INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet F-2

Consolidated Statement of Operations F-3

Consolidated Statement of Stockholders' Equity F-4

Consolidated Statement of Cash Flows F-5

Notes to Consolidated Financial Statement F-6

Phyhealth Corporation
Consolidated Balance Sheet
March 31, 2015
(Unaudited)

ASSETS	
CURRENT ASSETS	
Cash	$ 0
Prepaid expenses	0
Total current assets	0
OTHER ASSETS	
Other assets	0
Total other assets	0
Total Assets	$ 0
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	$ 349,022
Accrued payroll liabilities	229,605
Due to former related parties	94,762
Loan payable to former related party officer and spouse	261,194
Current portion of capital leases	145,668
Deposit	25,000
Convertible note payable to former related party officer	300,000
Total current liabilities	1,405,251
LONG-TERM LIABILITIES	
Long-term note payable	0
Total long-term liabilities	0
Total Liabilities	1,405,251
STOCKHOLDERS' EQUITY	
Common stock, $0.0001 par value, authorized 200,000,000 shares; 932,001 issued and outstanding	93
Preferred stock, $0.0001 par value,	
Series A convertible authorized 1,000,000 shares, 247,053 issued and outstanding	25
Series B convertible authorized 1,000,000 shares, 51,047 issued and outstanding	5
Additional paid-in capital	2,599,568
Accumulated deficit	(4,004,942)
Total stockholders' equity	(1,405,251)
Total Liabilities and Stockholders' Equity	$ 0

The accompanying notes are an integral part of the financial statements

Phyhealth Corporation
Consolidated Statement of Operations
Three Months ended March 31, 2015
(Unaudited)

REVENUES	$ 0
OPERATING EXPENSES:	
General and administrative expenses	0
Interest expense	0
Professional fees	0
Total expenses	0
Commitments and Contingencies	0
Net income (loss)	$ 0
Income (loss) per weighted average common share	$0.00
Number of weighted average common shares outstanding	932,001

The accompanying notes are an integral part of the financial statements

Phyhealth Corporation
Consolidated Statement of Stockholders' Equity (Deficit)
(Unaudited)

	Number of Shares	Common Stock	Preferred Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
BEGINNING BALANCE, December 31, 2014						
Common stock	932,001	$ 93	$ 0	$ 2,599,568	$ (4,004,942)	$ (1,405,281)
Preferred Series A	247,053	0	25	0	0	25
Preferred Series B	51,047	0	5	0	0	5
Net loss	0	0	0	0	0	0
ENDING BALANCE, March 31, 2015	932,001	$ 93	$ 30	$ 2,599,568	$(4,004,942)	$ (1,405,251)

The accompanying notes are an integral part of the financial statements

Phyhealth Corporation
Consolidated Statement of Cash Flows
Three Months Ended March 31, 2015
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$0
Adjustments to reconcile net loss to net cash used by operating activities:	
Expenses paid by third party and contributed to the Company	0
Amortization of note payable discount	0
Amortization of prepaid interest	0
Changes in operating assets and liabilities	
Increase (decrease) in accounts payable - trade	0
(Increase) decrease in prepaid expenses	0
Net cash provided (used) by operating activities	0
CASH FLOWS FROM INVESTING ACTIVITIES:	
Deposit on options	0
Net cash provided (used) by investing activities	0
CASH FLOWS FROM FINANCING ACTIVITIES:	
Common stock issued for cash	0
Proceeds from stockholder loan payable	0
Payments on notes payable	0
Net cash provided by financing activities	0
Net increase (decrease) in cash	0
CASH, beginning of period	0
CASH, end of period	$ 0

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Non-Cash Financing Activities:

None

The accompanying notes are an integral part of the financial statements

Phyhealth Corporation
Notes to Consolidated Financial Statements
(Unaudited)

NOTE 1 - NATURE OF OPERATIONS AND REVERSE ACQUISITION TRANSACTION

(a) The Company Phyhealth Corporation is a Delaware chartered corporation which was formed on January 18, 2008. The Company has been inactive since it ceased operations at the close of business June 30, 2012.

The accompanying consolidated financial statements include the activities of Phyhealth Corporation and its five subsidiaries.

NOTE 2 - BASIS OF PRESENTATION

a) Statement of Compliance

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") as issued by the Financial Accounting Standards Board ("FASB").

b) Basis of Measurement

The Company's financial statements have been prepared on the historical cost basis.

c) 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.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summarize the more significant accounting and reporting policies and practices of the Company:

(a) Stock compensation for services rendered The Company may issue shares of common stock in exchange for services rendered. The costs of the services are valued according to generally accepted accounting principles and have been charged to operations.

(b) Net income (loss) per share Basic loss per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period.

(c) Property and equipment All property and equipment are recorded at cost and depreciated over their estimated useful lives, 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.

(d) Income Taxes Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the amount of taxable income and pretax financial income, and between the tax bases of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and liabilities are included in the consolidated financial statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled as prescribed in FASB ASC 740. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Income Taxes (continued) Tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities.

(e) Cash and equivalents For purposes of the statement of cash flows, the Company considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

(f) Financial Instruments Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 825, Disclosures about Fair Value of Financial Instruments, 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 receivable, accounts payable and accrued liabilities and shareholder loan, approximates their fair values because of the short-term maturities of these instruments.

(g) Measurement The Company initially measures its financial instrument at fair value, except for certain non-arm's length transactions.

The Company subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in earnings for the period in which they occur.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and shareholder loan.

(h) Impairment Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in earnings for the period. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in earnings for the period.

(i) Transaction costs The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measure at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(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) Intangible Assets The useful life of intangible assets is assessed as either finite or indefinite. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite useful lives are carried at cost less accumulated amortization. Amortization is calculated using the straight line method over the estimated useful lives.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Intangible Assets (continued) Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. If impairment indicators are present, these assets are subject to an impairment review. Any loss resulting from impairment of intangible assets is expensed in the period the impairment is identified.

(m) Recent Accounting Pronouncements The Company has considered recent accounting pronouncements during the preparation of these financial statements and does not expect any recent accounting pronouncements to have a material effect on its financial statements.

NOTE 4 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company's financial position and operating results raise substantial doubt about the Company's ability to continue as a going concern, as reflected by the net loss of $4,004,942 accumulated through March 31, 2015. The ability of the Company to continue as a going concern is dependent upon commencing operations, developing sales and obtaining additional capital and financing. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. The Company is currently seeking additional capital to allow it to begin its planned operations

NOTE 5 - RELATED PARTY TRANSACTIONS

From time to time the Company may enter into non-arms length transactions with related parties. These transactions will be valued at historical cost with no value increase given.

NOTE 6 – STOCKHOLDERS EQUITY

At March 31, 2015, the Company has 200,000,000 shares of par value $0.0001 common stock authorized and 932,011 issued and outstanding. At March 31, 2015, the Company also has 247,053 shares of Series A and 51,047 shares of Series B preferred stock issued and outstanding.

NOTE 7 - FINANCIAL INSTRUMENTS

(a) Liquidity Risk Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company relies on cash flows generated from operations, as well as injections of capital through the issuance of the Company's capital stock to settle its liabilities when they become due.

(b) Interest Rate Risk The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.