EMERGENT HEALTH CORPORATION
CONDENSED BALANCE SHEETS

	September 30, 2014 (unaudited)	December 31, 2013
ASSETS		
Current assets:		
Cash	$ 496,691	$ 814,269
Inventory	153,751	207,633
Note receivable – related party	343,600	-
Prepaid expenses	10,752	7,631
Total current assets	1,004,794	1,029,533
Office equipment	3,277	-
Security deposit	17,688	-
Intangible assets, net	2,668	2,932
TOTAL ASSETS	$ 1,028,427	$ 1,032,465
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	$ 2,698	$ 26,759
Accrued commissions	25,749	31,437
Accrued income taxes	76,746	16,990
Total current liabilities	105,193	75,186
Stockholder's equity:		
Preferred stock, $.001 par value; 20,000,000 shares authorized; issued and outstanding, -0-	-	-
Common stock, $.001 par value; 50,000,000 shares authorized; issued and outstanding, 39,800,000 and 24,800,000, respectively	39,800	24,800
Additional paid in capital	596,200	461,200
Retained earnings	287,234	471,279
Total stockholder's equity	923,234	957,279
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$ 1,028,427	$ 1,032,465

The accompanying notes are an integral part of these condensed unaudited financial statements.

EMERGENT HEALTH CORP.
CONDENSED UNAUDITED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	**2013**	**2014**	**2013**
Gross sales	$ 222,800	$ 384,789	$ 712,847	$ 1,228,928
Less: returns	1,092	3,779	4,083	11,720
Less: commissions	76,156	130,081	236,576	434,824
Net Sales	145,552	250,929	472,188	782,384
Cost of sales	33,628	51,636	118,197	197,426
Less: warehousing and fulfillment costs	42,544	43,516	110,276	121,980
Gross margin	69,380	155,777	243,715	462,978
Operating expenses:				
Selling, general and administrative	136,104	62,044	251,603	206,845
Royalty	9,000	15,000	27,400	47,000
Stock-based compensation	-	-	150,000	-
Total operating expenses:	145,104	77,044	429,003	253,845
Net operating income (loss)	(75,724)	78,733	(185,288)	209,133
Interest income	431	437	1,243	1,419
Net income (loss) before income taxes	(75,293)	79,170	(184,045)	210,552
Provision for income taxes:				
State	-	8,000	-	20,000
Federal	-	18,000	-	50,000
Total provision for income taxes	-	26,000	-	70,000
Net income (loss)	$ (75,293)	$ 53,170	$ (184,045)	$ 140,552
Net income (loss) per common share, basic and diluted	$ (0.002)	$ 0.002	$ (0.006)	$ 0.006
Weighted average number of common shares outstanding, basic and diluted	39,800,000	24,800,000	31,638,235	24,800,000

The accompanying notes are an integral part of these condensed unaudited financial statements.

EMERGENT HEALTH CORPORATION
CONDENSED UNAUDITED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
OPERATING ACTIVITIES:		
Net (Loss) Income	$ (184,045)	$ 140,552
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:		
Amortization of intangible asset	264	264
Issuance of shares for consulting services	150,000	-
Changes in operating assets and liabilities:		
Inventory	53,882	(49,708)
Note receivable	(343,600)	-
Prepaid expenses	(3,121)	5,779
Accounts payable	(24,061)	25,600
Accrued commissions	(5,688)	(13,216)
State taxes payable	-	20,000
Federal taxes payable	59,756	20,000
CASH (USED) PROVIDED BY OPERATING ACTIVITIES	(296,613)	149,271
INVESTING ACTIVITIES:		
Purchase of office equipment	(3,277)	-
Leasehold security deposit	(17,688)	-
CASH (USED IN) FINANCING ACTIVITIES	(20,965)	-
NET INCREASE (DECREASE) IN CASH	(317,578)	149,271
CASH, BEGINNING OF PERIOD	814,269	737,298
CASH, END OF PERIOD	$ 496,691	$ 886,569
SUPPLEMENTAL DISCLOSURES:		
Cash paid for:		
Income taxes paid	$ -	$ 67,500
Supplemental schedule of non-cash financing activities:		
Issuance of shares for consulting services	$ 150,000	$ -

The accompanying notes are an integral part of these condensed unaudited financial statements.

EMERGENT HEALTH CORPORATION
NOTES TO CONDENSED UNAUDITED FINANCIAL STATEMENTS

1. Nature of Business

Emergent Health Corp, ("EHC" or the "Company") was incorporated in the State of Nevada on April 27, 2006. The Company engages in the development and sale of proprietary regenerative medicine, nutraceuticals and phytonutritionals in the United States and internationally. The current product offerings are rooted in patent and patent pending nutrition formulas that are marketed through a direct to consumer sales model that has been successful in growing a stream of approximately $1 million in revenue annually with more than 800 customers. The Company's current marketing plan calls for a rebranding strategy to the name "Cellaviv" with a targeted series of well-designed campaigns that have been successfully implemented previously and are being utilized currently by other direct sales companies. EHC has licensed patented and patent pending nutritionally designed products such as JDI MultiVitamin Multi Mineral With Stem Cell Nutrition, Hungarest Diet & Energy Aid, Vita-Stim Concentrate, Vita-Stim Stem Cell Nutrition, Neuvitale Life Support, EmergentO2 Water Oxygenator, Miracle Serum, Cardio Forte, Infinity and Infinity Plus Anti Aging, NeuStem Cell Helper and ResoluCan Nutritional.

2. Summary of Significant Accounting Policies

Basis of Presentation

The condensed unaudited financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP").

Reclassification

Certain amounts previously reported have been reclassified to conform to the current period presentation. The reclassifications were made to change the income statement presentation to provide the users of the financial statements additional information related to the operating results of the Company. These reclassifications include reclassifying the Company's warehousing and fulfillment costs to Cost of Sales, as these warehousing and fulfillments related expenditures were previously grouped with Operating expenses. The reclassifications had no effect on net income or assets and liabilities.

Use of Estimates

Preparation of the Company's condensed unaudited financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as well as the reported amounts of revenue and expenses. Accordingly, actual results could differ from those estimates. There are no estimates used in the preparation of the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents, if any, include all highly liquid instruments with an original maturity of three months or less at the date of purchase. As of September 30, 2014, the Company had no cash equivalents.

Concentration of Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash. The Company places its cash with high quality banking institutions and may at times exceed federally insured limits of $250,000. As of September 30, 2014, cash exceeded federally insured limits by $246,691. The Company believes that the risk of loss is minimal. To date, the Company has not experienced any losses related to cash deposits with financial institutions.

Fair Value of Financial Instruments

The Company accounts for the fair value of financial instruments in accordance with the FASB ASC Topic 820, Fair Value Measurements and Disclosures ("Topic 820"). Topic 820 defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures.

The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair measurement.

The fair value of the Company's cash, accounts payable and accrued expenses approximate carrying value because of the short-term nature of these items.

Revenue Recognition

The Company recognizes revenues when delivery of goods or completion of services has occurred provided there is persuasive evidence of an agreement, acceptance has been approved by its customers, the fee is fixed or determinable based on the completion of stated terms and conditions, and collection of any related receivable is probable. The Company records revenue when an order is filled. The Company typically receives payment via credit card at the time the order is made.

Sales Returns and Allowances

The Company's policy is to refund the amount of a purchase within thirty days of the sale if the customer is not satisfied with the product. Such amounts are included in net sales and amounted to $1,092 and $3,779 for the three months ended September 30, 2014 and 2013, respectively and $4,083 and $11,720 for the nine months ended September 30, 2014 and 2013, respectively.

Inventories

Inventories consist primarily of finished goods of bottled supplements and raw materials used in their production and are stated at the lower of cost (first-in first-out method) or market value. The Company is a Distributor and outsources the manufacturing of its products. The outsourcing costs are included in finished goods and cost of goods sold. There is no reserve for obsolescence in any of the inventory amounts presented, as the Company considers all goods current and sellable.

The Company records shipping costs in accordance with EITF 00-10 Accounting for Shipping and Handling Fees and Costs. Accordingly, the shipping costs is shown in the financial statements to be included with warehousing and fulfillment costs. Shipping costs for the three months ended September 30, 2014 and 2013 was $29,718 and $24,158, respectively and for the nine months ended September 30, 2014 and 2013 were $60,151 and $56,755, respectively.

Intangible Assets

The Company capitalizes costs associated with the acquisition of patents and trademarks. It amortizes these costs over fifteen years using the straight line method. The costs on the Balance Sheet are for trademarks registered in the name of EHC.

Income Taxes

The Company account for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recorded, when necessary, to reduce deferred tax assets to the amount expected to be realized.

As a result of the implementation of certain provisions of ASC 740, Income Taxes ("ASC 740"), which clarifies the accounting and disclosure for uncertainty in tax positions, as defined, ASC 740 seeks to reduce the diversity in practice associated with certain aspects of the recognition and measurement related to accounting for income taxes. We adopted the provisions of ASC 740 as of January 1, 2007, and have analyzed filing positions in each of the federal and state jurisdictions where we are required to file income tax returns, as well as all open tax years in these jurisdictions. We have identified the U.S. federal and Pennsylvania as our "major" tax jurisdictions. Generally, we remain subject to Internal Revenue Service examination of our 2009 through 2011 U.S. federal income tax returns, and remain subject to Pennsylvania Franchise Tax Board examination of our 2008 through 2011 Pennsylvania Franchise Tax Returns.

We believe that our income tax filing positions and deductions will be sustained on audit and do not anticipate any adjustments that will result in a material change to our financial position. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to ASC 740. In addition, we did not record a cumulative effect adjustment related to the adoption of ASC 740. Our policy for recording interest and penalties associated with income-based tax audits is to record such items as a component of income taxes.

Commissions

The Company pays commission expense to its distributors under an MLM arrangement down to seven levels at the rates of 20%, 10%, 10%, 2.5%, 2.5%, 2.5% and 2.5%, respectively. Commissions are earned by the distributors at the time of sale. The Company records commission expense in accordance with EITF 01-9 Accounting for Consideration Given by a Vendor to a Customer. Accordingly, the commission expense is shown in the financial statements as a reduction to sales. Commission expense for the three months ended September 30, 2014 and 2013 was $76,156 and $130,081, respectively and for the nine months ended September 30, 2014 and 2013 were $236,576 and $434,824, respectively.

Basic and Diluted Earnings per Share

The Company computes net income per share in accordance with ASC 260, *Earnings per Share.* ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net income available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options, warrants or debentures. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. A convertible note in the amount of $216,000 was converted into 1,800,000 common shares as of June 1, 2012.

3. Going Concern

For the Company to stay compliant as a public entity, we will have to comply with numerous financial reporting and legal requirements, including those pertaining to audits and internal control. The costs of this compliance could be significant. If our revenues are insufficient, and/or we cannot satisfy many of these costs through the issuance of our shares, we may be unable to satisfy these costs in the normal course of business that would result in our being unable to continue as a going concern.

4. Inventories

The components of inventories are as follows at the respective dates:

	September 30, 2014	December 31, 2013
Raw materials	$ 89,100	$ 124,060
Finished goods	64,651	83,573

Total	$ 153,751	$ 207,633

The cost of outsourced manufacturing is included in the carrying value of items held in finished goods.

5. Commitments

Operating Leases

The Company entered into an operating lease for its new corporate headquarters in Boca Raton, FL on September 19, 2014. The reason for this move is due to the fact that key management and strategic marketing leaders are located in Florida. The term of the lease is for 66 months and runs from October 1, 2014 and expires on March 31, 2020. The Company placed a security deposit for the Boca Raton location amounting to $17,688.46 and prepaid rent in the amount of $8,844.23. Future minimum rental payments under this lease are as follows:

2014	11,102
2015	91,163
2016	108,458
2017	110,381
2018	112,360
Thereafter	143,390

The Company also leases a satellite office in King of Prussia, PA under an operating lease dated August 31, 2013. The lease expires August 31, 2015 and the Company has no plans to renew the lease. Future minimum rental payments for the years ended December 31 are as follows:

2014	$13,420
2015	9,240
Total	$22,660

Rental expense under this lease amounted to $9,955 for the nine months ended September 30, 2014.

6. Employee Benefit Plan

The Company sponsored a Retirement Savings Plan consisting of a SEP IRA Plan (the "Plan") which covered the major shareholder and his wife. Under the Plan, an employee was required to have worked for the Company for three years. The Company contributed $11,075 under the Plan for the nine months ended September 30, 2014.

7. Related Party Transactions

The Company had a licensing agreement with John V. Cappello, a shareholder of the Company, who has assigned the patent to Cappello's Inc., a corporation that he is the sole shareholder of. Under this agreement, the Company paid a royalty of approximately 4% of gross sales to the assignee which is shown on the income statement as royalty expense. Royalty expense was $27,400 as of and for the nine months ended September 30, 2014. There were no accrued royalty fees outstanding as of September 30, 2014.

On August 27, 2014, the Company entered into a new licensing agreement with Cappello's, Inc., whereby the Company will pay royalty fees based on net yearly sales on a graduated declining royalty rate ranging from 5% to 2% based on incremental net sales ranging from $0 to $5,000,000 and 1% on net sales in excess of $5,000,000.

An entity comprised of three officers of the Company, Parcae Capital Corp. and Clover Capital Corporation formed a new entity ("Emergent Health Management Group, LLC" or "EHMG"), with each of the aforementioned parties having 20% interest in the Company. As described in Note 10, this entity purchased 4,455,000 common stock of the Company for $300,000 from John Cappello, former CEO, under a note issued by the Company to EHMG. In addition to the note, EHMG is responsible for the cost of the audit of the financial statements and the filing of the S-1 with the SEC.

8. Business Concentration

Suppliers

During the nine months ended September 30, 2014, one supplier provided 100% of the raw material purchases and one supplier provided 84% of finished goods purchases, respectively. As of September 30, 2014, this one supplier represented 0% of accounts payable. We do not believe that the loss of either of or both of these suppliers would have a material adverse effect on our financial condition or results of operations as there are other suppliers in the marketplace that would be a suitable alternative.

9. Capital Stock

The Company is authorized to issue 20,000,000 shares of preferred stock, having a par value of $0.001 per share, and 50,000,000 shares of common stock, having a par value of $0.001 per share.

There is no preferred stock outstanding at both September 30, 2014 and December 31, 2013. Shares of common stock issued and outstanding were 24,800,000 shares at December 31, 2013 and 39,800,000 at September 30, 2014.

On June 1, 2012, a convertible note in the amount of $200,000 which bore interest at 8% was converted into 1,800,000 shares of common stock in an amount of $216,000 which was credited to stockholders' equity.

On May 29, 2014, 15,000,000 shares of common stock were issued to Parcae Capital Corp. and Clover Capital Corporation for consulting services rendered to the Company.

10. Warehouse and Fulfillment Costs

The Company outsources its warehouse and fulfillment costs using a third-party provider. This arrangement is done under a contract which expired on August 31, 2014 and calls for a payment per order picked plus a monthly pallet storage fee, recorded under warehouse and fulfillment costs. The third-party provider is providing services under the terms of the expired contract until negotiations for the new contract are completed. Costs under this arrangement were $110,276 and $121,980 for the nine months ended September 30, 2014 and 2013, respectively.

11. Material Events

On August 27, 2014 (the "Closing Date"), the majority shareholder of the Company, John Cappello ("JC") and an affiliated entity, Cappello's Inc. ("CI"), (collectively referred to as "Sellers"), which collectively owned 19,312,546 shares of the issued and outstanding common stock of the Company, sold 11,880,000 shares of its stock for $800,000 to a group comprised of a new management team and Parcae Capital Corp. ("Parcae") and Clover Capital Corporation ("Clover"), (collectively referred to as "Purchasers"), under the following terms:

- 5,940,000 shares were sold to the new CEO for $400,000 in cash.

- 4,455,000 shares were sold to Kim Halvorson ("Halvorson"), a related party, for $300,000. The funds of $300,000 were loaned to Halvorson by the Company and paid to Sellers in exchange for $300,000. The loan receivable for Halvorson is secured by the 4,445,000 shares. On November 21, 2014, this note was subsequently assigned to Emergent Health Management Group, LLC, a related entity comprised of Parcae Capital Corp., Clover Capital Corp., Stephen Hussey, Quarry Capital Group, Ltd. and Kimberly Halvorson. The Assignees acquired all of the obligations under the Note and Security Pledge Agreement by assignment from Assignor and will receive all right, title and interest under those documents and assume any and all obligations thereunder.
- 1,485,000 shares were sold to Parcae and Clover or their assigns for $100,000 by delivering a note to the Sellers for a term of one year from the Closing Date. These shares will be held by JC and issued pro rata upon payment.

In addition to the above, the Purchasers agree to be responsible for all costs associated with the audit of the Company's financial statements for years ending December 31, 2012 and 2013 and the costs incurred in filing an S-1 Registration Statement with the SEC. To the extent that such costs are paid by the Company, these amounts will be added to the $300,000 note referenced above. The balance of this note is $343,600 as of September 30, 2014.

Under the terms of a Consulting Agreement dated May 29, 2014, Parcae and Clover are each issued 7,500,000 shares of common stock at par value as compensation for advancing the August 26, 2014 transaction to a closure, restructuring the Company, installing a new management team and assisting the team to grow the Company sales.

12. Subsequent Event

On October 1, 2014, the Company entered into an agreement with Scott Maguire ("Maguire"). Maguire will serve as Chairman of the Board of Directors for the Company and receive $15,000 annually and $3,000 annually for each board committee chair occupied. Maguire will also receive an option of 100,000 shares upon signing the agreement and 100,000 shares on each 12 month anniversary for the next five years from the effective date of the agreement.

The Company issued 930,000 shares of its authorized common stock for $200,000 under a Private Placement Memorandum dated November 1, 2014.

On November 13, 2014, the Company amended their articles of incorporation. The Company is now authorized to issue a total of 200,000,000 shares of common stock and 20,000,000 of preferred stock.

On November 21, 2014, the $300,000 note receivable from Halvorson was subsequently assigned to Emergent Health Management Group, LLC, a related entity comprised of Parcae Capital Corp., Clover Capital Corp., Stephen Hussey, Quarry Capital Group, Ltd. and Kimberly Halvorson. The Assignees acquired all of the obligations under the Note and Security Pledge Agreement by assignment from Assignor and will receive all right, title and interest under those documents and assume any and all obligations thereunder.

On December 15, 2014, the Company entered into an agreement with Dr. David P. Jones ("Jones"). Jones will serve as a director on the Board of Directors for the Company and receive $5,000 per quarter and 100,000 shares of common stock, both of which will increase if the Company meets its predetermined capital raise of $7,500,000.

On December 17, 2014, the Company entered into an agreement with Robert S. McCoy, Jr. ("McCoy"). McCoy will serve as a director on the Board of Directors for the Company and receive $5,000 per quarter and 100,000 shares of common stock, both of which will increase if the Company meets its predetermined capital raise of $7,500,000.

On December 23, 2014, the Company entered into an agreement with Kevin Harrington ("Harrington"). Harrington will serve as a director on the Board of Directors for the Company and receive $5,000 per quarter and 100,000 shares of common stock, both of which will increase if the Company meets its predetermined capital raise of $7,500,000. Harrington is also engaged as an independent contractor and consultant, where he will act as spokesperson on behalf of the Company. Harrington will be compensated in his role as an independent contractor and consultant with a stock grant of 800,000 shares and $7,500 per month.