SK3 GROUP, INC
BALANCE SHEET
March 31, 2013

	March 31, 2013
Current Assets	
Accounts Receivable	$ 5,096,700
Total Current Assets	5,096,700
Property and Equipment	
Total Property and Equipment	-
Other Assets	
Medical Greens contracts	100,000
Trademark license	62,427
Total Other Assets	162,427
Total Assets	$ 5,259,127

Liabilities and Stockholders' Equity

Current Liabilities	
Accounts payable	$ 157,084
Accrued liabilities	15,399
Convertible notes	598,454
Total Current Liabilities	770,938
Long-Term Liabilities	
Total Long-Term Liabilities	-
Total Liabilities	771,243
Stockholders' Equity	
Additional paid-in capital	554,997
Common stock	36,206
Preferred stock	500
Retained Earnings	(1,032,642)
Net Income	4,929,129
Total Stockholders' Equity	4,488,189
Total Liabilities and Stockholders' Equity	$ 5,259,127

SK3 GROUP, INC.
STATEMENT OF OPERATIONS
3 Months ended March 31, 2013

	March 31, 2013
Revenue	
Sales	$ 5,096,700
Total Revenue	5,096,700
Cost of Goods Sold	
Total Cost of Goods Sold	-
Gross Profit	5,096,700
Operating Expenses	
Consulting expense	150,000
Reimbursement of expenses	2,815
Total Operating Expenses	152,815
Operating Income (Loss)	4,943,885
Other Income	
Total Other Income	-
Other Expenses	
Interest	14,756
Total Other Expenses	14,756
Income (Loss) Before Income Taxes	4,929,129
Income Tax	
Net Income (Loss)	$ 4,929,129

SK3 GROUP, INC.
STATEMENT OF CASH FLOWS

	Mar 31, 2013
Cash Flows from Operating Activities	
Net Income	
Net Income (Loss)	$ 4,929,129
Total Net Income	4,929,129
Adjustments to Net Income	
Adjustments to reconcile Net Income (Loss) to net Cash:	
(Increase) Decrease in:	
Accounts Receivable	(5,096,700)
Increase (Decrease) in:	
Accounts payable	152,815
Accrued liabilities	14,756
Total Adjustments	(4,929,129)
Net Cash Provided By (Used In) Operating Activities	-
Cash Flows from Investing Activities	
Medical Greens contracts	(100,000)
Trademark license	(62,427)
Net Cash Provided By (Used In) Investing Activities	(162,427)
Cash Flows from Financing Activities	
Additional paid-in capital	161,927
Preferred stock	500
Net Cash Provided By (Used In) Financing Activities	162,427
Net Increase (Decrease) in Cash	-
Cash at Beginning of Period	
Total Cash at Beginning of Period	-
Cash at End of Period	$ -

SK3 Group, Inc.
Notes to Financial Statements
March 31, 2013
(Unaudited)

Note 1 Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission for financial information presentation. It is management's opinion that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation.

Note 2 Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

SK3 Group, Inc. was incorporated in Delaware on January 14, 2000 as Slabsdirect.com, Inc. and changed its corporate name to CTT International Distributors, Inc. on January 7, 2005, and again changed its corporate name to SK3 Group, Inc. on May 14, 2007.

In March 2010, SK3 Group, Inc. agreed to acquire two healthcare providers, Medical Billing Specialists, Inc. and Angels of the Valley Hospice Care, LLC, both based in the Los Angeles, CA area.

In December 2010, SK3 Group, Inc. agreed to acquire PRN Staffing Services, Inc. ("PRN") from Healthcare of Today, Inc. for 100,000,000 shares of common stock and 5,000,000 shares of voting preferred stock with a non-dilutive vote of 51 percent of total votes of all classes of stock. The acquisitions all closed by December 31, 2010. The financial statements for SK3 Group, Inc., for the period ended December 31, 2010 were filed on a consolidated basis with its then wholly-owned subsidiaries. In early 2011, the Company agreed to acquire Healthstaff Training Institute and W&M Medical Management.

In late 2011, the Company changed its business model and rescinded all of its acquisitions by October, 2011, at which time new management changed the business direction and began developing the business of providing administrative, financial, legal, accounting and similar services to medical marijuana collectives operating in California.

The Company continued this development activity throughout 2012, arranging licenses, contracts and services to be provided in the medical marijuana market. In early 2013, the Company announced the acquisition of Medical Greens, including all existing contracts and trademark rights owned by it, and also the first in a series of signed licensing and support agreements with California collectives. The Company also established its offices in Miami, Florida.

Note 2 Nature of Operations and Summary of Significant Accounting Policies (continued)

During the quarter ended March 31, 2013, the Company entered into licensing, marketing and administrative ,management agreements with 11 separate medical marijuana collectives in California. The Company also has signed agreements to act as Medical Cannabis Administrator for 13 healthcare facilities in California and entered into a lease-purchase arrangement for over 40 acres of land in Southern California for sub-lease to collectives for their growing operations. The Company currently operates as a holding and service company, providing administrative, financial, legal, HR and similar services to its subsidiary, Medical Greens, Inc., and its collective clients.

Risks and Uncertainties

The Company operates in an industry that is very competitive, highly regulated and subject to rapid technological change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks associated with a development stage company, including the potential risk of business failure and the inability to collect amounts due for services provided to its collective customers.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. A significant estimate in 2012 and 2011 included a 100% valuation allowance for deferred taxes assets arising from net operating losses incurred since inception.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ materially from estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. At March 31, 2013, respectively, the Company had no cash equivalents.

Note 2 Nature of Operations and Summary of Significant Accounting Policies (continued)

Earnings per Share

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At March 31, 2013, respectively, there were no balances that exceeded the federally insured limit.

In accordance with accounting guidance now codified as FASB ASC Topic 260, *"Earnings per Share,"* Basic earnings per share ("EPS") is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the period including stock options or warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of stock options or warrants), and convertible debt or convertible preferred stock, using the if-converted method. Diluted EPS excludes all dilutive potential of shares of common stock if their effect is anti-dilutive. The computation of basic and diluted loss per share for the period from inception to March 31, 2013, is equivalent since the Company has had continuing losses. The Company also has no common stock equivalents.

Share Based Payments

Generally, all forms of share-based payments, including stock option grants, restricted stock grants and stock appreciation rights, are measured at their fair value on the awards' grant date, and based on the estimated number of awards that are ultimately expected to vest. Share-based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable. The expense resulting from share-based payments are recorded as a component of general and administrative expense.

Intangible Assets

Intangible assets are stated at cost less accumulated amortization and, if impaired, at fair value. They are amortized in accordance with the relevant income stream or by using the straight line method over their useful lives from the time they are first available for use. The estimated useful lives vary according to the specific asset but are typically:

1 to 12 years for customer contracts and relationships;
3 to 8 years for capitalized software;

Note 2 Nature of Operations and Summary of Significant Accounting Policies (continued)

Segment Information

3 to 10 years for patents, trademarks and licenses; and

3 to 8 years for capitalized development currently being amortized.
Intangible assets which are not yet being amortized are subject to annual impairment reviews.
During the quarters ended March 31, 2013, the Company only operated in one segment; therefore, segment information has not been presented.

Fair Value of Financial Instruments

The carrying amounts of the Company's short-term financial instruments, including accounts payable and accrued liabilities, approximate fair value due to the relatively short period to maturity for these instruments.

Reclassifications

Certain amounts from the prior period financial statements have been reclassified to conform to current period presentation.

Fair Value Measurement

The fair value of the Company's financial assets and liabilities reflects the Company's estimate of amounts that it would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from sources independent from the Company) and to minimize the use of unobservable inputs (the Company's assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Note 2 Nature of Operations and Summary of Significant Accounting Policies (continued)

Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on the Company's assessment of the assumptions that market participants would use in pricing the asset or liability.

Revenue Recognition

The Company recognizes service revenues when the related services have been performed and the services have been billed to customers. Licensing revenues are recognized and recorded as revenues on an allocated basis, based on the period of time covered by the license agreement and reported monthly over the license period.

The Company has entered into licensing agreements with 11 separate medical marijuana collectives as of March 31, 2013, each of which provides for an annual license fee of $2,500,000. This annual license fee is being reported on a monthly basis commencing with March 2013, of $208,033 per month each. Under separate marketing agreements with each of the 11 collectives, the Company also is entitled to a monthly fee of $208,033 for services provided in the prior month, billed in arrears at the end of each month. Under a separate general management agreement, the Company also provides management services to each collective, billing in arrears for services provided, at the rate of $8,333 per month, commencing with March, 2013. Each of these items is reflected in monthly invoices issued by the Company and sent to each collective, and the balances due are reflected as accounts receivable. The Company has not yet established an allowance for non-collectible items due to its lack of experience with the collectives, but will review the balances due from each collective at the end of each fiscal year to determine whether the receivables are collectible, and adjust the balances accordingly, if warranted.

Due to the risks inherent in the market in which the Company operates, the uncertain regulatory status of that market and similar risk factors, it is conceivable that none of the accounts receivable ultimately could be collected by the Company, all or some of the medical marijuana collectives could cease business or be shut down by local or federal authorities, or the amounts due for the services rendered and licensing provided could be received by the Company. In the event that all or some of the collectives are closed, cease business or otherwise are unable to generate revenues to pay the amounts due to the Company in the future, then all or some of the accrued receivables would have to be written off, the Company’s cash flow would be negatively impacted and the Company could be forced to cease its own business operations. There is no way at this stage of the Company’s operations to evaluate that risk or the likelihood of its business operations being reduced, curtailed or terminated.

Note 2 Nature of Operations and Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change. There were no recently issued accounting pronouncements during the quarter impacting the company's business.

Note 3 Convertible Notes and Other Liabilities

In December 2010, the Company issued a convertible note to Crystal Falls Investments, LLC, in the original principal amount of $2,474, converting an outstanding open account due to Crystal Falls for its direct payment of the outstanding balance due to the Company's transfer agent. The note is a three year note due December 31, 2013, bears interest at 10 percent and is in the principal amount of $2,474. The note is convertible into common stock at any time after 180 days at the election of the holder, at a price equal to the par value of the common stock at the date of election to convert. There is a limitation on the total shares held by the holder of the note, to 4.99 percent of all common shares outstanding. Interest of $247 has been accrued on the note for each of the fiscal years 2011 and 2012 and $59 for the quarter ended March 31, 2013.

In December 2011, the Company issued a second convertible note to Crystal Falls Investments, LLC, converting an outstanding open account due to Crystal Falls for direct payments made by Crystal Falls to DTC to obtain NOBO lists, totaling $1,680. The note is a two year note due December 31, 2013, bears interest at 10 percent and is in the principal amount of $1,680. The note is convertible into common stock at any time after 180 days at the election of the holder, at a price equal to 75 percent of the average closing price of the common stock for the 30 trading days prior to the date of election to convert, but not less than $0.001. There is a limitation on the total shares held by the holder of the note, to 4.99 percent of all common shares outstanding. Interest of $168 has been accrued on the note for 2012 and $41 for the quarter ended March 31, 2013.

At December 31, 2011, the Company had accounts payable of $148,671, of which $144,400 were due to CFOs to Go, Inc. under a consulting agreement dated March 1, 2010, which was terminated September 30, 2011, and $4,271 due to the Company's transfer agent. On December 30, 2012, the balance due to CFOs to Go, Inc. was converted into a convertible promissory note

Note 3 Convertible Notes and Other Liabilities (continued)

in the same amount, due December 31, 2013. In January, 2013, CFOs to Go, Inc. merged with and into Matriarch Management, Inc. and Matriarch has since assigned the note balance to six unrelated parties.

Effective May 1, 2012, the Company entered into a Consulting Agreement with iEquity Corp. under which iEquity Corp. agreed to undertake the research and business development necessary to implement the new business of the Company already under development. The Consulting Agreement provides for a monthly fee of $50,000 and a total of $450,000 in fees had accrued as of December 31, 2012. The accrued amount was converted into a promissory note in the same amount on December 31, 2012 convertible into common stock at the election of the holder. iEquity Corp. will become the controlling shareholder of the Company as soon as the Series A Convertible Preferred stock is issued as the consideration for the acquisition of Medical Greens, which is expected to be before the end of May, 2013.

Note 4 Subsidiaries and Subsequent Events

In March 2013, SK3 Group acquired the assets and business of Medical Greens from iEquity Corp. for the issuance of 5 million shares of Series A Convertible Preferred Stock having voting power equal to 60 percent of the total vote of all classes of stock entitled to vote and convertible at any time after one year from the date of issue into 60 percent of the resulting common stock outstanding. As of the date of these financial statements, the Series A Preferred has not been issued because the Statement of Rights and Preferences for the Series A Preferred has not yet been filed in Delaware. The Company is now in good standing in Delaware and the Statement of Rights and Preferences is expected to be filed by May 31, 2013, at which time the shares will be issued.

In April, 2013, the Company formed Medical Greens, Inc. in California and contributed the assets and business of Medical Greens to its new wholly-owned subsidiary. Through Medical Greens, the Company has contracts in place to provide management services, marketing services, administrative services and licensing rights to 11 medical marijuana collectives. Under the terms of these agreements, each collective has engaged Medical Greens to provide licensing rights for an annual fee of $2,500,000, Marketing services and rights for an annual fee of $2,500,000 and general management services for an annual fee of $100,000 and each collective was billed for the services to be rendered for March, 2031, which is reflected in gross income for the quarter ended March 31, 2013 of more than $5 million.

In March, 2013, the Company also entered into a line of credit arrangement for up to $3 million with its parent company, iEquity Corp., for use in management and growth of the Company.

Note 5 Stockholders' Equity (Deficit)

As of December 31, 2012, the Company had 362,991,308 common shares issued and outstanding and 5,000,000 convertible preferred shares issuable but not yet outstanding. The preferred shares will be issued as soon as the required statement of rights and preferences has been filed in Delaware, and when issued, the preferred will carry 60 percent of the total vote of all classes of stock voting on any matter, and will be convertible into a resulting 60 percent of the then issued and outstanding common shares, at the election of the holder. No additional shares were issued during the quarter ended March 31, 2013. iEquity Corp. will hold the preferred shares as consideration for its transfer of the Medical Greens business to the Company.

There were 500,000,000 common shares, par value $0.001, and 5,000,000 preferred shares, par value $0.001, authorized at December 31, 2012.