AUREUS INCORPORATED.

Symbol: ARSN

FINANCIAL STATEMENTS

For the
Quarter Ended July 31, 2019

Fiscal Year: 10/31

Address:
1170 Peachtree Street, Suite 1200
Atlanta GA 30309

AUREUS INCORPORATED
CONDENSED BALANCE SHEETS
(Unaudited)

		July 31, 2019		October 31, 2018
ASSETS				
Current Assets:				
Cash	$	3,552	$	46
Certificates of deposit		102,375		-
Prepaids		-		6,363
Inventory		351,578		-
Accounts receivable		15,994		-
Other receivable – related party		63,225		-
Total Current Assets		536,724		6,409
Other Assets:				
Notes receivable		98,873		-
Share receivable		24,000		-
YIC online distributors		25,000		-
Property and equipment, net		75,923		16,487
Goodwill		1,492,513		-
Total Assets	$	2,253,003	$	22,896
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities:				
Accounts payable		171,247		170,747
Accrued liabilities		25,000		-
Accrued interest		49,616		34,834
Due to related party		550		50
Notes payable		659,869		289,121
Line of credit		802,423		-
SBA loan		1,037,581		-
Total Liabilities	$	2,746,286	$	494,752
Stockholders' Deficit:				
Preferred stock: par value $0.001; 10,000,000 shares authorized, 5,000,000 and 0 shares issued and outstanding, respectively		5,000		-
Common stock: $0.001 par value; 500,000,000 shares authorized; 82,050,000 and 126,450,000 shares issued and outstanding, respectively		82,050		126,450
Treasury stock, at cost - 90,000,000 shares		90,000		-
Additional paid in capital		(69,300)		(95,700)
Accumulated deficit		(601,003)		(502,606)
Total Stockholders' Deficit		(493,253)		(471,856)
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	$	2,253,003	$	22,896

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

AUREUS INCORPORATED
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended July 31,		For the Nine Months Ended July 31,	
	2019	**2018**	**2019**	**2018**
Operating Expenses:				
General and administrative expenses	$ 36,584	$ 10,874	$ 66,001	$ 43,519
Professional fees	8,863	-	17,613	-
Total operating expenses	45,447	10,874	83,614	43,519
Loss from operations	(45,447)	(10,874)	(83,614)	(43,519)
Other expense:				
Interest expense	(3,696)	(5,075)	(14,783)	(15,170)
Total other expense	(3,696)	(5,075)	(14,783)	(15,170)
Net loss	$ (49,143)	$ (15,949)	$ (98,397)	$ (58,689)
Basic loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Basic weighted average shares	82,050,000	126,450,000	82,050,000	126,450,000

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

AUREUS INCORPORATED
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended July 31,	
	2019	**2018**
Cash flows from operating activities:		
Net loss	$ (98,397)	$ (58,689)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	793	1,186
Changes in assets and liabilities:		
Prepaids	6,363	-
Accounts payable	(3,530)	40,775
Accrued liabilities	3,696	15,170
Net cash used in operating activities	(91,075)	(1,558)
Cash flows from investing activities:		
Mining properties	-	112,000
Net cash provided by investing activities	-	112,000
Cash flows from financing activities:		
Proceeds from notes payable	94,115	24,656
Repayment – related party loan	-	(136,656)
Net cash provided (used) by financing activities	94,115	(112,000)
Net increase (decrease) in cash	3,040	(1,558)
Cash, beginning of period	512	1,897
Cash, end of period	$ 3,552	$ 339

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

AUREUS INCORPORATED
NOTES TO CONDENSED UNAUDITED FINANCIAL STATEMENTS
July 31, 2019

NOTE 1 – ORGANIZATION AND BUSINESS

Aureus Incorporated (the "Company") was incorporated in the state of Nevada on April 19, 2013. The Company was organized to develop and explore mineral properties in the state of Nevada. The Company is currently in active status in the state of Nevada.

On December 21, 2018, pursuant to a Stock Purchase Agreement, dated December 20, 2018, by and among the Company and Everett M. Dickson (the "Buyer") and Hohme Holdings International, Inc. (the "Seller"), the Buyer purchased 90,000,000 shares of common stock of the Company from the Seller for a total of $15,000. Sadiq Shaikh has voting and dispositive control over the Seller. Simultaneously with the consummation of the Stock Purchase Agreement on December 21, 2018, Sadiq Shaikh resigned as the President and Chief Executive Officer and from the Board of Directors of the Company; Deborah Engles resigned as the Secretary and Treasurer of the Company; and Everett M. Dickson was appointed as the President, Chief Executive Officer, Treasurer, Secretary and as a director to the Board of directors of the Company.

We are a food brand development company that builds and represents popular food concepts throughout the United States as well as international markets. Management is highly experienced at business integration and re-branding potential. With little territory available for the older brands we intend to bring to our customers fresh innovative brands that have great potential. All of our brands will be unique in nature as we focus on niche markets that are still in need of developing.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
The Company's unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying unaudited condensed financial statements reflect all adjustments, consisting of only normal recurring items, which, in the opinion of management, are necessary for a fair statement of the results of operations for the periods shown and are not necessarily indicative of the results to be expected for the full year ending October 31, 2019. These unaudited condensed financial statements should be read in conjunction with the financial statements and related notes for the year ended October 31, 2018.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles 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 those estimates.

Recent Accounting Pronouncements
The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the condensed financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on our financial position or results of operations.

NOTE 3 – GOING CONCERN

The Company has sustained operating losses since inception. The Company's continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations and/or obtaining additional financing from its shareholders or other sources, as may be required.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern; however, the above condition raises substantial doubt about the Company's ability to do so. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern. Management is seeking to raise additional working capital through various financing sources, including the sale of the Company's equity securities, which may not be available on commercially reasonable terms, if at all.

If such financing is not available on satisfactory terms, we may be unable to continue our business as desired and operating results will be adversely affected. In addition, any financing arrangement may have potentially adverse effects on us or our stockholders. Debt financing (if available and undertaken) will increase expenses, must be repaid regardless of operating results and may involve restrictions limiting our operating flexibility. If we issue equity securities to raise additional funds, the percentage ownership of our existing stockholders will be reduced and the new equity securities may have rights, preferences or privileges senior to those of the holders of our common stock. For the nine months ended July 31, 2019 the Company had a net loss of $98,397 and the accumulated deficit is $601,003.

NOTE 4 – NOTES PAYABLE

On September 9, 2015, the Company issued to Backenald Corp. a promissory note in the principal amount of $20,000, bearing interest at the rate of 5% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $6,238.

On November 6, 2015, the Company issued Craigstone Ltd. a promissory note in the principal amount of $20,000, bearing interest at the rate of 5% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $5,826.

On March 22, 2016, the Company issued Craigstone Ltd. a promissory note in the principal amount of $20,000, bearing interest at the rate of 5% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $5,473.

On August 31, 2016, the Company issued Success Zone Tech Ltd. a promissory note in the principal amount of $100,000, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $22,014.

On February 23, 2017, the Company issued Travel Data Solutions a promissory note in the principal amount of $17,500, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, and 2018, accrued interest amounted to $3,572.

On March 27, 2017, the Company issued Craigstone Ltd. a promissory note in the principal amount of $12,465, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $2,287.

On May 16, 2017, the Company issued Travel Data Solutions a promissory note in the principal amount of $4,500, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $824 and $344, respectively.

On May 19, 2017, the Company issued Travel Data Solutions a promissory note in the principal amount of $25,000, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $3,896.

On July 28, 2017, we issued Backenald Trading Ltd. a promissory note in the principal amount of $20,000, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $2,810.

On August 13, 2018, the company issued Travel Data Solutions a promissory note in the principal amount of $25,000, bearing interest at the rate of 8% per annum and maturing on the first anniversary of the date of issuance. The Company may prepay any or the entire outstanding principal of the promissory note at any time without penalty and shall be accompanied by payment of the accrued interest on the amount prepaid. The promissory note automatically becomes due upon an event of default, including breach, default, bankruptcy and sale. As of July 31, 2019, accrued interest amounted to $1,425.

NOTE 5 – ASSET ACQUISITION

On June 18, 2019, the company entered into a Secured Creditor Asset Sale and Purchase Agreement with Mid Penn Bank (“Creditor”) and Yuengling’s Ice Cream (“Debtor”). The Company agreed to purchase certain assets of Yuengling’s Ice Cream and to assume certain liabilities of Debtor. The Company, for good and valuable consideration assumed the tangible and intangible assets that relates to and are directly derived from the assets purchased pursuant to the Secured Creditor Asset Sale and Purchase Agreement including, but not limited to the following: (i) Accounts, Chattel Paper (including Tangible Chattel Paper and Electronic Chattel Paper), Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter of Credit Rights, Payment Intangibles, supporting obligations, books and records, all rents, issues and profits of the business of selling ice cream and any other business Debtor is involved in: and (ii) all other tangible and intangible personal property, whether now owned or hereafter acquired, including policies of insurance thereon and all insurance proceeds and unearned premium in connection therewith, together withal all accessions, additional to replacements for and substitutions of Collateral and all cash and non-cash proceeds and products thereof. In addition, a 2015 Chevrolet Truck, it is intended that the Collateral shall include all assets of the Debtor including all operating contracts. Collateral shall also include a certain account held at Mid Penn Bank including all interest and earnings thereon. The Company will assume the debt in the total amount of One Million Eight Hundred Eight Nine Thousand Eleven and 81/100 Dollars.

YIC Acquisition has assumed three loans. The first loan was an SBA loan with a balance of $1,061,077.80 and annual interest of 7.5%. The loan has monthly payments and matures March 13, 2026. The second loan is a line of credit with a balance of $816,831.51 and an annual interest rate of 6.5%. Payment on this line of credit are monthly. The third loan is for a truck with a balance of $17,944.87 and annual interest of 4.95%. This loan has monthly payments and matures May 6, 2020.

The Supplement Proforma Financial Statement is presented for purposes of additional analysis and is not a required part of the financial statements. This information is to give a review of the proposed financial situation after the closing of the acquisition. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the proforma financial statements.

NOTE 6 – COMMON STOCK

On February 11, 2019, the Company amended its Articles of Incorporation to increase its authorized common stock to 500,000,000 shares, par value $0.001 per share.

On May 30, 2019, the Company issued a Public offering of the securities of the Company. The offering is for 38,000,000 shares of common stock, par value $0.001 ("Common Stock"), at an offering price of $0.015 per share (the "Offered Shares"). The minimum purchase requirement per investor is 100,000 Offered Shares ($1,500); however, the Company may waive the minimum purchase requirement on a case-by-case basis at the Company's sole discretion.

On July 17, 2019, the Company issued an amendment to the Public offering of the securities of the Company that was previously issued on May 30, 2019. The amended offering is for 228,000,000 shares of common stock, par value $0.001, at an offering price of $0.0025 per share. The minimum purchase requirement per investor is 40,000 shares ($1,000); however, the Company may waive the minimum purchase requirement on a case-by-case basis at the Company's sole discretion.

NOTE 7 – PREFERRED STOCK

The Company has designated Ten Million (10,000,000) shares of Preferred Stock the Series A Convertible Preferred Stock with a par and stated value of $0.001 per share. The holders of the Series A Convertible Preferred Stock are not be entitled to receive any dividends.

Except as otherwise required by law or by the Articles of Incorporation and except as set forth below. the outstanding shares of Series A Convertible Preferred Stock shall vote together with the shares of Common Stock and other voting securities of the Corporation as a single class and, regardless of the number of shares of Series A Convertible Preferred Stock outstanding and as long as at least one of such shares of Series A Convertible Preferred Stock is outstanding shall represent Sixty Six and Two Thirds Percent (66 2/3%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series A Convertible Preferred Stock shall represent its proportionate share of the 66 2/3% which is allocated to the outstanding shares of Series A Convertible Preferred Stock.

The entirety of the shares of Series A Convertible Preferred Stock outstanding as such time shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into Two-Thirds of the after conversion outstanding fully paid and non-assessable shares of Common Stock. Each individual share of Series A Convertible Preferred Stock shall be convertible into Common Stock at a ratio determined by dividing the number of shares of Series A Convertible Stock to be converted by the number of shares of outstanding pre-conversion Series A Convertible Preferred Stock. Such initial Conversion Ratio, and the rate at which shares of Series A Convertible Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided in herein.

As of July 31, 2019, there are 5,000,000 shares of Series A preferred stock owned by the CEO.

NOTE 8 – SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these financial statements.

SUPPLEMENTAL INFORMATION TO FINANCIAL STATEMENTS

AUREUS INCORPORATED
CONSOLIDATED PROFORMA BALANCE SHEET
(UNAUDITED)

		2019
ASSETS		
Current Assets:		
Cash	$	11,546
CD’s		102,375
Inventory		351,578
Prepaid Professional Fee's		6,363
Total Current Assets		471,862
Accounts Receivables		
Accounts Receivables		15,994
Notes Receivable		122,873
Plant, Equipment & Fixtures		76,123
Goodwill		1,277,767
TOTAL ASSETS	$	1,964,619
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts Payable	$	171,247
Accrued Liabilities		25,000
Accrued interest		4,592
Due to related party		550
Total Current Liabilities		201,389
Notes Payable		
Backenald		40,000
Craigstone		52,465
Maverick		24,856
SuccessZone		100,000
Travel Data		72,000
Freezer Truck Loan		16,749
SBA Loan		1,037,581
Line of Credit		802,423
On Deck Loan		49,528
Additional Promissory Notes		119,855
Total Notes Payable		2,315,457
Total Liabilities		2,516,846
Common Stock: authorized 500,000,000; 82,050,000 and 126,450,000 shares @ $0.001 par value Issued and Outstanding at July 31, 2019 and October 31, 2018 respectively		82,050
Preferred Stock: 10,000,000 shares authorized, par value $0.001 per share, no shares issued and outstanding		-
Treasury Stock, at cost - 90,000,000 shares		90,000
Additional Paid in Capital		(64,300)
Accumulated Deficit		(659,977)
Total Stockholders' Deficit		(552,227)
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	$	1,964,619

SUPPLEMENTAL INFORMATION TO FINANCIAL STATEMENTS

AUREUS INCORPORATED
CONSOLIDATED PROFORMA STATEMENT OF OPERATIONS
(UNAUDITED)

		2019
Income	$	156,529
Cost of Goods Sold		(116,592)
Gross Margin		39,937
OPERATING EXPENSES:		
Advertising		2,122
Bank Charges		755
Depreciation		593
Insurance		4,343
Licenses & Permits		3,322
Marketing		201
Office Expenses		4,647
Rent		5,780
Technology Expense		212
Travel Expense		442
Utilities		168
Accounting		5,925
Consulting		13,460
Legal		23,550
Pubco Expenses		22,195
Total Operating Expenses		87,715
Other Expense:		
Interest Expense		(109,592)
Total Other Expense		(109,592)
Net loss	$	(157,370)