

BioNovelus inc
Consolidated Balance Sheets
As of September 30, 2016 and December 31, 2015

	2016	2015
ASSETS		
Current Assets		
Checking/Savings		
Cash - BAC Costa Rica 4658	485	-
10000 · Bank of America	20,219	134
Total Checking/Savings	20,704	134
Other Current Assets		
12000 · Inventory	109,450	-
13000 · Prepaid Expense	515	-
14100 · Due to Officers	24,144	(330)
Total Other Current Assets	134,109	(330)
Total Current Assets	154,813	(196)
Fixed Assets		
16000 · Furniture and Equipment	2,113	-
17000 · Intellectual Property	700,620	700,620
17900 · Accum Amortization - Intangible	(70,062)	(35,031)
Total Fixed Assets	632,671	665,589
Other Assets		
18000 · Preopening Costs	700	-
TOTAL ASSETS	788,183	665,393
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20900 · Accounts Payable	13,961	9,300
Total Accounts Payable	13,961	9,300
Other Current Liabilities		
21000 · Accrued Expenses	6	-
21100 · Accrued Interest	52,477	29,868
21200 · Accrued Interest - Officers	13,109	7,582
22000 · Credit Card Payable - B of A	59	-
23110 · Loan from James Termine	70,847	73,676
Total Other Current Liabilities	136,499	111,126
Total Current Liabilities	150,461	120,426
Long Term Liabilities		
24000 · Notes Payable to Officers	247,296	240,816
25000 · Notes Payable to Related Parties	100,000	100,000
26000 · Notes Payable Unrelated Parties	204,845	205,845
Total Long Term Liabilities	552,141	546,661
Total Liabilities	702,602	667,087
Equity		
30500 · Paid in Capital	1,031,561	666,381
31000 · Common Stock	90,336	83,268
31100 · Preferred Stock	10,000	10,000
32000 · Retained Earnings	(1,046,316)	(761,343)
Net Income		
Total Equity	85,581	(1,694)
TOTAL LIABILITIES & EQUITY	788,183	665,393

BioNovelus, Inc.
Footnotes to the Consolidated Financial Statements
For the Quarter Ending September 30, 2016

NOTE 1 -ORGANIZATION

BioNovelus Inc. (BioNovelus) is an Arizona based biotech company that aims to develop a portfolio of green solutions for many applications. The solutions address major global challenges: food and water safety and supply.

BioNovelus was founded in September 2010 to answer critical environmental problems by replacing harmful chemicals with eco-friendly and profitable technology to aid our planet.

BioNovelus CR. Sociedad Anonima (BioNovelus Costa Rica) was formed and began operations in July 27, 2016 in Costa Rica as a separate company to manufacture, market and sell various biotech products for the Central American markets.

NOTE 2 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: Information and note disclosures in these consolidated financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of the interim financial statements requires that assumptions and estimates be made to a certain extent. The assumptions and estimates are based on the current state of knowledge and the data available on the balance sheet date.

Cash and Cash Equivalents: Cash and cash equivalents consists of cash on hand, undeposited funds, amounts on deposit with financial institutions and certificates of deposit available for withdrawal.

Inventory: Inventory consists primarily of goods for resale and are stated at net realizable value, using the first-in, first-out method.

Intellectual Property - All research and development costs are normally expensed as incurred. Since there was a reverse acquisition/merger in May 2015 with Firstin Wireless Technology, Inc. , those rules change per GAAP. Stock is being issued for the product, the cost of the stock (which is \$0.01 per share) becomes the fair market value based on the number of shares. To calculate the fair market value, the number of shares was multiplied by \$0.01 to come up with the fair market value.

Income Taxes: The company accounts for income taxes using the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing tax assets and liabilities and their respective tax basis and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income for the years in which those temporary differences are expected to be recovered or settled.

BioNovelus, Inc.
Footnotes to the Consolidated Financial Statements
For the Quarter Ending September 30, 2016

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 reported amounts of assets and liabilities, the 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.

Principles of Consolidation: The accompanying consolidated financial statements include the accounts of BioNovelus, Inc. and its wholly-owned subsidiary BioNovelus Costa Rica. Both entities have common year ends of December 31, 2016. All activity from foreign operations is converted to US dollars

NOTE 3 - Concentration of Risk

BioNovelus maintains cash and cash equivalents at various financial institutions. Deposits not to exceed \$250,000 at each financial institution are insured by the Federal Deposit Insurance Corporation. As of September 30, 2016, BioNovelus's bank balances did not exceed this limit.

NOTE 4 - Related Parties Debt

BioNovelus has outstanding notes payable to its President for \$247,296 and others for \$100,000 as of September 30. There are several unsecured notes but the terms are consistent as follows:

Due on demand with 3% interest and accrued interest year to date September 30, 2016 is \$5,527.

In addition, there are loans payable of \$70,847 to officers and other related parties. These loans are not secured and do not accrue interest. Principal is due on demand.

Loans receivable from officers at September 30, 2016 total \$24,144 which are due on demand and do not accrue interest.

NOTE 5 - Notes Payable Unrelated Parties

BioNovelus has outstanding notes payable with unrelated parties of \$204,845 as of September 30, 2016. The terms of the notes are as follows:

Unsecured demand notes at 3% interest per annum	\$50,000
Convertible notes 12% - 18% interest with various due dates in 2016	\$154,845

Accrued interest year to date as of September 30, 2016 is \$22,609

BioNovelus inc
Consolidated Statement of Cash Flows
For the Nine Months Ending September 30

	2016	2015
OPERATING ACTIVITIES		
Net Income	(284,973)	(44,568)
Adjustments to reconcile Net Income to net cash provided by operations:		
12000 · Inventory	(109,450)	-
13000 · Prepaid Expense	(515)	-
14100 · Loans to Officers	(24,144)	-
20900 · Accounts Payable	4,661	9,300
21000 · Accrued Expenses	6	-
21100 · Accrued Interest	22,609	-
21200 · Accrued Interest - Officers	5,527	-
22000 · Credit Card Payable - B of A	59	-
23100 · Loan from Ekobo	(329)	10
23110 · Loan from James Termine	(2,829)	38,701
23200 · Loan Repayment Loan from Ben & Karen Kim	-	16,250
Net cash provided by Operating Activities	(389,376)	19,693
INVESTING ACTIVITIES		
16000 · Furniture and Equipment	(2,113)	-
17000 · Intellectual Property	-	(700,620)
17900 · Accum Amortization - Intangible	35,031	-
18000 · Preopening Costs	(700)	-
Net cash provided by Investing Activities	32,218	(700,620)
FINANCING ACTIVITIES		
24000 · Notes Payable to Officer	6,480	239,516
25000 · Notes Payable to Related Parties	-	100,000
26000 · Notes Payable Unrelated Parties	(1,000)	204,845
30500 · Paid in Capital	362,005	666,381
30600 · Equity from Charles Kim	-	(8,560)
30700 · Equity from Ekobo	-	(10,798)
31000 · Common Stock	10,243	83,268
31100 · Preferred Stock	-	10,000
32000 · Retained Earnings	-	(605,707)
Net cash provided by Financing Activities	377,728	678,945
Net cash increase for period	20,570	(1,981)
Cash at beginning of period	134	5,106
Cash at end of period	20,704	3,124

BioNovelus Inc
Consolidated Income Statements
For the Three Month and Nine Month Periods Ending September 30

	Third Quarter 2016	Third Quarter 2015	Year to Date 2016	Year to Date 2015
Ordinary Income/Expense				
Income				
41000 · Sales	2,400	-	2,400	-
Total Income	<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>-</u>
Cost of Goods Sold				
50000 · Cost of Goods Sold	857	-	857	-
Total COGS	<u>857</u>	<u>-</u>	<u>857</u>	<u>-</u>
Gross Profit	1,543	-	1,543	-
Expense				
60000 · Advertising and Promotion	1,936	647	2,210	860
60100 · Auto and Truck Expenses	1,164	498	1,179	498
60400 · Bank Service Charges	101	120	581	195
60450 · Late Charges	25	-	175	-
61700 · Computer and Internet Expenses	120	171	312	171
62400 · Depreciation Expense	11,677	-	35,031	-
63300 · Insurance Expense	509	-	509	-
63400 · Interest Expense	9,462	-	28,149	-
63500 · Membership Fees & Dues	391	-	891	-
63600 · Licenses & Permits	-	800	475	850
63900 · Miscellaneous Expense	(1,025)	1,025	(1,025)	1,025
64900 · Office Supplies	1,072	361	2,140	440
66500 · Public Relations	-	-	1,396	-
66510 · Stock Management	-	1,545	621	1,545
66520 · Subscription	151	30	151	30
66530 · SCC & OTC Filing	2,935	-	10,150	10,149
66600 · Printing and Reproduction	6	-	64	10
66650 · Postage	249	-	249	-
66660 · Mail Service	61	47	178	451
66700 · Professional Fees				
66710 · Grant Fees	-	-	-	750
66720 · Legal Fees	20,343	275	20,343	275
66700 · Professional Fees - Other	800	-	800	16,651
Total 66700 · Professional Fees	<u>21,143</u>	<u>275</u>	<u>21,143</u>	<u>17,676</u>
66730 · Consulting	26,353	-	138,840	-
66750 · Accounting	5,759	-	8,548	-
66800 · Research & Development	-	1,500	-	1,500
66810 · Lab Testing	-	4,250	-	4,250
67100 · Rent Expense	1,493	-	2,314	-
68000 · Taxes	-	-	50	14
68200 · Telephone Expense	776	-	2,809	-
68400 · Travel Expense	24,785	2,046	29,366	4,893
68450 · Parking	10	-	10	12
Total Expense	<u>109,153</u>	<u>13,314</u>	<u>286,516</u>	<u>44,568</u>
Net Ordinary Income	<u>(107,610)</u>	<u>(13,314)</u>	<u>(284,973)</u>	<u>(44,568)</u>
Net Income	<u>(107,610)</u>	<u>(13,314)</u>	<u>(284,973)</u>	<u>(44,568)</u>

BioNovelus Inc
Consolidated Statement of Stockholders' Equity
For the nine months ending September 30, 2016

	Preferred Stock		Common Stock		Additional Paid in Capital	Retained Earnings Accumulated deficit	Total
	# of Shares	Amount	# of Shares	Amount			
Balance, December 31, 2015	10,000,000	10,000	83,267,969	83,268	666,381	(761,343)	(1,694)
Common Shares Sold for Services	-	0	2,259,234	2,259	116,898	0	119,158
Common Shares Sold for Notes Payable	-	0	400,000	400	3,600	0	4,000
Common Shares Sold for Cash	-	0	4,426,794	4,409	244,681	0	249,090
Net Loss for the nine months ending September 30, 2016	-	0	0	0	0	(284,973)	(284,973)
Balance, September 30, 2016	10,000,000	10,000	90,353,997	90,336	1,031,560	(1,046,316)	85,581