Compilation Report on Consolidated Financial Statements of

Emergent Health Corporation and Subsidiaries

as of June 30, 2022, and as of and for the three and nine months ended September 30, 2022

SCOTT + COMPANY

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Accountant's Compilation Report

To Management and the Shareholders
Emergent Health Corporation and Subsidiaries
King of Prussia, Pennsylvania

Management is responsible for the accompanying consolidated financial statements of Emergent Health Corporation (a Wyoming corporation) and subsidiaries, which comprise the consolidated balance sheets as of June 30, 2022 and September 30, 2022, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the three and nine months ended September 30, 2022, and the related notes to the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these consolidated financial statements.

We are not independent with respect to Emergent Health Corporation and subsidiaries, because we performed certain accounting services, including bookkeeping, that impaired our independence.

Scott and Company LLC

Columbia, South Carolina
November 18, 2022

Emergent Health Corporation
Consolidated Balance Sheets
as of,

	June 30, 2022	September 30, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 193,601	$ 57,118
Advances on acquisitions	71,990	455,452
Investment in subsidiary	-	1,500
Total current assets	265,591	514,070
Noncurrent assets:		
Intangible asset, net	116,065	111,065
Equipment	-	50,000
Security deposit	1,500	1,500
Total noncurrent assets	117,565	162,565
TOTAL ASSETS	$ 383,156	$ 676,635
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 27,252	$ 124,023
Note payable to related party	-	250,000
Notes payable, net of discount	562,258	443,258
Total liabilities	589,510	817,281
Stockholders' equity:		
Series A Preferred Stock, 100 shares authorized, 100 shares issued and outstanding, par value $.001	-	-
Series B Convertible Preferred Stock, 25,000,000 shares authorized, 25,000,000 and 23,500,000 shares issued and outstanding, respectively, par value $.001	25,000	23,500
Series C Preferred Stock, 15,000,000 shares authorized, 3,000,000 and 5,600,000 issued and outstanding, respectively, par value $.001	3,000	5,600
Common stock, 7,500,000,000 shares authorized, 91,851,111 and 190,851,111 shares issued and outstanding, respectively, par value $.001	91,851	190,851
Additional paid-in capital	1,366,324	1,868,957
Noncontrolling interest in consolidated subsidiaries	87,592	88,237
Accumulated deficit	(1,780,121)	(2,317,791)
Total stockholders' equity	(206,354)	(140,646)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 383,156	$ 676,635

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Operations

	3 Months Ended September 30, 2022	9 Months Ended September 30, 2022
Sales	$ 185,471	$ 201,210
Cost of sales	73,347	142,965
Gross profit	112,124	58,245
Operating expenses:		
Sales commissions	68,624	71,884
Salaries	40,267	66,367
Research and development	7,986	8,586
Fulfillment	25,524	33,743
Office supplies	454	1,451
Professional and legal fees	9,111	155,135
Consulting fees	382,922	636,051
Credit card fees and bank service charges	1,797	5,631
Occupancy	4,579	6,079
Marketing	61,000	81,645
Website	10,283	11,625
Amortization	5,000	15,000
Other selling, general and administrative expenses	34,141	88,905
Total operating expenses	651,689	1,182,103
Loss from operations	(539,565)	(1,123,858)
Other Income (Expense)		
Interest income	1,250	3,750
Total Other Income (Expense)	1,250	3,750
Loss before income taxes	(538,315)	(1,120,108)
Provision for income taxes	-	-
Net loss	(538,315)	(1,120,108)
Net loss attributable to noncontrolling interest	645	1,390
Net loss attributable to Emergent Health Corporation	$ (537,670)	$ (1,118,718)
Net loss per common share:		
Basic	$ -	$ -
Diluted	$ -	$ -
Weighted average number of common shares outstanding:		
Basic	190,851,111	190,851,111
Diluted	221,851,211	221,851,211

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Changes in Stockholders' Equity

	Series A Preferred Stock, $.001 Par Value		**Series B Convertible Preferred Stock, $.001 Par Value**		**Series C Preferred Stock, $.001 Par Value**		**Common Stock, $.001 Par Value**		**Additional Paid-in Capital**	**Noncontrolling interest**	**Accumulated Deficit**	**Total Stockholders' Equity**
	Shares	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**				
Balance, December 31, 2021	100	$ -	25,000,000	$ 25,000	-	$ -	58,101,111	$ 58,101	$ 1,072,424	$ 86,847	$ (1,199,073)	$ 43,299
Net loss attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-	1,390	-	1,390
Shares Issued during period	-	$ -	-	$ -	6,500,000	$ 6,500	132,750,000	$ 132,750	$ 1,046,533	-	$ -	1,185,783
Shares Redeemed during period			(1,500,000)	$ (1,500)	(900,000)	$ (900)			$ (250,000)			(252,400)
Net loss attributable to Emergent Health Corporation	-	-	-	-	-	-	-	-	-	-	(1,118,718)	(1,118,718)
Balance, September 30, 2022	100	$ -	23,500,000	$ 23,500	5,600,000	$ 5,600	190,851,111	$ 190,851	$ 1,868,957	$ 88,237	$ (2,317,791)	$ (140,646)

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Cash Flows

	3 Months Ended September 30, 2022	9 Months Ended September 30, 2022
Cash flows from operating activities:		
Net loss	$ (537,670)	$ (1,118,718)
Adjustments to reconcile net loss		
to net cash used in operating activities:		
Amortization	5,000	15,000
Change in investment in subsidiary	(1,500)	(1,500)
Change in equipment	(50,000)	(50,000)
Change in advances on acquisitions	(383,462)	(455,452)
Change in inventories	-	69,618
Change in intangible asset	5,000	(26,065)
Change in accounts payable	96,771	119,151
Net cash used in operating activities	(865,861)	(1,447,966)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	215,000	455,000
Payments on long-term debt	(84,000)	(124,405)
Proceeds from issuance of common stock	598,378	934,446
Net cash provided by financing activities	729,378	1,265,041
Net increase in cash and cash equivalents	(136,483)	(182,925)
Cash and cash equivalents, beginning of period	193,601	240,043
Cash and cash equivalents, end of period	$ 57,118	$ 57,118

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Note 1. Organization

Emergent Health Corporation (the "Company") was incorporated in Nevada on April 27, 2006 and was reincorporated in Wyoming on March 31, 2018. The Company manufactures and sells vitamin products to retail customers across the United States of America.

The Company has four subsidiaries, Emergent Medical Foods, Inc. ("EMF"), Emergent OTC Products, Inc. ("EOTC"), PharmaZu, Inc. ("PharmaZu"), and Evolutionary Biologics, Inc. ("Biologics"). EMF is a Wyoming corporation incorporated on April 4, 2019. EMF was formed for the purpose of marketing a medical food for cancer and debilitated patients through medical personnel. EMF was funded with $90,000 (900,000 preferred shares) from private investors for $0.10 per share and issued 30 million $.0010 common shares to the Company for payment of EMF expenses, including providing future research and development and patented products to be made on behalf of EMF. Both classes are equal as to voting rights but the preferred shares have certain liquidation preference. PharmaZu is a Delaware corporation and was funded with 500,000 shares of Series C Convertible Non-Voting Preferred stock and up to an additional 1,600,000 shares of preferred stock subject to certain terms and conditions. Biologics is a Delaware corporation and it was funded with 1,500,000 Series C Preferred Shares which can be converted to Common Stock effective January 1, 2024.

On August 2, 2019, EMF transferred $20,000 of $.0010 common shares to form EOTC. EOTC is a Wyoming corporation incorporated on August 1, 2019. EOTC was formed for the purpose of marketing a retail version of the Company's products. EOTC is wholly owned by EMF.

Note 2. Summary of Significant Accounting Policies

The accounting and reporting policies of the Company conform, in all material respects, to accounting principles generally accepted in the United States of America ("GAAP"). The following summarizes the more significant of these policies and practices.

Principles of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries, EMF, EOTC, PharmaZu, and Biologics. All significant intercompany balances and transactions have been eliminated in consolidation. The Company accounts for the portion of a subsidiary that is not owned as noncontrolling interests. Noncontrolling interests in a subsidiary are reported in the consolidated financial statements at the fair value of the net assets acquired by the Company at the date of acquisition, depending on the nature of the acquisition, plus the cumulative allocation of net income (loss) from that date forward to the noncontrolling interests based on its ownership percentage.

In addition, the Company evaluates its relationships with other entities to identify whether they are variable interest entities as defined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Section 810-10-50, *Consolidations*, and to assess whether it is the primary beneficiary of such entities. If the determination is made that the Company is the primary beneficiary, then that entity is included in the consolidated financial

Note 2. Summary of Significant Accounting Policies (continued)

statements in accordance with ASC Section 810-10-50. As of September 30, 2022 and December 31, 2021, the Company did not have any variable interest entities of which it was the primary beneficiary.

Use of Estimates

The preparation of consolidated financial statements in accordance with GAAP requires that management use certain estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ significantly from the estimates.

Cash

The Company considers highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. At times, such cash may be in excess of the Federal Depository Insurance Corporation ("FDIC") insured limits. As of September 30, 2022 and June 30, 2022, the Company did not have any deposits in excess of FDIC insured limits.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market (net realizable value).

Intangible Assets

The Company capitalized website services as an intangible asset based on the nature of the services (application development stage). See Note 5 for further details.

Income Taxes

Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled.

Net Income (Loss) Per Common Share

Basic net income (loss) per common share is calculated based upon the weighted average number of common shares outstanding. Diluted net income (loss) per common share is calculated upon the weighted average number of common shares outstanding and dilutive convertible preferred shares outstanding.

Note 2. Summary of Significant Accounting Policies (continued)

Marketing Expense

The Company expenses the cost of advertising and marketing as incurred. Marketing and advertising costs for the three months and nine months ended September 30, 2022, totaled $61,000 and $81,645, respectively.

Research and Development

Research and development costs are recognized as an expense when incurred. Research and development costs for the three months and nine months ended June 30, 2022, totaled $7,986 and $8,586, respectively.

Revenue Recognition

Sales - The Company sells vitamin products to retail customers across the United States of America. The Company's standard delivery method is "free on board" shipping point. Consequently, the Company considers control of products to transfer at a single point in time when control is transferred to the customer, which is generally when products are shipped in accordance with an agreement or purchase order. Control is defined as the ability to direct the use of and obtain substantially all of the remaining benefits of the product. The Company considers the customer's purchase order, and the Company's corresponding sales order acknowledgement as the contract with the customer. For each contract, the Company considers the promise to transfer products to be the identified performance obligations. The Company satisfies its performance obligations under a contract with a customer by transferring goods and services in exchange for monetary consideration from the customer. Sales taxes the Company collects concurrent with revenue-producing activities are excluded from revenue.

Deferred revenue – Revenue is deferred when the Company receives payment under a contract with a customer prior to satisfying its performance obligation. As the majority of orders are processed and shipped immediately upon receipt of payment, it is rare that revenue is deferred. There was no deferred revenue as of September 30, 2022 or June 30, 2022.

Accounts receivable – The majority of products are paid for in full prior to delivery, which occurs immediately after payment. Therefore, the Company does not have any accounts receivable as of September 30, 2022 or June 30, 2022.

Significant payment terms – The Company's contracts with its customers state the final terms of the sale, including the description, quantity, and price of each product purchased. Payments are typically due prior to delivery. Since the customer agrees to a stated rate and price in the contract that do not vary over the contract, the Company's contracts do not contain variable consideration.

Economic factors - The Company's revenues and accounts receivable are derived primarily from the United States with no particular concentration in any industry. Sales revenue is impacted by overall economic conditions, as there are fewer sales when the Company's customers are impacted by negative economic conditions.

Note 2. Summary of Significant Accounting Policies (continued)

Returns, refunds, and warranties – The Company has a 30-day return policy on all products. As the amount of returned product is minimal, management believes that returns on any goods sold subsequent to September 30, 2022 or June 30, 2022, were not material.

Recently Implemented Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* which is required to be implemented for fiscal periods beginning after December 15, 2021. The provisions of the ASU seek to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and by disclosing key information about leasing arrangements. ASU 2016-02 requires that a lessee recognize assets and liabilities for all leases with lease terms of more than 12 months. Additionally, the ASU will require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases, including qualitative and quantitative requirements. Lessor accounting will remain largely unchanged except for changes to align lessor accounting with ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The Company implemented this standard for the period ended March 31, 2022 and there was no impact on its consolidated financial statements.

Note 3. Revenue from Contracts with Customers

The Company had revenue from contracts with customers in the amount of $227,026 and $242,765 for the three months and nine months ended September 30, 2022, respectively. All the revenue was recognized at a point in time at the time of transfer of goods or services. As the Company had no accounts receivable or deferred revenue as of September 30, 2022 or June 30, 2022, there were no contract assets or liabilities arising from contracts with customers.

Note 4. Inventories

The Company had no inventory as of September 30, 2022 and June 30, 2022.

Note 5. Intangible Assets

In July of 2019, the Company issued common shares in exchange for website services performed at the application development stage. The resulting estimated fair value of the expense of $100,000 was capitalized. The Company paid an additional $76,065 for website development that is not subject to amortization. The unamortized balance of the application development stage asset was $35,000 and $40,000 at September 30, 2022 and June 30, 2022, respectively. This remaining asset will be amortized as follows:

Note 5. Intangible Assets (continued)

2022	$ 5,000
2023	20,000
2024	10,000
	$ 35,000

Note 6. Related Party Transactions

On August 26, 2021, the Company entered into two notes payable with two Series B Convertible Preferred Stock shareholders. See Note 8 regarding information on these notes payable.

Note 7. Notes and Loans Payable

Notes payable in the amount of $906,000 consists of the following three notes as of September 30, 2022.

The Company entered into a note payable to a Series B Convertible Preferred Stock shareholder on August 26, 2021 in the amount of $200,000 due August 26, 2022. The note payable was issued at a discount of face value in the amount of $100,000. The note payable is unsecured, but shall become immediately due and payable in the event of default. The current balance of this note is $140,000 at September 30, 2022.

The Company entered into a second note payable to Cimarron Capital, Inc. on August 26, 2021 in the amount of $300,000 due August 26, 2022. The note payable was issued at a discount of face value in the amount of $150,000. The note payable is unsecured, but shall become immediately due and payable in the event of default. The current balance of this note is $276,000 at September 30, 2022.

The Company entered into a promissory note on June 9, 2022 in the principal amount of $264,000. The note bears interest at 10% and the Company received $240,000 on the original issue date which will be due June 9, 2023. Upon repayment on the original amount, the Company will receive the remaining $24,000. The balance of the note at September 30, 2022 was $240,000.

Related Party
The Company entered into a promissory note on August 17, 2022 in the principal amount of $250,000 with an executive officer. The note bears interest at 5% with no due date. The balance of this note at September 30, 2022 was $250,000.

As two notes payable are noninterest bearing and issued at a discount, imputed interest was recorded using an effective rate of 50%, the amount of the issued discount. The balance of the discount on notes payable at September 30, 2022 was $212,742.

Note 8. Stockholders' Equity

Series A Preferred Stock

Effective June 12, 2018, the Company issued a total of 100 shares of Class A Preferred Stock to the Chief Executive Officer of the Company (at the time, John V. Cappello).

On August 26, 2021, Mr. Cappello assigned 66.67 of his 100 shares of Series A to Frank Magliochetti, who was then President/Chief Executive Officer of the Company.

On July 15, 2022, Parcae Capital Corp. sold 66.67 shares of Series A Preferred Stock to the Company. The Company then issued 66.67 shares of Series A Preferred Stock to Eocine Management Advisors, Inc., controlled by James W. Zimbler, President/Chief Executive Officer of the Company.

The Class A Preferred Shares have no dividend or conversion rights. The holder(s) of the Series A shares shall as a class have rights in all matters requiring shareholder approval to a number of votes equal to two (2) times the sum of: (i) the total number of shares of common stock which are issued and outstanding at the time of any election or vote by the shareholders; plus (ii) the number of votes allocated to shares of Preferred Stock issued and outstanding of any other class that has voting rights may, if required, extend to a number of votes in excess of the total number of shares authorized.

In the event of liquidation, dissolution, or winding up of the Corporation, either voluntary or involuntary, the holder(s) of the Series A shares will be entitled to receive out of the assets of the Company, prior and in preference to any distribution of the assets or surplus funds of the Company to the holders of any other class of preferred stock or the Common Stock, the amount of $100.00 per share, and will not be entitled to receive any portion of the remaining assets of the Company except by reason of ownership of shares of any other class of the Company's stock.

Series B Convertible Preferred Stock

On July 19, 2018, the Company closed on the sale of 20,000,000 shares of Series B Convertible Preferred Stock to an investor at a price of $0.00225 per share for proceeds of $45,000.

On July 25, 2018, the Company closed on the sale of 5,000,000 shares of Series B Convertible Preferred Stock to the same investor discussed in the preceding paragraph at a price of $0.011 per share for proceeds of $55,000.

The holders of Series B Convertible Preferred Stock have no voting rights prior to conversion and are not entitled to any manner of liquidation preference payment. Each share of Series B Convertible Preferred Stock is convertible into twenty (20) shares of the Company's common stock at any time after the first anniversary of issuance.

On November 17, 2021, the Board of Directors voted to restate the terms of conversion of the Company's Series B Convertible Preferred Stock to a conversion rate of twenty (20) shares of common stock for every one (1) share of Series B Convertible Stock converted. The original terms included a conversion rate of one (1) share of common stock for every one (1) share of Series B Convertible Stock converted.

Note 8. Stockholders' Equity (continued)

During the quarter ended September 30, 2022, 1,500,000 share of Series B Convertible Preferred Stock were redeemed for 30,000,000 shares of the Company's Common Stock

Series C Convertible Preferred Stock

As of September 30, 2022, the Company had issued 5,600,000 shares of Series C Convertible Preferred Stock.

The holders of Series C Convertible Preferred Stock have no voting rights prior to conversion and are entitled to dividends and liquidation payments pari passu with Common Stock except that the dividend or liquidation payment on each share of Series C Convertible Preferred Stock shall be equal to the amount of the dividend declared and paid or liquidation payment on each share of Common Stock multiplied by the Conversion Rate.

No share of Series C Convertible Preferred Stock shall be converted into shares of Common Stock prior to January 1, 2024. Effective January 1, 2024, all issued and outstanding shares of Series C Convertible Preferred Stock shall be converted into shares of Common Stock at the Conversion Rate of one hundred (100) shares for every one (1) share of Series C Convertible Preferred Stock.

Common Stock

In January of 2022, the Company increased the authorized shares of common stock to 7,500,000,000. At September 30, 2022 and June 30, 2022, the Company had issued a total of 190,851,111 and 91,851,111, respectively, shares of common stock with a par value of $.001.

Note 9. Income Taxes

For the nine months and three months ended September 30, 2022, the Company's effective tax rate differed from the United States Federal income tax rate for the following reasons:

	Three Months Ended September 30, 2022	**Nine Months Ended September 30, 2022**
Expected Federal income tax benefit at 21%	$ 112,911	$ 234,931
Increase in valuation allowance	(112,911)	(234,931)
Provision for income taxes	$ -	$ -

Based on management's present assessment, the Company has not yet determined it to be more likely than not that a deferred tax asset of up to approximately $224,000 attributable to the future utilization of the approximately $1,066,000 combined current and prior net operating loss carryforwards will be realized. Accordingly, the Company has maintained a 100% allowance against the deferred tax asset in the consolidated financial statements at September 30, 2022 and June 30, 2022. The Company will continue to review this valuation allowance and make adjustments as appropriate. The net operating loss carryforwards expire in varying amounts from 2026 to 2041.

Note 9. Income Taxes (continued)

At September 30, 2022, deferred tax assets consisted of:

Net operating loss carryforwards	$ 177,138
Valuation allowance	(177,138)
Deferred tax assets – net	$ -

Current United States income tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited.

Tax years ending December 31, 2019, 2020, and 2021 are open and subject to examination by the Internal Revenue Service. Management has evaluated tax positions taken and determined that there are no uncertain positions taken or expected to be taken that would require disclosure in the consolidated financial statements.

Note 10. Business Acquisition

On August 1, 2022 the Company acquired assets consisting of, but not limited to Corporate Name, Stock Holdings, Branding, Trademarks, Patents, IP, Formulations, Branding, and certain liabilities of Regen Biowellness, Inc., f/k/a Availa Bio, Inc. ("Regen"), a distributor of various products in the plant-based and regenerative medical fields. The acquisition was funded with 1,500,000 Series C Preferred Shares of Emergent. Effective January 1, 2024, Series C Preferred Shares can be converted into shares of Common Stock.

On August 8, 2022, the Company acquired Evolutionary Biologics, Inc., a new kind of biologics company founded for a clear purpose: bring cutting edge regenerative products to the medical community. The purchase price included equity in Emergent and a capital investment into Evolutionary Biologics for sales, scaling of the company operations and promotions. Evolutionary Biologics flagship products include Evo Hybrid™ which helps jumpstart your body's own natural healing power to help bring your skin back to youthful suppleness and HydrEyes™ which helps reduce redness to help reveal your eyes' natural radiance. The acquisition was made for 1,500,000 Series C Preferred Shares of Emergent. Effective January 1, 2024, Series C Preferred Shares can be converted into shares of Common Stock.

Note 11. Subsequent Events

The Company has evaluated events and transactions occurring subsequent to the balance sheet date of September 30, 2022, for items that should potentially be recognized or disclosed in these consolidated financial statements. The evaluation was conducted through November 18, 2022, the date these consolidated financial statements were available to be issued, and except as noted below, no other items of significance were noted.

On November 10th, 2022, the Company issued 10,000,000 shares of Common Stock to Marvin Segel pursuant to an agreement to serve as Director of the Corporation.