt	-	1,132,251
Convertible debt - related party	-	210,000
Notes payable - related party	14,000	432,000
Total current liabilities	8,824,895	2,553,074
Commitments and Contingencies		
STOCKHOLDERS' DEFICIT		
Preferred stock, $0.0001 par value, authorized 10,000 shares; 1,000 and 1,000 issued and outstanding	-	-
Common stock, $0.0001 par value, authorized 499,990,000 shares; 73,723,724 and 45,890,912 issued and outstanding shares	7,372	4,589
Additional paid-in capital	24,744,510	7,024,608
Accumulated deficit	(32,332,016)	(9,129,804)
Total stockholders' deficit	(7,580,134)	(2,100,607)
Total Liabilities and Stockholders' Deficit	$ 1,244,761	$ 452,467

The accompanying notes are an integral part of the condensed financial statements

NUTRAFUELS, INC.
Condensed Statements of Operations
Nine Months Ended September 30,
(Unaudited)

	Three Months Ended September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Revenue	$ 652,329	$ 44,208	$ 1,029,727	$ 195,909
Cost of sales	348,555	21,088	617,958	118,731
Gross Profit	303,774	23,120	411,769	77,178
OPERATING EXPENSES:				
Advertising and promotion	7,766	8,824	51,151	21,493
Administrative compensation	25,000	157,029	221,330	238,553
Non cash compensation	197,727	104,289	19,134,686	232,050
General and administrative expenses	111,572	54,980	815,035	269,087
Depreciation expense	17,622	15,340	50,841	45,160
Total operating expenses	359,687	340,462	20,273,043	806,343
LOSS FROM OPERATIONS	(55,913)	(317,342)	(19,861,274)	(729,165)
OTHER INCOME AND (EXPENSE)				
Gain (Loss) on extinguishment of debt	-	(3,398)	717	(3,398)
Interest expense	(583)	(103,354)	(3,341,655)	(320,094)
Total other expense	(583)	(106,752)	(3,340,938)	(323,492)
Net loss before income taxes	(56,496)	(424,094)	(23,202,212)	(1,052,657)
Income tax expense	-	-	-	-
Net loss	$ (56,496)	$ (424,094)	$(23,202,212)	$ (1,052,657)
Loss per weighted average common share - basic and diluted	$0.00	$(0.01)	$ (0.33)	$ (0.03)
Number of weighted average common shares outstanding-basic and diluted	73,243,833	29,759,452	70,266,530	33,689,465

The accompanying notes are an integral part of the condensed financial statements

NUTRAFUELS, INC.
Condensed Statements of Changes in Stockholders' Deficit
(Unaudited)

	Number Shares Pfd	Number Shares Common	Par Amount Pfd	Par Amount Common	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
BALANCE, December 31, 2014	1,000	22,282,114	-	2,228	3,904,935	(4,856,492)	(949,329)
Shares issued for cash	-	2,452,000	-	245	334,956	-	335,201
Shares issued for services	-	3,305,000	-	331	909,969	-	910,300
Shares issued as debt discount	-	275,000	-	27	274,973	-	275,000
Warrants exercised for cash	-	700,000	-	70	69,930	-	70,000
Net loss	-	-	-	-	-	(2,174,541)	(2,174,541)
Balance December 31, 2015	1,000	29,014,114	-	2,901	5,494,763	(7,031,033)	(1,533,369)
Shares issued for cash	-	5,615,000	-	562	560,937	-	561,499
Shares issued for debt conversion	-	2,347,285	-	235	375,914	-	376,149
Shares issued for services	-	7,719,513	-	772	512,425	-	513,197
Shares issued as debt discount	-	1,195,000	-	119	80,569	-	80,688
Net loss	-	-	-	-	-	(2,098,771)	(2,098,771)
Balance December 31, 2016	1,000	45,890,912	-	4,589	7,024,608	(9,129,804)	(2,100,607)
Shares issued for cash	-	9,707,285	-	971	1,323,529	-	1,324,500
Options exercised for cash	-	275,000	-	27	54,973	-	55,000
Shares issued for debt conversion	-	10,129,942	-	1,013	5,613,858	-	5,614,871
Shares issued for services	-	7,720,585	-	772	10,727,543	-	10,728,315
Net loss	-	-	-	-	-	(23,202,212)	(23,202,212)
Balance September 30, 2017	1,000	73,723,724	$ -	$ 7,372	$24,744,510	$ (32,332,016)	$ (7,580,134)

The accompanying notes are an integral part of the condensed financial statements

NUTRAFUELS, INC.
Condensed Statements of Changes in Cash Flows
Nine Months Ended September 30,
(Unaudited)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (23,202,212)	$ (1,052,657)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Stock compensation	10,728,315	180,107
Depreciation	50,841	45,160
Amortization of stock based consulting fees	217,524	
Amortization of debt discount	531,876	194,214
Debt induced conversion expense	3,116,500	-
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(28,289)	162
(Increase) decrease in inventory	(165,557)	5,860
(Increase) decrease in prepaid expenses and other assets	(76,976)	64,865
Increase in accounts payable	80,146	9,180
Increase (decrease) in accrued expenses	7,904,190	(36,596)
Decrease in customer deposits	(34,996)	-
Net cash used in operating activities	(878,638)	(589,705)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(110,093)	(16,306)
Net cash used in investing activities	(110,093)	(16,306)
CASH FLOW FROM FINANCING ACTIVITIES:		
Common stock issued for cash	1,324,500	446,500
Cash proceeds from debt issuance	-	235,000
Options exercised for cash	55,000	-
Repayment of debt	-	(65,500)
Repayment of debt - related party	(15,500)	(15,000)
Net cash provided by financing activities	1,364,000	601,000
Net increase in cash	375,269	(5,011)
CASH, beginning of period	12,133	17,144
CASH, end of period	$ 387,402	$ 12,133
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid in cash	$ 1,843	$ 1,753
Taxes paid in cash	$ -	$ -
Non-Cash Financing Activities:		
Shares issued in connection with issuance of debt	$ -	$ 31,600
Shares issued for debt conversion	$ 2,403,343	$ -

The accompanying notes are an integral part of the condensed financial statements

NUTRAFUELS, INC.
Notes to Condensed Financial Statements
(Unaudited)

(1) NATURE OF OPERATIONS

NutraFuels, Inc. (“We” or “the Company”) is the producer and distributor of nutritional supplements that uses micro molecular formulae and a utilization of an oral spray to provide faster and more efficient absorption.

(2) BASIS OF PRESENTATION AND USE OF ESTIMATES

a) Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP") as promulgated by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") and with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). In our opinion, the accompanying unaudited condensed financial statements contain all adjustments (which are of a normal recurring nature) necessary for a fair presentation. Operating results for the nine months ended September 30, 2017 are not necessarily indicative of the results that may be expected for the year ending December 31, 2017.

b) Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

c) Cash and Equivalents
Cash equivalents are highly liquid investments with an original maturity of three months or less.

d) Inventories
Inventories are stated at cost utilizing the weighted average method of valuation and consist of raw materials and finished goods.

e) Allowance for Doubtful Accounts
We establish the existence of bad debts through a review of several factors including historical collection experience, current aging status of the customer accounts, and financial condition of our customers.

f) Property and Equipment
All property and equipment are recorded at cost and depreciated over their estimated useful lives, generally three to twelve years, using the straight-line method. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from their respective accounts, and the resulting gain or loss is included in the results of operations. Repairs and maintenance charges, which do not increase the useful lives of the assets, are charged to operations as incurred.

(2) BASIS OF PRESENTATION AND USE OF ESTIMATES, continued

g) Revenue Recognition
The Company's financial statements are prepared under the accrual method of accounting. Revenues are recognized when persuasive evidence of an arrangement exists, services have been rendered, the sales price is fixed or determinable, and collectability is reasonably assured. This occurs only when the product is ordered and subsequently shipped.

h) Income Taxes
The Company follows the provisions of ASC 740-10, Accounting for Uncertain Income Tax Positions. When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above should be reflected as a liability for unrecognized tax benefits in the accompanying consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

i) Net Loss Per Share
Basic loss per share excludes dilution and is computed by dividing the loss attributable to stockholders by the weighted-average number of shares outstanding for the period. Diluted loss per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that shared in the earnings of the Company. Diluted loss per share is computed by dividing the loss available to stockholders by the weighted average number of shares outstanding for the period and dilutive potential shares outstanding unless consideration of such dilutive potential shares would result in anti-dilution.

j) Financial Instruments and Fair Value Measurements
ASC 825 also requires disclosures of the fair value of financial instruments. The carrying value of the Company's current financial instruments, which include cash and cash equivalents, accounts payable and accrued liabilities approximates their fair values because of the short-term maturities of these instruments.

FASB ASC 820 "Fair Value Measurement" clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. It also requires disclosure about how fair value is determined for assets and liabilities and establishes a hierarchy for which these assets and liabilities must be grouped, based on significant levels of inputs as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Quoted prices in active markets for similar assets and liabilities and inputs that are observable for the asset or liability.
Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(2) BASIS OF PRESENTATION AND USE OF ESTIMATES, continued

j) Impairment of Long-Lived Assets
A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying value amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived assets exceeds its fair value.

k) Related Party Transactions
All transactions with related parties are in the normal course of operations and are measured at the exchange amount.

l) Recent Accounting Pronouncements
In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers," which requires companies to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time based on when control of goods and services transfer to a customer. As a result, we do not expect significant changes in the presentation of our financial statements. This ASU is effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period, and entities are permitted to apply either prospectively or retrospectively; early adoption is permitted. The Company does not expect adoption of this guidance to have a material effect on the Company's financial position, results of operations and cash flows.

In February 2016, the FASB issued ASU 2016-02, "Leases" which, for operating leases, requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. The ASU is effective for public companies for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The adoption of ASU 2016-02 is expected to result in the recognition of right of use assets and associated obligations on its balance sheet.

(3) LIQUIDITY AND GOING CONCERN CONSIDERATIONS

Our condensed financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. We sustained a net loss of approximately $23.3 million for the nine months ended September 30, 2017 and have an accumulated deficit of approximately $32.4 million and a negative working capital of approximately $7.9 million at September 30, 2017. These conditions raise substantial doubt about our ability to continue as a going concern.

Failure to successfully continue to grow operational revenues could harm our profitability and materially adversely affect our financial condition and results of operations. We face all of the risks inherent in a new business, including the need for significant additional capital, management's potential underestimation of initial and ongoing costs, and potential delays and other problems in connection with establishing sales channels.

We are continuing our plan to further grow and expand operations and seek sources of capital to pay our contractual obligations as they come due. Management believes that its current operating strategy will provide the opportunity for us to continue as a going concern as long as we are able to obtain additional financing; however, there is no assurance this will occur. The accompanying consolidated financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

The independent auditors' report on our consolidated financial statements for the years ended December 31, 2016 contain explanatory paragraphs expressing substantial doubt as to our ability to continue as a going concern.

(4) CONVERTIBLE DEBT

In January 2017 we issued 10,129,942 shares of common stock for the conversion of debt and accrued interest totaling $2,403,343 and recorded an induced conversion charge of $3,116,500 for debt that was converted at a discount to the stated conversion rate.

(5) NOTES PAYABLE - RELATED PARTY

In January 2017 the Company issued 3,367,000 shares of common stock to convert $841,750 of debt and accrued interest to a related party.

In the April 2017 we repaid $10,000 in cash to a related party on a short-term non interest bearing basis. In July 2017 we repaid $5,500 in cash to a related party on a short-term non interest bearing basis.

(6) STOCKHOLDERS' DEFICIT

In the first quarter 2017 we issued 6,762,942 shares of common stock to convert $1,561,593 of convertible debt and accrued interest and $2,199,600 of induced conversion expense and 3,367,000 shares of common stock to convert $841,750 of debt and accrued interest to a related party. In February 2017 we issued 275,000 shares of common stock in exchange for $55,000 in cash for the exercise of options. During the first quarter 2017 we issued 6,957,285 shares of common stock and 6,957,285 warrants to purchase our common stock in exchange for $774,500 in cash.

During the second quarter 2017 we issued 1,850,000 shares of common stock and 1,850,000 warrants to purchase our common stock in exchange for $370,000 in cash. During the second quarter 2017 we issued 250,000 shares of common stock in exchange for $50,000 in cash for an option exercise.

During the third quarter 2017 the Company issued 900,000 shares of common stock in exchange for $180,000 in cash

(6) STOCKHOLDERS' DEFICIT, continued

On January 13, 2017 we entered into an employment agreement with our President which includes an anti-dilution provision which requires us to maintain his share ownership in our Company at 30%, reduced by any shares he sells. These shares are required to be issued on January 2 of each year. On February 13, 2017 we issued 7,220,585 shares associate with the anti-dilution rights, which were valued at $10,453,315. At September 30, 2017, we have recorded a liability to issue 6,674,837 shares valued at $8,464,463. This employment agreement was amended on October 10, 2017, to remove the anti-dilution provision.

(7) COMMITMENTS AND CONTINGENCIES

a) Real Property Lease
We lease our office and warehouse facilities under an operating lease in Coconut Creek, Florida. The lease expires in February 2018. The minimum lease payments required for the remaining term of the lease are $45,311.

In June 2017 we entered into a new lease for a new additional facility located in Deerfield Beach, Florida. This lease begins on January 1, 2018 and expires on March 1, 2025. The minimum monthly lease payments required begin at $13,220.

b) Other
The Company is subject to asserted claims and liabilities that arise in the ordinary course of business. The Company maintains insurance policies to mitigate potential losses from these actions. In the opinion of management, the amount of the ultimate liability with respect to those actions will not materially affect the Company's financial position or results of operations.

(8) CONCENTRATIONS OF CREDIT RISK

a) Cash
The Company maintains its cash in bank deposit accounts, which may, at times, may exceed federally insured limits. The Company had cash balance in excess of FDIC insured limits at September 30, 2017 of $137,048.

b) Revenue
Our principal customers are comprised of five (5) separate independent private label resellers. Should we lose one or more of these resellers our revenue would decline significantly.