LTS NUTRACEUTICALS, INC.
A Nevada corporation
INTERIM FINANCIAL REPORT
March 31, 2017

Item 1. Name of the issuer and its predecessors (if any).

LTS Nutraceuticals, Inc., a Nevada corporation incorporated on May 14, 2009 as Stone Harbor Investments, Inc. (the "Issuer"), changed its name on April 15, 2011 to LTS Nutraceuticals, Inc. The Issuer acquired all of the common stock of Natural Products, Inc., a Colorado corporation ("Natural Products") on December 31, 2016 in exchange for the guaranty of Natural Product's outstanding notes in the principal amount of $50,000 and $75,000. All operations are carried out through Natural Products.

Item 2. The address of the issuer's principal executive offices.

The issuer's principal office address is 50 Harrison Street, Suite PH 516, Hoboken, New Jersey 07030, and its telephone is (888) 534-2028. Our website is www.ltsnutraceuticals.com. We do not employ any public relations firm at this time.

Item 3. Security Information.

Trading Symbol: LTSN
Exact title and class of securities outstanding: Common Stock CUSIP: 50218H 10 5.
Par or Stated Value: par value is $.00001 for the Common Stock
Total Shares authorized as of March 31, 2017: 750,000,000 shares of common stock and 20,000,000 shares of Preferred Stock.
Total Shares outstanding as of March 31, 2017: 274,750,000 total shares of common stock of which 232,400,000 are Restricted and no shares of Preferred Stock.

Transfer Agent
Name: Corporate Stock Transfer; Inc. website is http://www.corporatestock.com.
3200 Cherry Creek Road, Suite 430
Denver, Colorado 80209, Telephone (303) 282-4800
Corporate Stock Transfer, Inc. is registered under the Exchange Act.

List any restrictions on the transfer of security: None

Describe any trading suspensions issued by the SEC in the past 12 months: None.

Item 4. Issuance history.

On September 29, 2016, the Issuer issued 203,679,586 shares of common stock to a custodian appointed by the Nevada District Court in case number A-16-741529-B. These shares were transferred to the current management. As of December 31, 2016, by means of an agreement executed in February 2017, the Issuer acquired all of the shares of Natural Products in exchange for the guaranty of (a) a two-year promissory note in the principal amount of $50,000, due December 14, 2017 with interest at 9% per annum, with interest payable in cash or shares of common stock, and (b) a two-year promissory note issued March 3, 2015 in the amount of $75,000 at a like interest rate. This second note was issued in connection with the payment by the Lender of $75,000 for a branding and packaging consulting agreement entered into by the Issuer. On March 17, 2017 the company issued 24,750,000 common shares as payment toward a $75,000.00 note thus reducing the balance to $35,715.00.

Item 5. Financial Statements.

The following financial statements are appended to the end of this Annual Report and, together with updated annual and interim information published hereafter, are incorporated herein by reference. All of our financial statements to date are unaudited:

Consolidated Balance Sheet as of December 31, 2016 and interim as of March 31, 2017
Consolidated Statements of Income for the years ended December 31, 2016 and interim as of March 31, 2017
Consolidated Statements of Cash Flows for the years ended December 31, 2016 and interim as of March 31, 2017.
Notes to Consolidated Financial Statements.

Item 6. Describe the Issuer's Business, Products and Services.

Background and Summary

LTS Nutraceuticals, Inc., a Nevada corporation incorporated on May 14, 2009 as Stone Harbor Investments, Inc. (the "Issuer"), changed its name on April 15, 2011 to LTS Nutraceuticals, Inc. The Issuer acquired all of the common stock of Natural Products, Inc., a Colorado corporation, as of March 31, 2017. All operations are carried out through Natural Products.

Information about our Business

LTS Nutraceuticals is a holding company engaged in developing and marketing nutraceutical products. Our plan is to acquire existing high quality products, or develop our own; develop brand identity; assist in arranging for contract manufacturing, fulfillment, and marketing, and increase sales; and generate revenues from that activity.

Industry

According to *Nutrition Business Journal*, the retail natural products market (the "Natural Products Market") is comprised of the following submarkets: (i) personal care, (ii) natural and organic foods, (iii) functional foods (such as probiotic yogurts), and (iv) vitamins, minerals and supplements. The increasing consumer spending on functional food and beverages has been presenting lucrative prospects for the global nutraceuticals market. Consumers, especially those across developed nations, are currently exploring healthier lifestyle choices to curb the incidence of chronic and lifestyle diseases. Such trends have bolstered demand for dietary supplement not only as means to boost physical performance but also disease prevention option. Spurred by such factors, Transparency Market Research (TMR) projects the global nutraceuticals market to rise at a cumulative annual growth rate 7.3% between 2015 and 2021.

Some of the factors behind the expected growth in the industry include an aging world population, growing at a more rapid rate in development nations; gradual economic recovery and growing middle classes in developing countries such as China; greater concerns worldwide about food safety; consolidation within the industry; novel products and market segments, such as probiotics and heart health; and international leveraging of brand names.

The industry is characterized by relatively high gross profit margins, and typically public nutraceutical stocks trade at 1x revenue. The headwinds for the industry are primarily represented by expected increases in governmental regulations.

Governmental Regulation

The formulation, manufacturing, packaging, labeling, advertising, distribution and sale (hereafter, "sale" or "sold" may be used to signify all of these activities) of nutraceutical

products are subject to regulation by one or more federal agencies, primarily the Food and Drug Administration ("FDA") and the Federal Trade Commission ("FTC"), and to a lesser extent the Consumer Product Safety Commission ("CPSC"), the United States Department of Agriculture, and the Environmental Protection Agency. Such activities are also regulated by various governmental agencies for the states and localities in which nutraceutical products are sold, as well as by governmental agencies in certain countries outside the United States in which nutraceutical products are sold. Among other matters, regulation by the FDA and the FTC is concerned with product safety and claims made with respect to a product's ability to provide health-related benefits. Specifically, the FDA, under the Federal Food, Drug, and Cosmetic Act ("FDCA"), regulates the formulation, manufacturing, packaging, labeling, distribution, and sale of food, including dietary supplements and over-the-counter ("OTC") drugs. The FTC regulates the advertising of these products. The National Advertising Division ("NAD") of the Council of Better Business Bureaus oversees an industry-sponsored, self-regulatory system that permits competitors to resolve disputes over advertising claims. The NAD has no enforcement authority of its own, but may refer matters that appear to violate the FTC Act or the FDCA to the FTC or the FDA for further action, as appropriate.

Federal agencies, primarily the FDA and the FTC, have a variety of procedures and enforcement remedies available to them, including initiating investigations, issuing warning letters and cease-and-desist orders, requiring corrective labeling or advertising, requiring consumer redress (for example, requiring that a company offer to repurchase products previously sold to consumers), seeking injunctive relief or product seizures, imposing civil penalties or commencing criminal prosecution. In addition, certain state agencies have similar authority. These federal and state agencies have in the past used these remedies in regulating participants in the food, dietary supplement and over-the counter drug industries, including the imposition of civil penalties in the millions of dollars against a few industry participants.

Some nutraceutical products are regulated as conventional foods under the Nutrition Labeling and Education Act of 1990 ("NLEA"). The NLEA amended the FDCA to establish additional requirements for ingredient and nutrition labeling and labeling claims for conventional foods. In May 2016, the FDA issued a final rule to significantly revise the nutrition labeling requirements for conventional foods. Most of nutraceutical products are classified as dietary supplements. The FDA's revision of nutrition labeling requirements also affects the nutrition labeling of certain dietary supplements. Many existing product will require reformulation to maintain eligibility for certain marketing claims.

The Dietary Supplement Health and Education Act ("DSHEA") was enacted in 1994, amending the FDCA. Among other things, DSHEA prevents the FDA from regulating dietary ingredients in dietary supplements as "food additives" and allows the use of statements of nutritional support on product labels and in labeling. DSHEA establishes a statutory class of "dietary supplements," which includes vitamins, minerals, herbs, amino acids and other dietary ingredients for human use to supplement the diet. Dietary

ingredients marketed in the United States before October 15, 1994 may be marketed without the submission of a "new dietary ingredient" ("NDI") premarket notification to the FDA. Dietary ingredients not marketed in the United States before October 15, 1994 may require the submission, at least 75 days before marketing, of an NDI notification containing information establishing that the ingredient is reasonably expected to be safe for its intended use. The FDA has issued final regulations under DSHEA.

As required by Section 113(b) of the Food Safety Modernization Act, the FDA published in July 2011 a draft guidance document clarifying when the FDA believes a dietary ingredient is an NDI, when a manufacturer or distributor must submit an NDI premarket notification to the FDA, the evidence necessary to document the safety of an NDI and the methods for establishing the identity of an NDI. Industry strongly objected to several aspects of the draft guidance. In 2016, the FDA issued revised draft guidance on what constitutes an NDI and NDI notification requirements. Regardless of whether the FDA finalizes this draft guidance, the FDA has recently acted more aggressively to remove ingredients from the market that the FDA views as unlawful dietary ingredients. This trend, if it continues, may limit the dietary supplement market. Several bills to amend DSHEA in ways that would make this law less favorable to consumers and industry have been proposed in Congress.

The FDA issued a Final Rule on GMPs for dietary supplements on June 22, 2007. The GMPs cover manufacturers and holders of finished dietary supplement products, including dietary supplement products manufactured outside the United States that are imported for sale into the United States. Among other things, the new GMPs: (a) require identity testing on all incoming dietary ingredients, (b) call for a "scientifically valid system" for ensuring finished products meet all specifications, (c) include requirements related to process controls, including statistical sampling of finished batches for testing and requirements for written procedures and (d) require extensive recordkeeping. We have reviewed the GMPs and have taken steps to ensure compliance. While we believe we are in compliance, there can be no assurance that our operations or those of our suppliers will be in compliance in all respects at all times. Additionally, there is a potential risk of increased audits as the FDA and other regulators seek to ensure compliance with the GMPs.

On December 22, 2006, Congress passed the Dietary Supplement and Nonprescription Drug Consumer Protection Act, which went into effect on December 22, 2007. The law requires, among other things, that companies that manufacture or distribute nonprescription drugs or dietary supplements report serious adverse events allegedly associated with their products to the FDA and institute recordkeeping requirements for all adverse events (serious and non-serious). There is a risk that consumers, the press and government regulators could misinterpret reported serious adverse events as evidence of causation by the ingredient or product complained of, which could lead to additional regulations, banned ingredients or products, increased insurance costs and a potential increase in product liability litigation, among other things.

The Food and Drug Administration Amendments Act of 2007 amended the FDCA to prohibit, with certain exceptions, the marketing of foods to which a drug or biological product has been added. The meaning of this provision remains unclear. Although the FDA has requested comments on the interpretation of this provision, it has not taken any further actions. This provision could have an impact on the marketing of some of nutraceutical products.

The Consumer Product Safety Improvement Act of 2008 ("CPSIA") primarily addresses children's product safety but also improves the administrative process of the CPSC. Among other things, the CPSIA requires testing and certification of certain products and enhances the CPSC's authority to order recalls.

The FDA Food Safety Modernization Act ("FSMA"), enacted January 4, 2011, amended the FDCA to significantly enhance the FDA's authority over various aspects of food regulation. The FSMA granted the FDA mandatory recall authority when the FDA determines there is a reasonable probability that a food is adulterated or misbranded and that the use of, or exposure to, the food will cause serious adverse health consequences or death to humans or animals. Other changes include the FDA's expanded access to records; the authority to suspend food facility registrations and require high risk imported food to be accompanied by a certification; stronger authority to administratively detain food; the authority to refuse admission of an imported food if it is from a foreign establishment to which a U.S. inspector is refused entry for an inspection; and the requirement that importers verify that the foods they import meet domestic standards.

One of the FSMA's more significant changes is the requirement of preventive controls for food facilities required to register with the FDA, except dietary supplement facilities in compliance with GMPs and with the serious adverse event reporting requirements. Although dietary supplement facilities are exempt from the preventative controls requirements, dietary ingredient facilities do not qualify for the exemption. The FDA issued a final rule regarding the preventative controls and good manufacturing practice regulations on September 17, 2015. The rules require that facilities develop and implement preventive controls (including supplier controls) to assure that identified hazards are significantly minimized or prevented, monitor the effectiveness of the preventive controls, and maintain numerous records related to those controls. With some exceptions, the compliance date for our company was September 19, 2016. The preventative controls requirements may increase the costs of dietary ingredients and affect our ability to obtain dietary ingredients. Another significant change related to FSMA is the requirement that importers implement a foreign supplier verification program ("FSVP"). Once implemented, the FSVP requirements may affect the cost and the availability of dietary supplements and dietary ingredients.

The new FSMA requirements, as well as potential FDA enforcement actions based on the NDI draft guidance as written, could require us to incur additional expenses, which could be significant, and negatively impact our business in several ways, including, but not limited to, the detention and refusal of admission of imported products, the injunction of

manufacturing of any dietary ingredients or dietary supplements until the FDA determines that such ingredients or products are in compliance and the potential imposition of fees for reinspection of noncompliant facilities. Each of these events would increase our liability and could have a material adverse effect on our financial condition, results of operations or cash flows.

The FTC and the FDA have pursued a coordinated effort to challenge what they consider to be unsubstantiated and unsafe weight-loss products, and have also coordinated enforcement against dietary supplement claims in other areas, including children's products. Their efforts to date have focused on manufacturers and marketers as well as media outlets, and have resulted in a significant number of investigations and enforcement actions, some resulting in civil penalties under the FTC Act of several million dollars. We expect that the FTC and the FDA will continue to focus on health related claims for dietary supplements and foods, and nutraceutical products could be the subject of an FTC/FDA inquiry.

We may also market OTC homeopathic drug products. Homeopathic drugs have a unique status under the FDCA because, unlike other drugs, the FDA does not evaluate homeopathic drugs for safety or efficacy prior to marketing. Instead, homeopathic drugs must meet the standards of strength, quality, and purity set forth in the Homeopathic Pharmacopeia of the United States ("HPUS"). The FDA has established a policy addressing the lawful sale of homeopathic drugs under the FDC Act. *See* Compliance Policy Guide ("CPG") 7132.15, "Conditions Under Which Homeopathic Drugs May Be Marketed," CPG Manual § 400.400 (revised March 1995). Under this compliance policy, the FDA generally exempts a homeopathic drug from regulation as a new drug if: the active ingredient is the subject of a HPUS monograph; the product does not include nonhomeopathic active ingredients; the product is homeopathically prepared; the claims (indications) are consistent with homeopathic usage for the active ingredient(s) in the product, as described in a recognized "materia medica" and the OTC homeopathic drug product is intended solely for self-limiting diseases amenable to self-diagnosis and treatment by consumers. CPG 7132.15. In 2015, homeopathic products received increased regulatory scrutiny. In March 2015, the FDA solicited comments about the current use of human drug and biological products labeled as homeopathic, and the FDA's regulatory framework for such products. The FDA announced that it is evaluating its current enforcement policies for these homeopathic products from scientific, risk, and process perspectives. In contrast to the FDA, the FTC treats homeopathic drugs similar to other OTC drugs. The FTC also is evaluating advertising for homeopathic products and held a workshop in 2015 to address potential issues regarding the FDA's and the FTC's requirements for homeopathic products. The potential impacts of the FDA and the FTC efforts are unclear, but it is possible that these products may be held to a higher standard of substantiation than has traditionally been the case. Such a change could significantly impact the ability to market these products in the United States.

In recent years, state courts have concluded that, because homeopathic drugs are not approved or marketed pursuant to an FDA regulation, claims against a manufacturer of a

homeopathic drug are not preempted by the FDCA. Consequently, plaintiff's actions under state consumer protection laws for lack of substantiation have been allowed to proceed. Ignoring the unique character of homeopathic drug products, plaintiff's claims in these actions have been based on the evidence standard applied to conventional drugs. Generally, these actions involve claims for significant monetary damages.

If we market dietary supplements and personal care products with organic claims, it is unclear whether these products and the organic claims on their labels are subject to the requirement of the Organic Food Production Act of 1990 and the National Organic Program ("NOP") implementing regulations. The NOP has made contradictory assertions. If the NOP asserts jurisdiction in the future, this would have a material impact on our ability to market these products.

All states regulate foods and drugs under laws that generally parallel federal statutes. We are also subject to state consumer health and safety regulations, such as the California Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"). Violation of Proposition 65 may result in substantial monetary penalties and compliance with Proposition 65 is a major focus. Contemplated changes in the Proposition 65 labeling requirements could potentially lead to substantial costs. Current legislation in Massachusetts regarding restrictions on weight loss and sports nutrition products could also impact the marketing of dietary supplements generally. Further, state attorneys general have pressured industry to adopt DNA testing for herbal-based products to assure plant identity, and have taken other actions relating to dietary ingredient status. It is uncertain whether these efforts will have a material impact on the dietary supplement market.

In the past years, there have been several proposals to amend the FDCA to include additional requirements for personal care products and to include requirements for Good Manufacturing Practices, registration, safety review, adverse event reporting and mandatory recall provisions for personal care products. If successful, any of these bills could have a material impact on the personal care market.
In July 2016, the National Bioengineered Food Disclosure Standard was enacted. This law mandates that the Agricultural Marketing Service of the USDA develop regulations for the labeling of foods that contain ingredients that have been genetically engineered. Implications and applicability of this law to nutraceutical products are not clear and impact of this law on our business is uncertain.

The sale of nutraceutical products in countries outside the United States is regulated by the governments of those countries. Our plans to commence or expand sales in those countries may be prevented or delayed or even suspended by such regulations or by regulators in those countries. In countries in which we have distributors in the future, compliance with such regulations would generally be undertaken by our distributors, but even in these cases we likely would assist with such compliance and in many cases may be liable if a distributor fails to comply. These distributors are independent contractors over whom we would have limited control. In certain countries, we might distribute

nutraceutical products through our own subsidiary or branch; in these countries we would retain responsibility for compliance with all applicable regulations.

In some countries or areas, including those in which we plan to operate, there are new regulations or proposed regulations that may or will prohibit the sale of certain products or certain combination products (such as products containing both vitamins and botanicals) or the use of certain common ingredients, or levels above certain established limits.

As a result of our efforts to comply with applicable statutes and regulations, we might be required to reformulate, eliminate or relabel certain of nutraceutical products and revised certain provisions of our marketing and sales program. We might be required to suspend or halt sales if we cannot comply.

Concerns over weather patterns have led to the threat of increased United States and international regulations being imposed on companies to limit greenhouse gas emissions. Increased regulations regarding greenhouse gas emissions could impose increased energy, shipping and raw material costs on us. Until the timing, scope and extent of such regulations becomes known, we cannot predict their effect on our results of operations.

Intellectual Property

We may acquire from time to time one or more trademarks that have been registered with the United States Patent and Trademark Office or may file applications to register trademarks. In addition, we expect to claim domestic trademark and service mark rights in numerous additional marks that we may use. Federally registered trademarks in the United States have a perpetual life, as long as they are maintained and renewed on a timely basis and used properly as trademarks, subject to the rights of third parties to seek cancellation of the trademarks if they claim priority or confusion of usage. Most foreign trademark offices use similar trademark renewal processes. We will regard our trademarks and other proprietary rights as valuable assets and believe they will make a significant positive contribution to the marketing of our products. We plan to protect our legal rights concerning our trademarks by appropriate measures, which may include legal action. In certain circumstances, we might seek and obtain registrations for our trademarks, which may confer certain advantages, and the decision to register a trademark is made on a case by case basis. We may register certain trademarks in certain limited jurisdictions outside the United States where our products would be sold, but we may not register all or even some of our trademarks in every country in which we conduct business or intend to conduct business.

Competition

The nutraceuticals market is highly competitive. Our principal competitors include as a number of large, nationally known brands (such as Country Life, Enzymatic Therapy, Garden of Life, NBTY (including its Solgar brand), Natrol, Nature's Plus, Nature's Way,

Now Foods, and New Chapter) and many smaller brands, manufacturers and distributors of nutraceuticals. Private label products also provide competition to nutraceutical products. For example, a substantial portion of GNC's vitamin and mineral supplement offerings are offered under GNC's own private label. Whole Foods, Vitamin Shoppe and many health and natural food stores also sell a portion of their offerings under their own private labels. Private label products are often sold at a discount to branded products.

We believe that health and natural food stores are increasingly likely to align themselves with those companies that offer a wide variety of high quality products, have a loyal consumer base, support their brands with strong marketing and education programs and provide consistently high levels of customer service. We believe that we will compete favorably with other nutritional supplement companies because of our planned comprehensive line of products and brands.

In addition, several major pharmaceutical companies continue to offer nutritional supplement lines in the mass market, including Wyeth (Centrum) and Bayer (One-ADay). Some of these nutritional supplements purport to use proprietary manufacturing techniques or delivery forms. Moreover, pharmaceutical companies offer prescription and over-the-counter products that are or may be competitive with nutritional supplements, particularly with regard to certain categories of products.

Other Matters

Our primary SIC code is 2833, Medicinal Chemicals and Botanical Products. We have no secondary SIC code as of December 31, 2016.

Risk Factors

This section of this Annual Disclosure Statement discloses material risks known to us. We do not make, nor have we authorized any other person to make, any representation about the future market value of our common stock. In addition to the other information contained in this Annual Disclosure Statement, the following factors should be considered carefully in evaluating an investment in our securities. If any of the risks discussed below materialize, our common stock could decline in value or become worthless. The risks and uncertainties described below are not the only ones facing the Issuer. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently believes are immaterial may also impair the Issuer’s business operations.

Limited Operating History. We have a limited operating history and may never be profitable. Since we have a limited operating history, it is difficult for potential investors to evaluate our business. We expect that we will continue to need to raise additional capital in order to fund our operations. There can be no assurance that such additional capital will be available to us on favorable terms or at all. There can be no assurance that we will be profitable.

No Dividends. A return on investment may be limited to the value of our common stock. We do not currently anticipate paying cash dividends in the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition and other business and economic factors affecting it at such time as the Board may consider relevant. Our current intention is to apply net earnings, if any, in the foreseeable future to increasing our capital base and development and marketing efforts. There can be no assurance that the Issuer will ever have sufficient earnings to declare and pay dividends to the holders of our common stock, and in any event, a decision to declare and pay dividends is at the sole discretion of the Board. If we do not pay dividends, our common stock may be less valuable because a return on your investment would only occur if the Issuer's stock price appreciates.

Going Concern. There is substantial doubt about our ability to continue as a going concern. Our financial statements have been prepared on a going concern basis, which assumes we will be able to realize our assets and discharge our liabilities in the normal course of business for the foreseeable future.

Our ability to continue as a going concern is dependent upon our becoming profitable in the future and, or, obtaining the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. There is no guarantee that we will be successful in achieving these objectives.

Risks of New Business. We may be unable to expand into new markets. We intend to continue to pursue our aggressive growth strategy for the foreseeable future. Our continued growth and profitability depend on our ability to successfully realize our growth strategy by expanding our product offerings. We cannot assure that our efforts to market our software nor to expand into new markets will succeed. In order to operate in new markets, we may need to modify our existing business model and cost structure to comply with local regulatory or other requirements, which may expose us to new operational, regulatory or legal risks. In addition, new markets may have competitive conditions, consumer preferences and spending patterns that are more difficult to predict or satisfy than our existing markets.

Our future success depends on our ability to obtain customers. Our success and the planned growth and expansion of our business depend on us being able to find customers for nutraceutical products. There can be no assurance that customers will purchase nutraceutical products. If we are unable to effectively market or expand our product and/or service offerings, we will be unable to grow and expand our business or implement our business strategy, which could materially impair our ability to obtain sales and revenue.

Our failure to obtain capital may significantly restrict our proposed operations. We need capital to operate and fund our business plan. We do not know what the terms of any future capital raising may be but any future sale of our equity securities will dilute the ownership of existing stockholders and could be at prices substantially below the price of the shares of common stock sold in this offering. Our failure to obtain the capital, which we require, may result in the slower implementation or curtailment of our business plan.

Governmental Regulation. Our proposed business is dependent on Federal, state and international laws. More information is contained above on these laws. Regulation is expected to increase. Laws and regulations affecting the industry are constantly changing, which could detrimentally affect our proposed operations. Local, state and federal laws and regulations are broad in scope and subject to evolving interpretations, which could require us to incur substantial costs associated with compliance or alter our business plan. In addition, violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our operations. Furthermore, it is possible that regulations may be enacted in the future that will be directly applicable to our proposed business. We cannot predict the nature of any future laws, regulations, interpretations or applications, nor can we determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on our business.

Competition. We operate in a highly competitive industry and potential competitors could duplicate our business model. We are involved in a highly competitive industry where we compete with numerous other companies who offer products and services similar to those we offer. There is no aspect of our business, which is protected by patents; we rely on trade secret protection, copyrights, trademarks, and trade names. As a result, potential competitors will likely attempt to duplicate our business model. Some of our potential competitors may have significantly greater resources than we have, which may make it difficult for us to compete. There can be no assurance that we will be able to successfully compete against these other entities.

Dependence on Management. We are dependent on our management and members of the Board and the loss of any of our officers or directors could harm our business. Our future success depends largely upon the experience, skill, and contacts of our officers and directors. The loss of the services of these officers or directors may have a material adverse effect upon our business.

We will be required to attract and retain top quality talent to compete in the marketplace. We believe our future growth and success will depend in part on our ability to attract and retain highly skilled managerial, sales and marketing, security and finance personnel. There can be no assurance of success in attracting and retaining such personnel. Shortages in qualified personnel could limit our ability to successfully build our real estate, wholesale, security and consulting offerings.

Risks Related to the Market for the Issuer's Stock. Since the market price for our common stock is volatile, investors may not be able to sell any of their shares. The market price of our common stock has been highly volatile and the market has from time to time experienced significant price and volume fluctuations that are unrelated to our operating performance. Factors such as government regulation may have a significant effect on the future market price of our common stock.

Trading Price of Common Stock. A small number of stockholders may own a majority of our public float. As a result, they may exercise substantial control over the public float. The Issuer has no control over the decisions of any of these stockholders to retain ownership of their shares. The trading price of the Issuer's common stock could be adversely affected or be subject to volatility if one or more of these stockholders should determine to sell their shares.

Dilution. Our stockholders may experience significant dilution. The Issuer may issue convertible debt outstanding, which could be dilutive to stockholders. In addition, if our future operations or acquisitions are financed through the issuance of equity securities, our stockholders could experience significant dilution. In addition, securities issued in connection with future financing activities or potential acquisitions may have rights and preferences senior to the rights and preferences of our common stock. We may grant options to purchase shares of our common stock to our directors, employees and consultants. The issuance of shares of our common stock upon the exercise of these options may result in dilution to our stockholders.

Penny Stock Market. Disclosure requirements pertaining to penny stocks may reduce the level of trading activity in the market for our common stock and investors may find it difficult to sell their shares. Trades of our common stock will be subject to Rule 15g-9 of the SEC which rule imposes certain requirements on broker/dealers who sell securities subject to the rule to persons other than established customers and accredited investors. For transactions covered by the rule, brokers/dealers must make a special suitability determination for purchasers of the securities and receive the purchaser's written agreement to the transaction prior to sale. The SEC also has rules that regulate broker/dealer practices in connection with transactions in "penny stocks". Penny stocks generally are equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in that security is provided by the exchange or system). The penny stock rules require a broker/dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prepared by the SEC that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker/dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker/dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker/dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation.

Item 7. Describe the Issuer's Facilities.

We rent office space on a month to month basis in Hoboken, New Jersey.

Item 8. Officer, Directors and Control Persons.

All of our officers and directors were appointed in February, 2017.

Giro Bruzzese	Chief Executive and Financial Officer and Director

Mr. Bruzzese is the sole officer and director of the Issuer at this time. From January 2014 to the present, he has been employed by F.A.C.T.S. as a marketing manager. As marketing manager, Mr. Bruzzese develops marketing materials and advertising campaigns. From January 2011 to April 2014, Mr. Bruzzese was employed by H&R Block as a clerk and assistant tax preparer, engaged in tax return preparation. He is a candidate for a Bachelor in Science in Biology in 2018 at the College of Staten Island. Since Mr. Bruzzese is engaged in other activities, he does not intend to devote full time to the business of the Issuer, but will devote an estimate of 20-30 hours per week to the Issuer.

During the past five years, the above named officer and director has not been the subject of a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; a finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or the entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

The following table sets forth, as of the date of this disclosure statement, the outstanding common stock of the Company owned of record or beneficially by each person who owned of record, or was known by the Company to own beneficially, more than 5% of the Issuer's 250,000,000 shares of common stock issued and outstanding as of September 30, 2016, and the name and share holdings of each director and all of the executive officers and directors as a group:

Name of Stockholder	Number of Shares Owned	Percentage of Outstanding Common Stock
Giro Bruzzese	203,679,586	74.13%
All executive officers and directors as a group (2 persons)	203,679,586	74.13%

(1) The address of this person is c/o the Company.

Item 9. Third Party Providers.

1. Investment Banker

None

2. Promoters

None

3. Counsel

None.

4. Accountant or Auditor

We have no outside accountant or auditor that has reviewed or audited our financial statements.

5. Public Relations Consultant(s)

None.

6. Investor Relations Consultant

None.

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

None.

Item 10. Issuer's Certifications.

I, Giro Bruzzese, certify that:

1. I have reviewed this Initial Disclosure Statement of LTS Nutraceuticals, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were

made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 15, 2017

/s/ Gino Bruzzese
Gino Bruzzese, President.

LTS NUTRACEUTICALS, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS

	March 31, 2017	December 31, 2016
Current Assets		
Cash in Bank	$ --	$ --
Total Current Assets	125,000	--
TOTAL ASSETS	$ 125,000	$ --

LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)

Current Liabilities		
Promissory Notes	$ 85,715	$ 125,000
Accounts Payable and accrued expenses	16,740	7,500
Total Current Liabilities	102,455	132,500
Stockholder's Equity (Deficit)		
Preferred Stock - 20,000,000 shares authorized; Par value of $.00001 per share; no shares issued and outstanding	--	--
Common Stock - 750,000,000 shares authorized; Par value of $.00001 per share; 274,750,000 and 42,350,000 shares issued and outstanding	2,747	463
Additional Paid in Capital	5,560	(463)
Deficit accumulated during the development stage	(110,762)	(132,500)

Total Stockholders' Equity (Deficit)	(110,762)	(132,500)
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY (DEFICIT)	$ --	$ --

See notes to consolidated financial statements

LTS NUTRACEUTICALS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Period Ended March 31, 2017	Year Ended December 31, 2016
General & Administrative Expenses	12,300	127,333
Net Loss from Operations	(12,300)	(127,333)
Other Income (Expense) - Interest Expense	(10,000)	(5,167)
Net Loss	$ (22,300)	$ (132,500)
Net Loss per Share	$ (0.00)	$ (0.00)
Weighted Average Shares Outstanding	42,350,000	42,320,414

See notes to consolidated financial statements

LTS NUTRACEUTICALS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Preferred Stock		Additional Paid in	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balances, March 31, 2017	42,350,000	$ 423	--	$ --	$ (423)	$ --	$ --
Loss for period ended March 31, 2017	--	--	--	--	--	(132,500)	(132,500)
Balances, March 31, 2017	42,350,000	$ 423	--	$ --	$ (423)	$ (132,500)	$ (132,500)
Issuance of shares for payment of Company Expenses	203,679,586	2,037	--	--	6,023	--	8,060
Loss for the period ended March 31, 2017	--	--	--	--	--	(22,300)	(22,300)
Balances, March 31, 2017	274,500,000	$ 2,745	--	$ --	$ 5,560	$ (154,800)	$ (146,740)

See notes to consolidated financial statements

LTS NUTRACEUTICALS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Period Ended March 31, 2017	Year Ended December 31, 2016
Cash Flows from Operating Activities		
Net Loss	$ (22,300)	$ (132,500)
Adjustments to reconcile net loss to net cash provided by operating activities		
Issuance of note for services	--	50,000
Increase (decrease) in accounts payable	4,240	2,333
Increase (decrease) in accrued interest	10,000	5,167
Net Cash Used by Operating Activities	(8,060)	(75,000)
Cash Flow from Financing Activities		
Proceeds from promissory note	--	75,000
Payment of Company Expenses for shares	8,060	--
Net Cash Provided by Financing Activities	8,060	75,000
Net Increase (Decrease) in Cash	--	--
Beginning Cash Balance	$ --	$ --
Ending Cash Balance	$ --	$ --

See notes to consolidated financial statements

LTS NUTRACEUTICALS, INC.
NOTES TO CONSOLIDATE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

LTS Nutraceuticals, Inc. was incorporated in the State of Nevada and intends to engage in business in the nutraceutical industry. Former operations all ceased more than 5 years ago, and all liabilities are time barred by the statute of limitations.

Unaudited Financial Statements.- These financial statements have been prepared by management and have not been reviewed or audited by any outside accounting firm. The financial statements include the financial information of a Colorado subsidiary acquired as of December 31, 2016. All intercompany accounts are eliminated in the consolidation.

Fiscal Year - The Company's fiscal year-end is December 31.

Cash and Cash Equivalents - The Company considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Basis of Presentation - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that (1) recorded transactions are valid; (2) all valid transactions are recorded and (3) transactions are recorded in the period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the company for the respective periods being presented.

Use of Estimates - The preparation of financial statements in accounting principles generally accepted in the United States of America 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. A change in managements' estimates or assumptions could have a material impact on the Company's financial condition and results of operations during the period in which such changes occurred.

LTS NUTRACEUTICALS, INC.
CONSOLIDATED

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Continued]

Actual results could differ from those estimates. The Company's financial statements reflect all adjustments that management believes are necessary for the fair presentation of their financial condition and results of operations for the periods presented.

Property, Plant and Equipment - Property and equipment are carried at cost. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of the assets are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation is computed for financial statement purposes on a straight-line basis over estimated useful lives of the related assets. The estimated useful lives of depreciable assets are:

Estimated Useful Lives	
Office Equipment	5-10 years
Copier	5-7 years
Vehicles	5-10 years
Website / Software	3-5 years

For federal income tax purposes, depreciation is computed under the modified accelerated cost recovery system. For financial statements purposes, depreciation is computed under the straight-line method. Since the refinery and engineering investment has not yet been placed in service, no depreciation has commenced.

Advertising - Advertising expenses are recorded as general and administrative expenses when they are incurred. There was no advertising expense for the periods presented.

Research and Development - All research and development costs and software development costs are expensed as incurred. There was no research and development expense for the periods presented.

Income tax- We are subject to income taxes in the U.S. Significant judgment is required in evaluating our uncertain tax positions and determining our provision for income taxes. In accordance with FASB ASC Topic 740, "Income Taxes," we provide for the recognition of deferred tax assets if realization of such assets is more likely than not.

Non-Cash Equity Transactions - Shares of equity instruments issued for non-cash consideration are recorded at the fair value of the consideration received based on the market value of services to be rendered, or at the value of the stock given, considered in reference to contemporaneous cash sale of stock.

Fair Value Measurements - Effective beginning second quarter 2010, the FASB ASC Topic 825, Financial Instruments, requires disclosures about fair value of financial instruments in quarterly reports as well as in annual reports. For the Company, this statement applies to certain investments and long-term debt. Also, the FASB ASC Topic 820, Fair Value Measurements and Disclosures , clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements.

Various inputs are considered when determining the value of the Company's investments and long-term debt. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in these securities. These inputs are summarized in the three broad levels listed below.

LTS NUTRACEUTICALS, INC.
CONSOLIDATED

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Continued]

- Level 1 – observable market inputs that are unadjusted quoted prices for identical assets or liabilities in active markets.

- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.).

- Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments).

The Company's adoption of FASB ASC Topic 825 did not have a material impact on the Company's consolidated financial statements.

The carrying value of financial assets and liabilities recorded at fair value is measured on a recurring or nonrecurring basis. Financial assets and liabilities measured on a non-recurring basis are those that are adjusted to fair value when a significant event occurs. The Company had no financial assets or liabilities carried and measured on a nonrecurring basis during the reporting periods. Financial assets and liabilities measured on a recurring basis are those that are adjusted to fair value each time a financial statement is prepared. The Company had no financial assets and/or liabilities carried at fair value on a recurring basis at December 31, 2016.

The availability of inputs observable in the market varies from instrument to instrument and depends on a variety of factors including the type of instrument, whether the instrument is actively traded, and other characteristics particular to the transaction. For many financial instruments, pricing inputs are readily observable in the market, the valuation methodology used is widely accepted by market participants, and the valuation does not require significant management discretion. For other financial instruments, pricing inputs are less observable in the market and may require management judgment. As of December 31, 2016, the Company had no assets.

Basic and diluted earnings per share - Basic earnings per share are based on the weighted-average number of shares of common stock outstanding. Diluted Earnings per share is based on the weighted-average number of shares of common stock outstanding adjusted for the effects of common stock that may be issued as a result of the following types of potentially dilutive instruments:

- Warrants,

- Employee stock options, and

- Other equity awards, which include long-term incentive awards.

The FASB ASC Topic 260, Earnings Per Share, requires the Company to include additional shares in the computation of earnings per share, assuming dilution.

Diluted earnings per share is based on the assumption that all dilutive options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options are assumed to be exercised at the time of issuance, and as if funds obtained thereby were used to purchase common stock at the average market price during the period.

LTS NUTRACEUTICALS, INC.
CONSOLIDATED

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Continued]

Basic and diluted earnings per share are the same as there were no potentially dilutive instruments for the period presented.

Concentrations, Risks, and Uncertainties - The Company did not have a concentration of business with suppliers or customers constituting greater than 10% of the Company's gross sales during the period presented.

Stock Based Compensation - For purposes of determining the variables used in the calculation of stock compensation expense under the provisions of FASB ASC Topic 505, "Equity" and FASB ASC Topic 718, "Compensation — Stock Compensation," we perform an analysis of current market data and historical company data to calculate an estimate of implied volatility, the expected term of the option and the expected forfeiture rate. With the exception of the expected forfeiture rate, which is not an input, we use these estimates as variables in the Black-Scholes option pricing model. Depending upon the number of stock options granted, any fluctuations in these calculations could have a material effect on the results presented in our Consolidated Statement of Income. In addition, any differences between estimated forfeitures and actual forfeitures could also have a material impact on our financial statements.

NOTE 2 - RECENTLY ENACTED ACCOUNTING STANDARDS

In February, 2016, the FASB issued ASU No. 2016-02 (ASU 2016-02), *Consolidation (Topic 810): Amendments to the Consolidation Analysis.* ASU 2016-02 provides guidance on the consolidation evaluation for reporting organizations that are required to evaluate whether they should consolidate certain legal entities such as limited partnerships, limited liability corporations, and securitization structures (collateralized debt obligations, collateralized loan obligations, and mortgage-backed security transactions). ASU 2016-02 is effective for periods beginning after December 15, 2016. Early adoption is permitted. The adoption of ASU 2016-02 is not expected to have a material effect on the Company's consolidated financial statements.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

NOTES TO

NOTE 3 - GOING CONCERN

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company does not have significant cash or other current assets, nor does it have an established source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern.

Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading, or seeking protection from creditors pursuant to laws or regulations. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish its business plan and eventually attain profitable operations. The accompanying financial statements do not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

LTS NUTRACEUTICALS, INC.
CONSOLIDATED FINANCIAL STATEMENTS

During the next year, the Company's foreseeable cash requirements will relate to continual development of the operations of its business, maintaining its good standing and making the requisite filings with OTC Markets, and the payment of expenses associated with its business. The Company may experience a cash shortfall and be required to raise additional capital. Management may raise capital through future public or private offerings of the Company's stock or through loans from private investors, although there can be no assurance that it will be able to obtain such financing. The Company's failure to do so could have a material and adverse effect upon its and its shareholders.

NOTE 4 – NOTES PAYABLE

The Company’s subsidiary has issued two, two-year promissory notes in the amount of $50,000 and $75,000. The notes bear interest at 9%; the $50,000 note matures on December 14, 2017 and is payable in cash or stock; and the $75,000 note matures on March 3, 2017. The Company has guaranteed the notes.

NOTE 5 - CAPITAL STOCK AND SECURITIES

The Company has authorized 750 million shares of $.00001 par value common stock and 20 million shares of $.00001 par value preferred stock. During the period ended March 31, 2017, there were 274,750,000 common shares issued to a control person for reorganization costs of $8,060, and the Company agreed to acquire Natural Products, Inc. in exchange for a guaranty of the notes (See note 4). The Company has filed an amendment to increase the number of authorized common stock to 750 million.

NOTE 6 - INCOME TAXES

The Company has available at March 31, 2017 unused operating loss carryforwards of approximately $155,000.

NOTE 7 –- LOSS PER SHARE

Net loss per share is computed by dividing the loss from operations available to common shareholders by the weighted average number of shares outstanding for the period.

Dilutive loss per share was not presented, as the Company had no common stock equivalent shares for all periods presented that would affect the computation of diluted loss per share.