REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Profile Solutions, Inc.
Sunrise, Florida

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets Profile Solutions, Inc. (the "Company") at December 31, 2018 and 2017, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years ended December 31, 2018 and 2017, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2018 and 2017, and the results of its operations and its cash flows for the years ended December 31, 2018 and 2017, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As described in Note 3 to the consolidated financial statements, the Company has sustained losses and has an accumulated deficit of approximately $660,000 at December 31, 2018, respectively, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Daszkal Bolton LLP

We have served as the Company's auditor since 2018.

Fort Lauderdale, Florida
July 15, 2019

PROFILE SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2018		December 31, 2017	
Current Assets:				
Cash	$	107,813	$	47,857
Accounts receivable, net		56,182		59,917
Loan receivable		150,000		-
Prepaid expenses		13,258		12,539
Inventory		167,837		16,650
Total current assets		495,090		136,963
Other Assets:				
Deposits		10,378		1,250
Total other assets		10,378		1,250
Total Assets	$	505,468	$	138,213

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31, 2018		December 31, 2017	
Current Liabilities:				
Accounts payable and accrued liabilities	$	58,258	$	27,634
Accounts payable - related parties		20,202		5,000
Due to related party		6,467		-
Total current liabilities		84,927		32,634
Total liabilities		84,927		32,634
Stockholders' Equity:				
Preferred shares, par value $0.001 per share, 10,000,000 shares authorized; 0 shares issued and outstanding as of December 31, 2018 and December 31, 2017 respectively		-		-
Common stock, par value $0.001 per share, 1,000,000,000 shares authorized; 774,596,085 and 757,233,793 shares issued and outstanding as of December 31, 2018 and December 31, 2017 respectively		774,596		757,234
Common stock Issuable, 37,500 and 0 shares, as of December 31, 2018 and 2017, respectively		38		-
Additional paid-in capital		305,476		(419,084)
Subscription receivable		-		(148,650)
Accumulated deficit		(659,569)		(83,921)
Total stockholders' equity		420,541		105,579
Total Liabilities and Stockholders' Equity	$	505,468	$	138,213

PROFILE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31,	
	2018 Consolidated	2017 Consolidated
Revenues	$ 876,448	$ 208,236
Cost of revenues	397,191	94,773
Gross Profit	479,257	113,463
Operating Expenses:		
Compensation - officers	58,906	-
General and administrative	708,079	134,241
Professional fees	287,885	21,717
Total operating expenses	1,054,870	155,958
Loss from operations	(575,613)	(42,495)
Other Income (Expenses)		
Interest expense	(35)	-
Total other expenses	(35)	-
Net loss before provision for income taxes	(575,648)	(42,495)
Provision for income taxes	-	-
Net loss	$ (575,648)	$ (42,495)
Loss per common share:		
Loss per common share - Basic and Diluted	$ (0.00)	$ (0.00)
Weighted Average Common Shares Outstanding:		
Basic and Diluted	771,942,061	604,738,553

PROFILE SOLUTIONS, INC.
CONSOLDIATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	Common Stock		Common Stock - Issuable		Preferred Stock		Additional Paid-in Capital	Stock Subscription Receivable	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance - December 31, 2016	600,000,000	600,000	-	-	-	-	(600,000)	-	(41,426)	(41,426)
Recapitalization	157,233,793	157,234	-	-	-	-	180,916	(148,650)	-	189,500
Net loss for the twelve months ended December 31, 2017	-	-			-	-	-	-	(42,495)	(42,495)
Balance - December 31, 2017	757,233,793	757,234	-	-	-	-	(419,084)	(148,650)	(83,921)	105,579
Collection of stock subscription receivable	-	-	-	-	-	-	-	148,650	-	148,650
Common stock issued for cash	16,610,714	16,611	-	-	-	-	685,389	-	-	702,000
Common stock issued for services	751,578	752	37,500	38	-	-	39,171	-	-	39,960
Net loss for the twelve months ended December 31, 2018	-		-	-	-	-	-		(575,648)	(575,648)
Balance - December 31, 2018	774,596,085	774,596	37,500	38	-	-	305,476	-	(659,569)	420,541

PROFILE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2018	Year Ended December 31, 2017
Cash Flow From Operating Activities:		
Net loss	(575,648)	(42,495)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	39,960	-
Changes in operating assets and liabilities:		
Increase in prepaid expenses	(9,847)	(12,539)
Increase in inventory	(151,187)	(12,124)
Decrease/(Increase) in accounts receivable	3,735	(59,917)
Increase in accrued compensation payable - related party	1,264	-
Increase in accounts payable and accrued expenses	30,624	25,722
Increase in accounts payable - related parties	15,237	-
Net Cash Used in Operating Activities	(645,862)	(101,353)
Investing Activities:		
Issuance of note receivable	(150,000)	-
Net Cash Used in Investing Activities	(150,000)	-
Financing Activities:		
Proceeds from advances from related party	5,168	80,366
Repayment of advances from related party	-	(29,541)
Net cash received from stock sold	702,000	-
Cash received from stock subscription receivable	148,650	-
Net cash received from recapitalization	-	98,315
Net Cash Provided by Financing Activities	855,818	149,140
Net Increase In Cash	59,956	47,787
Cash - Beginning of Year	47,857	70
Cash - End of Year	107,813	47,857
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ 617	$ -
Supplemental cash flow information:		
Recapitalization	$ -	$ 189,500

NOTE 1 - ORGANIZATION OF OPERATIONS

Profile Solutions, Inc. (the "Company") is a Delaware corporation originally incorporated as YaFarm Technologies, Inc. on July 31, 2006.

On December 14, 2017, the Company entered into a Share Exchange Agreement with Elite Products International, Inc., a Florida corporation ("Elite") incorporated on February 15, 2016 issuing an aggregate total of 600,000,000 shares in exchange for 100% ownership of Elite. As part of the transaction, the Company filed a certificate of amendment with the State of Delaware increasing the authorized shares of common stock to 1,000,000,000 (one billion) shares of common stock. The acquisition of Elite through the issuance of 600 million shares of common stock resulted in a reverse acquisition (with Elite as the accounting acquirer). At the time of the transaction, the Company had nominal assets and operations. As a result, the transaction has been accounted for as a reverse recapitalization, equivalent to the issuance of stock by Elite for the net monetary assets of the Company accompanied by a recapitalization tantamount to a corporate reorganization.

The consolidated financial statements reflect the reorganized capital structure retrospectively for all periods presented for the Company and Elite, the Company has presented earnings per share based on the Company shares issued to the former shareholders of Elite.

The Company, through its subsidiary Elite is a distributor and manufacturer in the cannabinoid (CBD) industry. The Company's products contain CBD Hemp extracts in the form of edibles, creams, oils, and salves.

On May 9, 2018, Elite Isolate Corp a wholly-owned subsidiary was formed under the laws of the State of Florida.

The Company's fiscal year end is December 31. Essentially all the operations of the Company are conducted through the Company's wholly owned subsidiary in Sunrise, Florida.

On October 19, 2018, the Company filed a Registration Statement on Form S-1 with the U.S. Securities and Exchange Commission (SEC) to register securities under the Securities Act of 1933 as the first step to becoming an SEC reporting company and up listing to OTCQB.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and consolidation

The comparative amounts presented in these consolidated financial statements are the historical results Elite for 2016 and for Elite and the Company for 2017 from the date of the recapitalization, all intercompany balances and transactions have been eliminated in consolidation. The Company's accounting policies used in the presentation of the accompanying consolidated financial statements conform to accounting principles generally accepted in the United States of America ("US GAAP") as promulgated by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") and with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") and have been consistently applied.

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year presentation. These reclassifications have no effect on previously reported financial position on results of operations.

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with a US GAAP 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.

The Company's significant estimates and assumptions include the fair value of financial instruments; income tax rate, income tax provision and valuation allowance of deferred tax assets; stock-based compensation, valuation of inventory and the assumption that the Company will continue as a going concern. Those significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to those estimates or assumptions, and certain estimates or assumptions are difficult to measure or value. Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly reviews its estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such reviews, and if deemed appropriate, those estimates are adjusted accordingly. Actual results could differ from those estimates.

Fair value of financial instruments

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses, deposits, accounts payable and accrued expenses approximate their fair value because of the short maturity of those instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

It is not however practical to determine the fair value of advances from stockholders due to their related party nature.

Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less to be cash and cash equivalents. There were no cash and cash equivalents at December 31, 2018 and 2017.

Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include (i) affiliates of the Company; (ii) Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; (iii) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (iv) principal owners of the Company; (v) management of the Company; (vi) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (vii) Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

Revenue recognition

Effective January 1, 2018, the Company adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. For the comparative periods, revenue has not been adjusted and continues to be reported under ASC 605 — Revenue Recognition. Under ASC 605, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists ;(2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured. On January 1, 2018, we adopted Topic 606 using the modified retrospective method which did not have a material impact to the opening balance of accumulated deficit.

The Company derives its revenues from sales contracts with its customer with revenues being generated upon rendering of products. Persuasive evidence of an arrangement is demonstrated via invoice; products are considered provided when the product is delivered to the customers; and the sales price to the customer is fixed upon acceptance of the purchase order and there is no separate sales rebate, discount, or volume incentive.

Accounts Receivable, net

The Company recognizes an allowance for losses on accounts receivable in an amount equal to the estimated probable losses net of recoveries. The allowance is based on an analysis of historical bad debt experience, current receivables aging, and expected future write-offs, as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible. The Company recorded an allowance of doubtful accounts of $0 and $2,920, for the years ended December 31, 2018 and 2017.

Inventories

Inventories are stated at the lower of cost or market using the first in, first out (FIFO) method. Provisions have been made to reduce excess or obsolete inventories to their net realizable value.

Costs of Revenue

Components of costs of revenue include product costs, shipping costs to customers and any inventory adjustments.

Shipping and Handling Costs

The Company includes shipping and handling fees billed to customers as revenues and shipping and handling costs for shipments to customers as cost of revenues.

Income Taxes

The Company is governed by the income tax laws of the United States of America. The Company accounts for income tax using the liability method prescribed by ASC 740, "*Income Taxes*". Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely- than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company applies the provisions of ASC 740-10-50, "Accounting for Uncertainty in Income Taxes", which provides clarification related to the process associated with accounting for uncertain tax positions recognized in our financial statements. Audit periods remain open for review until the statute of limitations has passed. The completion of review or the expiration of the statute of limitations for a given audit period could result in an adjustment to the Company's liability for income taxes. Any such adjustment could be material to the Company's results of operations for any given quarterly or annual period based, in part, upon the results of operations for the given period. As of December 31, 2018, and 2017, the Company had no uncertain tax positions, and will continue to evaluate for uncertain positions in the future. The Company is subject to U.S. Federal income tax examinations for the tax years ended December 31, 2014 through 2017.

The Company's ability to utilize its net operating loss (NOL) carryforwards may be substantially limited due to ownership changes that may have occurred on December 14, 2017, as required by Section 382 of the Internal Revenue Code of 1986, as amended (the Code), as well as similar state provisions. These ownership changes may limit the amount of NOL carryforwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an "ownership change," as defined by Section 382 of the Code, results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50 percent of the outstanding stock of a company by certain stockholders or public groups.

If the Company has experienced an ownership change, utilization of the NOL carryforwards would be subject to an annual limitation, which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term, tax-exempt rate, and then could be subject to additional adjustments, as required. Any such limitation may result in the expiration of a portion of the NOL carryforwards before utilization. Until a study is completed, and any limitation known, no amounts are being considered as an uncertain tax position or disclosed as an unrecognized tax benefit under ASC-740. Any carryforwards that expire prior to utilization as a result of such limitations will be removed from deferred tax assets with a corresponding reduction of the valuation allowance. Due to the existence of the valuation allowance, it is not expected that any possible limitation will have an impact on the results of operations of the Company.

Tax returns for the Company have not been prepared and filed for the years ended December 31, 2016 and 2017 through 2018 and may be subject to penalties for delinquent and non-compliance requirements, in addition, to the NOL carryover changes from prior years.

Net loss per common share

The Company follows ASC Topic 260 to account for earnings per share. Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive they are not considered in the computation.

There were no potentially dilutive shares outstanding as of December 31, 2018 and 2017.

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company evaluates subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently issued accounting pronouncement

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2 018-07, Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting, which expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. An entity should apply the requirements of Topic 718 to nonemployee awards except for specific guidance on inputs to an option pricing model and the attribution of cost (that is, the period of time over which share-based payment awards vest and the pattern of cost recognition over that period). The Company adopted this ASU on January 1, 2018 with no impact to the consolidated Financial Statements.

All other newly issued accounting pronouncements but not yet effective have been deemed either immaterial or not applicable

NOTE 3 – LIQUIDITY AND GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As reflected in the accompanying consolidated financial statements, the Company had operating losses of 575,648 and $ 42,495 and net cash used in operations of $645,862 and $101,353 and for the years ended December 31, 2018 and December 31, 2017 respectively.

While the Company is attempting to generate sufficient revenues and reach profitability, the Company's cash position may not be sufficient enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate sufficient revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate sufficient revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate sufficient revenues.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The independent auditor's report on these consolidated financial statements for the years ended December 31, 2018 and 2017 contain explanatory paragraphs expressing substantial doubt as to our ability to continue as a going concern.

NOTE 4 – RELATED PARTY TRANSACTIONS

In March 2016, Elite entered into a three-year lease agreement with a related party for an aggregate rent of $46,091. This lease was amended in February 2018 for a monthly rent of approximately $4,000 with an annual escalation of 3% per year expiring on December 31, 2021 with the option to renew for two additional years. The Company owed this related party approximately $5,000 and $5,000 as of December 31, 2018 and 2017, respectively. The amounts owed to this related party were 14% and 45% of accounts payable as of December 31, 2018 and 2017, respectively.

In November 2017, Elite entered into an employment agreement and two consulting agreements with three related parties for a monthly fee of $7,500 each for three years. Two of the three agreements call for a percentage of future generations of sales and equity funding or acquisition of or by the Companies. Elite paid approximately $40,000 to these related parties in 2017.

On November 1, 2018, the Company entered into an Advisory Board Agreement with a consultant. This agreement will remain in effect for one month. In connection with this agreement, the consultant will receive a compensation of 4,375 common stock shares with a fair value of $875 ($0.20/share) plus $875 payable in cash for total compensation of $1,750. In accordance with the agreement, the Company issued 4,375 shares of common stock for services for the year ended December 31, 2018 (See Note 9).

On December 1, 2018 the Company entered into a consulting services agreement with a consultant to serve as a Corporate Director. The agreement will continue until November 30, 2020. In connection with this agreement, the Director will receive a monthly compensation of 21,667 common stock shares with a fair value of $4,333. The agreement calls for a percentage of future generations of sales and equity funding or acquisition of or by the Companies.In accordance with the agreement, the Company issued 32,917 shares of common stock for the year ended December 31, 2018.

Note 5 – CONCENTRATION ON CREDIT RISK

Major Customers

In 2018 and 2017, Elite had one customer that approximated 34.36% of sales and had two customers that approximated 58% of sales, respectively.

At December 31, 2018, the Company had a concentration of accounts receivable from four customers, totaling 99.56%.

At December 31, 2017, the Company had a concentration of accounts receivable from one customer, totaling 90%.

Major Vendors

In 2018 and 2017, Elite had four vendors that approximated 57% of purchases and four vendors that approximated 57% of purchases, respectively.

NOTE 6 – EQUITY

As noted in Note one on December 14, 2017, the Company acquired all of the issued and outstanding shares of Elite. The acquisition was accounted for as a recapitalization of the Company. The former shareholders of Elite received 600,000,000 shares in the Company.

Preferred Stock

The Company has 10,000,000 preferred shares authorized with a par value of $0.001 per share with no issued and outstanding at December 31, 2018 and December 31, 2017.

Common Stock

During the year ended December 31, 2017, the Company issued 600,000,000 shares of common stock to former shareholders of Elite for 100% of the issued and outstanding shares of Elite.

The Company has 1,000,000,000 common shares authorized with a par value of $0.001 per share with 774,596,085 and 757,233,793 shares issued and outstanding at December 31, 2018 and December 31, 2017.

For the year ended December 31, 2018, the Company issued 16,610,714 shares of common stock in consideration of $702,000 pursuant to certain subscription agreements. In addition, 751,578 shares of the Company's common stock were issued and 37,500 issuable for services rendered with a fair value of $39.960. Common stock issuable was issued on February 15, 2019.

NOTE 7 – PREPAID EXPENSES

Prepaid Expense represents the payment tendered to a manufacturer to produce product. For the year ended December 31, 2018 and December 31, 2017, the company had $ 13,258 and $12,539 respectively.

NOTE 8 – LOAN RECEIVABLE

On June 15, 2018, the Company entered into Royalty Participation Agreement with Stemtech Corporation. The Company loaned $100,000 to Stemtech Corporation to be used as working capital. The loan is interest free and due twelve months from the effective date. In consideration for the $50,000 loan from the Company, Stemtech will pay a percentage from the sales, licensing or disposition of its products or other revenue. The royalty payments equal to the greater of $10,000 or one percent of all "gross revenue" received by the company during the month based on (i) the sale, license, development, commercialization or monetization of the products and (ii) all gains on disposition of any products or assets or other income until the earlier of (A) the closing of the Reorganization and purchase and Sale Agreement between the Stemtech Corporation and the Company or (B) 12 months from execution of this agreement.

On June 22, 2018, the Company entered into Royalty Participation Agreement with Stemtech Corporation. The Company loaned $50,000 to Stemtech Corporation to be used as working capital. The loan is interest free and due twelve months from the effective date. In consideration for the $50,000 loan from the Company, Stemtech will pay a percentage from the sales, licensing or disposition of its products or other revenue. The royalty payments equal to the great of $5,000 or one half percent of all "gross revenue" received by the company during the month based on (i) the sale, license, development, commercialization or monetization of the products and (ii) all gains on disposition of any products or assets or other income until the earlier of (A) the closing of the Reorganization and purchase and Sale Agreement between the Stemtech Corporation and the Company or (B) 12 months from execution of this agreement.

For the year ended December 31, 2018, the Company recorded loan receivable of $150,000.

On December 19, 2018, the Company filed suit against StemTech Corporation ("Stem Tech") in the Circuit Court of the 17th Judicial Circuit, in and for Broward County, Florida for breach of contract for failure to make monthly royalty payments pursuant to a written secured royalty participation agreement. On February 20, 2019, StemTech filed a motion to dismiss, alleging usury rates.

NOTE 9 - COMMITMENTS

Lease agreements

On February 1, 2018 the Company entered into a three-year lease agreement with a related party in Sunrise, Florida commencing February 1, 2018 through December 31, 2021 for aggregate rent of $168,136 The amount is to be paid monthly over the term of the lease term along with 3 percent increases per annum. A deposit of $4,333 was tendered to secure the lease.

Future minimum lease payments for this office space are as follows:

Year	Amount
2019	56,428
2020	55,029
2021	56,680
	$ 168,137

Employment agreement

During the year ended December 31, 2017, Elite entered into an employment agreement dated November 1, 2017 with Elite's CEO. As part of this agreement, Elite agreed to annual compensation of $ 90,000 with a 3-year term. On May 1, 2018, the Agreement has been modified to annual compensation of $48,000 plus 3.5% of sales over $50,000 per month not to exceed $ 3,500 per month. Refer to Note 4 for additional future commitments related to this agreement.

Consulting agreements

During the year ended December 31, 2017, the Company entered into two separate consulting agreements dated November 1, 2017. As part of these agreements, the Company agreed to annual compensation of $ 90,000 each with 3-year terms. The Consultants will provide strategic business development ideas as well as public company expertise and management. Refer to Note 4 for additional future commitments related to these agreements.

In February 2018, Elite entered into an additional consulting agreement for a monthly fee of $7,500 and 10% future generation of sales on a month to month basis.

On March 2, 2018, the Company entered into an Advisory Board Agreement with an individual that has expertise in the Hemp business and also has expertise in public companies. This agreement is for four months and consideration is for $25,000 worth of the Company's common stock payable at $0.035 a share. As of December 31, 2018 the consulting agreement has been terminated.

On November 15, 2018, the Company entered into an Independent Contractor Agreement. This agreement will continue until February 14, 2019. In connection with this agreement, the Contractor will receive a monthly compensation of 37,500 common stock shares with a fair value of $7,500 plus 5% of the gross sales excluding shipping and handling costs, taxes and related delivery fees that were originated specifically by Contractor. . In accordance agreement, the Company recorded 37,500 shares of common stock issuable for services for the year ended December 31, 2018. The shares were issued on February 15, 2019.

Growing Rights

On October 2, 2018, the Company received preliminary approval from the eSwatini Ministry of Economic Planning and Development to establish an exclusive growing farm and processing plant for medical cannabis and hemp in The Kingdom of eSwatini f/k/a Swaziland.

On October 31, 2018, the Company executed a joint venture term sheet with South African Ventures, Inc. f/k/a Stem Ventures, Inc. ("South African Ventures") to become the only licensed growing farm and processing plant for medical cannabis and hemp in The Kingdom of eSwatini. As a condition of the term sheet, South African Ventures was to deliver to Escrow Agent the sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00) as a deposit against a $5,000,000 Investment.

Distribution Rights

On November 7, 2018, the Company through its operating subsidiary Elite Products, International, Inc. acquired the exclusive brick and mortar distribution rights to Cheech and Chong men's grooming products with hemp in the United States and Israel and their related internet websites. Elite has also acquired other distribution rights.

On November 27, 2018, Elite granted a Distributor the exclusive distribution rights for Mexico and Argentina with first year minimum guarantee of $ 500,000 and 20% growth per year thereafter to retain exclusivity.

NOTE 10 – DUE TO – RELATED PARTY

On November 9, 2018, the Company entered into a secured loan agreement with a related party in the amount of $5,000. Pursuant to the terms of the loan, the loan is bearing 5% interest, secured and is due on demand.

NOTE 11 – INCOME TAXES

The Company maintains deferred tax assets and liabilities that reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The deferred tax assets at December 31, 2018 and 2017 consist of net operating loss carryforwards. The net deferred tax asset has been fully offset by a valuation allowance because of the uncertainty of the attainment of future taxable income. The items accounting for the difference between income taxes at the effective statutory rate and the provision for income taxes for the years ended December 31, 2018 and 2017 were as follows:

	December 31, 2018	December 31, 2017
Expected tax (benefit) - Federal	$(114,237)	$(8,433)
Expected tax (benefit) - State	(31,661)	(2,337)
Tax effect of expenses that are not deductible for income tax purposes (net of other amounts deductible for tax purposes)	12,180	1,019
Change in valuation allowance	133,719	9,751
Total provision for income tax	$—	$—

The net deferred taxes in the accompanying balance sheets includes the following amounts of deferred tax assets and liabilities:

Gross deferred tax assets:		
Temporary Difference	$—	$—
Net operating loss carryforwards	(153,971)	(20,253)
Total deferred tax assets	153,971	20,253
Less: valuation allowance	(153,971)	(20,253)
Net deferred tax asset recorded	$—	$—

The estimated net operating loss carryforward was approximately $607,494 at December 31, 2018. The Company's net operating loss carryforward may be limited on the usage of such net operating loss carryforwards due to a change in ownership in accordance with Section 382 of the Internal Revenue Code. The Company provided a valuation allowance equal to the net deferred income tax asset for the year ended December 31, 2018 and 2017 because it was not known whether future taxable income will be sufficient to utilize the loss carryforward. The increase in the valuation allowance was $133,719 from the year ended December 31, 2018. The potential tax benefit arising from tax loss carryforwards will expire in 2038.

NOTE 12 – SUBSEQUENT EVENTS

On January 1, 2019, the Company entered into a one-year Director Agreement with Dan Oran at a monthly base salary of $12,500 for a period of one year and terminable by either party on 30-days' written notice .

On January 1, 2019, the Company entered into a three-year consulting agreement with Leonard Tucker for a monthly fee of $12,150 plus incentives related to mergers and acquisitions and funding milestones..

On January 10, 2019, the Company entered into an agreement with Brightman Almagor Zohar and Co., member of Deloitte Touche Tohmatsu Limited, to assist in its operations, business strategy and in negotiations with strategic partners. The two year agreement commenced on January 15, 2019. As part of the agreement the Company agreed to issue shares of Common stock at a fair value of $35,000 and a payment of $35,000. Consultant is entitled to 7% of investment introduced by the consultant and 3% of investment not introduced by the consultant.

On January 11, 2019, South African Ventures delivered to the Escrow Agent the sum of $2,500,000.00 as a deposit against a $5,000,000 investment to become a licensed growing farm and processing plant for medical cannabis and hemp in The Kingdom of eSwatini. An extension was granted to March 15, 2019 with instructions to release $75,000 as payment for the license when applicable. On April 2, 2019, South African Ventures delivered to the Company and Escrow Agent an extension to May 1, 2019 of the Escrow Agreement with instructions to release $100,000 to prepare land in eSwatini to grow hemp and cannabis according to GMP standards. On June 3rd 2019, the Company and South African Ventures, Inc. executed an addendum to the Escrow Agreement whereby (1) Silver & Silver, Attorneys at

Law ("Silver") resigned as Escrow Agent in favor of Escrow Solutions Management, Inc. ("Escrow Solutions"). Silver transferred $2,420,000 and Company transferred $ 72,750 to Escrow Solutions (2) the Parties extended the term of the escrow to July 31, 2019.

On February 11, 2019, the Company formed CannBerryTek, Inc., Florida corporation as a hi-tech innovative biotechnology company to manage various research and development activities with the major focus on the medical cannabis industry. The Company owns 80% of CannBerryTek, Inc., with the remaining 20% owned by the management of CanberryTek, Ltd., an Israeli company and a wholly-owned subsidiary of CannberryTek, Inc.

On February 1, 2019, Cannberrytek, Ltd.. entered into a one-year employment agreement with Niv Yonani, a related party, for an average base salary of $91,000 per year.

On February 1, 2019, Cannberrytek, Ltd. entered into a one-year employment agreement with Hanoch Tempelhof, a related party, for an average base salary of $56,000 per year.

From February through April, 2019, the Company entered into unsecured demand loans with related parties for an aggregate amount of $173,416. If demand for payment has not been made, all payments of principal and interest ranging from 4% to 5% shall be due on or before various dates from March 2020 through May 2021.

On March 11, 2019, the Company's subsidiary CannberryTek, LTD, entered into a 5-year lease for a research and development facility in the State of Israel with an option to extend for an additional five years. The Company will pay a monthly rent of $700 per month for the first 24 months and $2,800 per month for the next 36 months under the terms of the agreement

On April 29, 2019, Cannberry Tek, Ltd. entered into an unsecured loan agreement with Yonathan Zilberman, in the amount of $165,306. Pursuant to the terms of the loan, the loan is bearing 4% interest, secured and is due on April 28, 2020.

On May 7, 2019, the Company issued 366,667 shares of common stock in consideration of $55,000 pursuant to a subscription agreement, pursuant to an exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933.

On May 15, 2019, the Company issued 200,000 shares of common stock in consideration of $25,000 pursuant to a subscription agreement, pursuant to an exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933.

On May 24, 2019, the Company entered into a consulting agreement with Fusion Star Media to assist in its operations, business strategy and in negotiations with strategic partners. The agreement commenced on April 22, 2019 and will terminate on April 22, 2020. As part of the agreement the Company agreed to issue 1,000,000 shares of Common stock at a fair value of $0.20 per share. The shares were issued on May 24, 2019.

On May 29, 2019, the Company entered into a twelve month financial consulting agreement with Avraham Elbachari to assist in in raising an equity investment, through the issuance of equity securities of the Company. If during the term of this agreement or within twelve months thereafter the Company consummates a financing transaction with an approved investor introduced to the Company by the Consultant during the term, the consultant will be entitled to receive from the Company a fee in the amount of 5% of the proceeds actually received by the Company paying in 2.5% in cash and 2.5% in Company's Common Stock.

On June 10, 2019, the Company formed Green Horizons, LTD. as a hi-tech innovative biotechnology company to manage various research and development activities with the major focus on the medical cannabis industry.