TWINVEE POWERCATS, INC.

INTERIM FINACIAL STATEMENTS

QUARTER ENDED SEPTEMBER 30, 2017

Table of Contents

TWIN VEE POWERCATS INC.
CONSOLIDATED BALANCE SHEETS - UNAUDITED

	September 30, 2017	December 31, 2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 156,731	$ 68,402
Accounts receivable	225,596	355,134
Accounts receivable - related parties	-	63,225
Due from (to) officer	-	101,440
Note receivable	250,000	250,000
Note receivable - related party	1,023,139	492,302
Deferred financing costs	-	-
Inventory	2,297,076	2,778,329
Total current assets	3,952,542	4,108,831
PROPERTY AND EQUIPMENT, net	1,028,647	669,375
OTHER ASSETS:		
Real estate held for development and sale	711,000	620,995
Intangibles, net	859,362	859,362
Due from construction escrow	-	-
Total other assets	1,570,362	1,480,357
Total assets	$ 6,551,551	$ 6,258,563
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 779,035	$ 1,588,997
Other current liabilities	24,856	294,121
Current portion of notes payable, net	46,000	43,806
Total current liabilities	849,892	1,926,924
LONG-TERM LIABILITIES:		
Notes payable, net - less current portion	1,768,827.14	1,906,958
Total liabilities	2,618,719	3,833,882
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock; $0.01 par value; 100,000,000 shares authorized;		
59,650,000 & 50,000,000 shares issued and outstanding	596,500	120,003
Additional paid-in capital	8,926,634	7,914,134
Accumulated deficit	(5,590,302)	(5,609,456)
Total stockholders' equity	3,932,832	2,424,681
Total liabilities and stockholders' equity	$ 6,551,551	$ 6,258,564

TWIN VEE POWERCATS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	Nine Months Ended September 30, 2017	Quarter Ended September 30, 2017	Six Months Ended June 30, 2017	Year Ended December 31, 2016
REVENUE:				
Service income	$ 4,786	$ -	$ 4,786	$ 5,974
Real estate sales	520,155	210,924	309,231	1,594,504
Management fees - related party	30,000	-	30,000	70,000
Other Income	-	-	-	(157,790)
Boat Sales	4,614,598	1,678,651	2,935,947	5,796,285
Membership Buyout	-	-	-	-
Net revenue	5,169,539	1,889,574.45	3,279,965	7,308,974
COST OF REVENUE - REAL ESTATE SALES				
Land Costs	211,193	58,148.05	153,045	428,799
Boat Sales	1,624,565	552,854.89	1,071,710	2,953,951
Membership Buyout	-	-	-	49,000
Gross profit	3,333,781	1,278,572	2,055,209	3,877,224
OPERATING EXPENSES:				
Salaries and wages	2,396,318	907,976	1,488,341	1,990,676
General and administrative expenses	561,976	202,403	359,573	325,316
Rent	164,706	53,038	111,668	388,598
Professional fees	79,720	19,944	59,775	107,069
Property taxes	12,327	-	12,327	(28,691)
Depreciation and amortization expense	30,135	16,150	13,985	6,580
Total operating expenses	3,245,182	1,199,512	2,045,670	2,789,548
INCOME FROM OPERATIONS	88,599	79,059	9,540	1,087,676
OTHER INCOME (EXPENSES):				
Other Income	-	-	-	-
Gain on settlement of litigation	-	-	-	-
Interest expense	(69,445)	(15,658)	(53,787)	(177,798)
Interest income	-	-	-	12,486
Net other expense	(69,445)	(15,658)	(53,787)	(165,312)
LOSS BEFORE PROVISION FOR INCOME TAXES	19,154	63,401	(44,247)	922,365
INCOME TAX PROVISION	-	-	-	-
NET INCOME (LOSS)	$ 19,154	$ 63,401	$ (44,247)	$ 922,365
NET LOSS PER SHARE - BASIC AND DILUTED	$ 0.00	$ 0.00	$ (0.00)	$ 0.02

TWINVEE POWERCATS, INC
STATEMENT OF STOCKHOLDERS' EQUITY - UNAUDITED

	Common Stock		Additional Paid-in	Accumulated	
	Shares	Amount	Capital	Deficit	Total
December 31, 2016	50,000,000	120,003	7,914,134	(5,609,455)	2,424,682
on of notes payable ion stock					-
e of common stock	9,650,000	476,497	1,012,500		1,488,997
ie				19,154	19,154
September 30, 2017	59,650,000	$ 596,500	$ 8,926,634	$ (5,590,301)	$ 3,932,833

See accountant's report and accompanying notes to consolidated financial statements.

TWINVEE POWERCATS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED

	Nine Months Ended September 30	
	2017	**2016**
.SH FLOW FROM OPERATING ACTIVITIES:		
Net income	$ 19,154	
Adjustment to reconcile net loss to net cash		
used in operating activities:		
Depreciation and amortization	30,135	
Accrued interest on note receivable - related party	-	
Changes in operating assets and liabilities:		
Increase in trade accounts receivable	192,762	
Decrease in real estate held for development and sale	-	
Decrease in accounts payable and accrued expenses	481,253	
Decrease in inventory	(1,079,227)	
Net cash provided by operating activities	(355,923)	
.SH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(389,407)	
Proceeds from sale of assets	(90,005)	
Advance to officer	101,440	
(Proceeds from) repayments of notes receivable	(530,837)	
Net cash used in investing activities	(908,809)	
.SH FLOW FROM FINANCING ACTIVITIES:		
Principal payments on notes payable	2,195	
Proceeds from issuance of Common Stock	1,488,997	
Proceeds from (repayments of) issuance of notes payable	(138,131)	
Net cash used in financing activities	1,353,061	
:T INCREASE IN CASH AND :ASH EQUIVALENTS	88,329	
.SH AND CASH EQUIVALENTS, Beginning of period	68,402	
.SH AND CASH EQUIVALENTS, End of period	$ 156,731	
PPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	$ 69,445	
Income taxes paid	$ -	$ -
HEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Settlement of note payable by principal stockholder	$ -	$ -

TWINVEE POWERCATS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Nine months ended September 30, 2017 and 2016

Note 1 - Organization and Basis of Presentation

Twin Vee PowerCats, Inc. markets and sells its power catamaran boats in the United States and abroad. Our boats are used for deep water, bay and lake fishing, water sports, as well as general recreational and pleasure boating. Twin Vee is one of the most recognized brand names in the power catamaran category. The Twin Vee portfolio of PowerCats is manufactured to the highest specifications in quality, performance and styling.

Twin Vee PowerCats, from hull to upholstery, are handcrafted by our skilled workforce at our corporate headquarters in Fort Pierce, Florida. Twin Vee occupies over 120,000 square feet of manufacturing space as well as seven acres of land. We continue to make significant investments in improving design, engineering, manufacturing, and operational processes as we strive to build the highest quality boats. Recently, three computer numerical control ("CNC") machines were purchased to perfect much of the quality designs the Company is undertaking, including a 35 foot, overhead 5-axis Industrial CNC router that will mill all new hulls, caps, parts up to a 42-foot hull. Moreover, the Company uses the highest quality materials from industry-preferred suppliers, and all of its boats are extensively tested prior to sale.

The Company recently revealed its "Go Fish" or "GF" line of boat models for the 2018 model year. The "GF" designation signifies a specific type of boat that Twin Vee has designed to meet several needs that customers find important when purchasing a boat: go fish; go family; go far; go fun; and go fuel efficient. This new line of boats looks to appeal to a larger market that varies from new boat owners, to experienced fishers, and to families. Twin Vee PowerCats, Inc. plans to release OceanCat GF models at 22, 26, 31 and 36-foot lengths in the 2018 model year. Additional products to be announced will further Twin Vee PowerCats, Inc.'s goal to constantly innovate and improve on the overall quality of the boats it manufacturers.

Twin Vee PowerCats, Inc.'s Via Visconti development lots are currently under contract with NVL Ryan Homes, a National homebuilder. The Via Visconti single-family lots are being purchased under a contractual take down schedule since 2016 and is currently ongoing. The sale of the real estate assets has positioned the Company to focus on its Twin Vee boat manufacturing business.

Note 2 – Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. The Company bases its estimates on historical experience, management expectations for future performance, and other assumptions as appropriate. Key areas affected by estimates include the assessment of the recoverability of long-lived assets, which is based on such factors as estimated future cash flows. The Company re-evaluates its estimates on an ongoing basis; actual results may vary from those estimates.

Principles of Consolidation

The consolidated financial statements ("financial statements") include the accounts of ValueRich, Inc. and its wholly-owned subsidiaries; Tesoro Preserve Development, LLC, Tesoro Preserve Opportunity Fund, LLC, Tesoro Club, LLC, VR Circle Holdings, LLC, VR Premier Holdings, LLC, VRPT, LLC, JAMO Development, LLC, Via Visconti, LLC, NOBO Group, LLC and Twin Vee PowerCats and have been prepared in accordance with U.S. generally accepted accounting principles. All intercompany transactions and balances have been eliminated in consolidation.

Investment in Real Estate Held for Development and Sale

Costs incurred that are directly attributable to the acquisition, development, and construction of real estate are capitalized. The carrying amount of real estate held for development and sale is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the real estate may not be recoverable. An impairment loss is recognized if the carrying amount of the real estate is not recoverable. The carrying amount is not recoverable if it exceeds the undiscounted sum of cash flows expected to result from the disposition of the real estate. If the carrying value is not recoverable, an impairment loss is recorded equal to the excess of the carrying amount of the real estate over its fair value. There have been no events or changes in circumstances that indicate that the carrying amount of the real estate may not be recoverable.

Revenue Recognition

The Company recognizes revenue and profit in full on the sale of real estate when 1) a sale is consummated as indicated by a binding agreement, the exchange of all consideration, arrangement of permanent financing, if any, and all conditions precedent to the closing having been met; 2) the buyer's commitment to pay has been demonstrated and collectability of the sales price is reasonably assured or the amount that will not be collected can be reasonably estimated; 3) any receivable from the buyer is collateralized by the property and not subject to subordination other than by existing or contemplated liens; and 4) the Company has transferred the usual risks and rewards of ownership to the buyer, is not obligated to perform significant activities after the sale without compensation, and does not otherwise have substantial continuing involvement in the property.

The Company recognizes consulting and management fee revenue when persuasive evidence of an arrangement exists, performance has occurred according to the terms of the relevant agreement, the price is fixed and determinable, and collectability is reasonably assured.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. The Company places its cash and cash equivalents with high quality financial institutions, which at times may exceed the FDIC insurance limit.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Property, Plant and Equipment

Property and equipment are stated at historical cost and are depreciated using the straight-line method over their estimated useful lives. The useful life and depreciation method are reviewed periodically to ensure that the depreciation method and period are consistent with the anticipated pattern of future economic benefits. Expenditures for maintenance and repairs are charged to operations as incurred while renewals and betterments are capitalized. Gains and losses on disposals are included in the results of operations.

The Company provides for depreciation over the assets' estimated lives as follows:

Building	40 years
Computers, software and equipment	3 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of lease life or economic life

Impairment or Disposal of Long-lived Assets

The Company applies the provisions of Accounting Standards Codification ("ASC") Topic 360, "Property, Plant, and Equipment," which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair market value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair market values are reduced for the cost of disposal. The Company has determined that there were no impairments of its long-lived assets during the three months ended March 31, 2017 and 2016.

Income Taxes

Income taxes are provided based upon the asset and liability method of accounting in accordance with ASC Topic 740 "Income Taxes". The Company is required to compute deferred income tax assets for net operating losses carried forward. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The realization of deferred tax assets is assessed throughout the year and a valuation allowance is recorded if necessary to reduce net deferred tax assets to the amount more likely than not to be realized. The potential benefits of net operating losses ("NOLs") have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

The Company has an NOL carry forward for income tax reporting purposes that may be offset against future taxable income. Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Accordingly, the amount available to offset future taxable income may be limited. No tax benefit has been reported in the financial statements, because the Company is uncertain if they will ever be in a position to utilize the NOL carry forward. Accordingly, the potential tax benefits of the loss carry forward are offset by a valuation allowance of the same amount.

The Company is current in its filing of federal income tax returns. The Company believes that the statutes of limitations for its federal income tax returns are open for years after 2010. The Company is not currently under examination by the Internal Revenue Service or any other taxing authority.

The Company's practice is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. As of September 30, 2017, and 2016, the Company had no accrued interest or penalties.

Basic and Diluted Losses Per Share

Earnings per share is calculated in accordance with the FASB ASC 260, "Earnings Per Share." Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. There were no potentially dilutive securities outstanding as of March 31, 2017 and 2016.

Stock-Based Compensation

The Company records stock-based compensation in accordance with ASC Topic 718, "Compensation – Stock Compensation." ASC 718 requires companies to measure compensation cost for stock-based employee compensation at fair value at the grant date and recognize the expense over the employee's requisite service period. Under ASC 718, the Company's volatility is based on the historical volatility of the Company's stock or the expected volatility of similar companies. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The Company uses the Black-Scholes option-pricing model, which was developed for use in estimating the fair value of options. Option-pricing models require the input of highly complex and subjective variables including the expected life of options granted and the Company's expected stock price volatility over a period equal to or greater than the expected life of the options. Because changes in the subjective assumptions can materially affect the estimated value of the Company's employee stock options, it is management's opinion that the Black-Scholes option-pricing model may not provide an accurate measure of the fair value of the Company's employee stock options. Although the fair value of employee stock options is determined in accordance with ASC 718 using an option-pricing model, that value may not be indicative of the fair value observed in a willing buyer/willing seller market transaction.

The Company recognized in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees. The Company did not recognize any stock-based compensation expense during the nine months ended September 30, 2017 and 2016.

Recently Issued Accounting Standards

Management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying consolidated financial statements.

Note 3 – Note Receivable – Related Party

On January 19, 2010, the Company entered into a four year 8% note receivable agreement with Tesoro Preserve Property Owners Association Inc. ("the POA") evidencing amounts advanced to the POA. The Note Receivable requires monthly payments of principal and interest totaling $15,000 commencing on February 19, 2010. The note agreement required an initial payment of principal in the amount of $120,000. Effective February 2016, the POA was sold to another party and the debt was fully satisfied.

Note 4 – Notes Payable

Notes payable as of September 30, 2017 and Sepetmber 30, 2016 consist of the following:

	2017	2016
On July 22, 2010, the Company issued a note payable in the amount of $25,000 pursuant to a private placement offering ("Offering") by its wholly owned subsidiary, Tesoro Preserve Opportunity Fund, LLC ("the Fund"). The proceeds of the note were used to acquire "build ready" home lots, located within the Tesoro Preserve Development that are either bank owned, in foreclosure, or impaired by liens. The note bears interest at an annual rate of 8% and matures in June 2013 unless repaid early as allowed by the terms of the note. The holder of note is entitled to 50% of a pro rate share of the profits of the Fund after repayment of all outstanding principle and interest to all investors in the Offering. Pursuant to the Offering, the Company will issue to the holder of the note, 10,000 shares of common stock. The Company allocated $1,589 of the net proceeds from the note to the common stock based on their relative fair value on the date of the note issuance. The fair value of the common stock was based on quoted market prices and the amount allocated to the common stock is recorded as a discount, which will be amortized into expense over the three-year term of the note.	0	25,000
Roger & Carol Martin, Co-Trustees, Profit Sharing Plan Note	379,304	500,000
VR Circle Note	0	224,000

During the year ended December 31, 2013, the Company issued notes payable with an aggregate face value of $758,872. The notes are secured by real estate, bear interest at an annual rate of 10% and mature three years from issuance.	0	252,891
In February 2015, the company entered into an agreement to purchase TwinVee Catamarans. The Company issued a note payable of $1,000,000 at an interest rate of 5% with a balloon payment due in March 2019 and $1,500,000 due in installments before February 2016.	958,382	984,941
Jeffery Grossman Note Payable	225,152	243,468
Seacoast Bank Note Payable	148,893	0
Total	1,711,731	2,230,400
Less current portion	(46,000)	(54,723)
	$ 1,665,731	$ 2,175,677

Future minimum payments of principal are as follows:

Twelve months ending March 31,	
2016	$ 46,000
2017	$ 893,319
2018	$ 903,063

Note 5 – Related Party Transactions

Management Fees

Effective July 1, 2011, the Company's wholly owned subsidiary entered into a real estate management agreement, pursuant to which the Company provides management services to the POA for a monthly fee of $15,000. In July 2015, The Company adjusted the agreement to $5,000 a month, this agreement was retroactively dated to begin January 1, 2015. The Company transferred ownership rights of the POA effective February 2016 and will no longer charge the management fee going forward.

Note 6 – Litigation

Twin Vee PowerCats, Inc. is currently the plaintiff in a legal proceeding filed in St. Lucie County Circuit Court against Roger and Donna Dunshee, the former executives in charge of Twin Vee Catamarans, Inc. The legal proceeding seeks to recover damages against Mr. and Mrs. Dunshee for breach of contract and fraudulent concealment related to the defective design of boats sold during the Dunshee's tenure. These defects were discovered after Twin Vee PowerCats, Inc.'s (formerly known as ValueRich, Inc.) acquisition of Twin Vee Catamarans, Inc. This St. Lucie County Circuit Court case is currently in the discovery phase.

Due to the ongoing nature of this litigation, the ultimate result and the amount of damages recoverable cannot be predicted or estimated at this time.

Note 7 - Income Taxes

The actual income tax expense for the nine months ending September 30, 2017 and December 31, 2016 differs from the statutory tax expense for the year (computed by applying the U.S. federal corporate tax rate of 34% to income before provision for income taxes) as follows:

	2017	2016
Federal taxes at statutory rate	34.00%	34.00%
State income taxes, net of federal tax benefit	3.60	3.60
Other permanent differences	(0.08)	(0.08)
Change in valuation allowance	(37.52)	(37.52)
Total	-	-

The Company's deferred tax assets as of September 30, 2017 and December 31, 2016 are as follows:

		2017		2016
Deferred tax assets:				
Stock based compensation	$	0		50,391
Net operating loss carryover		2,962,124		2,911,733
		2,962,124		2,962,124
Less: Valuation allowance		(2,962,124)		(2,962,124)
Net deferred tax asset	$	-	$	-

As of September 30, 2017, the Company has available approximately $5,500,000 of operating loss carryforwards, which may be used in the future filings of the Company's tax returns to offset future taxable income for United States income tax purposes. Net operating losses begin to expire in the year 2025. As of March 31, 2017, the Company has determined that due to the uncertainty regarding profitability in the near future, a 100% valuation allowance is needed with regards to the deferred tax assets. Changes in the estimated tax benefit that will be realized from the tax loss carry forwards and other temporary differences will be recognized in the financial statement in the years in which those changes occur.

The U.S. Federal jurisdiction and Florida are the major tax jurisdictions where the company files income tax returns. The Company does not anticipate U.S. Federal or State examinations by tax authorities for years before 2009.

Note 8 – Subsequent Events

None