

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

EMERGENT HEALTH CORP.

(A Wyoming Corporation)
519 8th Avenue, 25th Floor
New York, NY 10018
631-787-8455
www.emergenthealthcompany.com
SIC Code: 5961

Annual Report For the Period Ending: December 31, 2022 (the Reporting Period)

As of March 30, 2023, the number of shares outstanding of our Common Stock was:
406,951,111 common shares issued and outstanding

As of December 31, 2022, the number of shares outstanding of our Common Stock was:
260,585,111 common shares issued and outstanding.

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

¹ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

INFORMATION AND DISCLOSURE STATEMENT

All information in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The enumerated items and captions contained herein correspond to the format as set forth in that rule.

Forward-looking Statements

This Information and Disclosure Statement contains various “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements represent the Company’s expectations or beliefs concerning future events. The words “*believe*,” “*expect*,” “*anticipate*,” “*intend*,” “*estimate*,” “*project*” and similar expressions are intended to identify forward-looking statements. The Company cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including without limitations, the factors described in this Information and Disclosure Statement.

Investors are cautioned not to place undue reliance on such forward-looking statements because they speak only of the Company’s views as of the statement dates. Although the Company has attempted to list the important factors that presently affect the Company’s business and operating results, the Company further cautions investors that other factors may in the future prove to be important in affecting the Company’s results of operations. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Emergent Health Corp.

Predecessor: Rolling Stone Retirement Community, Inc., name changed to that of issuer via amended Certificate of Incorporation dated May 18, 2007

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer’s current standing in its state of incorporation (e.g. active, default, inactive):

Emergent Health Corporation was incorporated in Nevada on April 27, 2006, and was reincorporated in Wyoming on March 31, 2018.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

On September 30, 2009, the SEC issued a suspension of trading of the Issuer’s securities for 10 days. After the 10-day suspension, the Issuer’s securities resumed trading on what is known as the “Grey Market”.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

Asset Purchase of Assets and Certain Liabilities from Regen Biowellness, Inc.
Stock Purchase of Evolutionary Biologics, Inc.

The address(es) of the issuer's principal executive office:

519 8th Avenue, 25th Floor
New York, NY 10018

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

None

2) Security Information

Transfer Agent

Name: Olde Monmouth Stock Transfer Co., Inc.

Phone: 732-872-2727

Email: transferagent@oldemonmouth.com

Address: 200 Memorial Parkway, Atlantic Highlands, NJ 07716

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

| | |
|--|---|
| Trading symbol: | EMGE |
| Exact title and class of securities outstanding: | Common Stock |
| CUSIP: | 29100Q 30 8 |
| Par or stated value: | \$0.001 par value |
| Total shares authorized: | 7,500,000,000 as of December 31, 2022 |
| Total shares outstanding: | 260,851,111 as of December 31, 2022 |
| Total number of shareholders of record: | 132 as of December 31, 2022 |

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

| | |
|--|-----------------------------------|
| Trading symbol: | None |
| Exact title and class of securities outstanding: | Series A Preferred Stock |
| CUSIP: | None |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 100 as of date: December 31, 2022 |
| Total shares outstanding: | 100 as of date: December 31, 2022 |
| Total number of shareholders of record: | 2 as of date: December 31, 2023 |

| | |
|--|--|
| Trading symbol: | None |
| Exact title and class of securities outstanding: | Series B Convertible Preferred Stock |
| CUSIP: | None |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 25,000,000 as of date: December 31, 2022 |
| Total shares outstanding: | 19,000,000 as of date: December 31, 2022 |
| Total number of shareholders of record: | 5 as of date: December 31, 2022 |

| | |
|--|--|
| Trading symbol: | None |
| Exact title and class of securities outstanding: | Series C Convertible No-Voting Preferred Stock |
| CUSIP: | None |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 15,000,000 as of date: December 31, 2022 |
| Total shares outstanding: | 5,600,000 as of date: December 31, 2022 |
| Total number of shareholders of record: | 10 as of date: December 31, 2022 |

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

The holders of our common stock currently have (a) equal ratable rights to dividends from funds legally available therefore, when, as and if declared by our Board of Directors; (b) are entitled to share ratably in all of our assets available for distribution to holders of common stock upon liquidation, dissolution or winding up of the affairs of our company; (c) do not have preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights applicable thereto; and (d) are entitled to one non-cumulative vote per share on all matters on which shareholders may vote. Our Bylaws provide that, at all meetings of the shareholders for the election of directors, a plurality of the votes cast shall be sufficient to elect. On all other matters, except as otherwise required by Wyoming law or our Articles of Incorporation, as amended, a majority of the votes cast at a meeting of the shareholders shall be necessary to authorize any corporate action to be taken by vote of the shareholders.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Class A Preferred Shares have no dividend or conversion rights. The holder(s) of the Series A shares shall as a class have rights in all matters requiring shareholder approval to a number of votes equal to two (2) times the sum of: (i) the total number of shares of common stock which are issued and outstanding at the time of any election or vote by the shareholders; plus (ii) the number of votes allocated to shares of Preferred Stock issued and outstanding of any other class that has voting rights may, if required, extend to a number of votes in excess of the total number of shares authorized. In the event of liquidation, dissolution, or winding up of the Corporation, either voluntary or involuntary, the holder(s) of the Series A shares will be entitled to receive out of the assets of the Company, prior and in preference to any distribution of the assets or surplus funds of the Company to the holders of any other class of preferred stock or the Common Stock, the amount of \$100.00 per share, and will not be entitled to receive any portion of the remaining assets of the Company except by reason of ownership of shares of any other class of the Company's stock.

Series B Convertible Preferred Stock have no voting rights prior to conversion and are not entitled to any manner of liquidation preference payment. Each share of Series B Convertible Preferred Stock is convertible into twenty (20) shares of the Company's common stock at any time after the first anniversary of issuance. On November 17, 2021, the Board of Directors voted to restate the terms of conversion of the Company's Series B Convertible Preferred Stock to a conversion rate of twenty (20) shares of common stock for every one (1) share of Series B Convertible Stock converted. The original terms included a conversion rate of one (1) share of common stock for every one (1) share of Series B Convertible Stock converted.

Series C Convertible Preferred Stock have no voting rights prior to conversion and are entitled to dividends and liquidation payments pari passu with Common Stock except that the dividend or liquidation payment on each share of Series C Convertible Preferred Stock shall be equal to the amount of the dividend declared and paid or liquidation payment on each share of Common Stock multiplied by the Conversion Rate. No share of Series C Convertible Preferred Stock shall be converted into shares of Common Stock prior to January 1, 2024. Effective January 1, 2024, all issued and outstanding shares of Series C Convertible Preferred Stock shall be converted into shares of Common Stock at the Conversion Rate of one hundred (100) shares for every one (1) share of Series C Convertible Preferred Stock.

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

| Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date December 31, 2021 Common: 58,101,111 Preferred: Series A 100 Series B 25,000,000 | | | *Right-click the rows below and select "Insert" to add rows as needed. | | | | | | |
|---|---|--|--|---|--|--|---|---|---------------------------------|
| Date of Transaction | Transaction type (e.g. new issuance, cancellation, shares returned to treasury) | Number of Shares Issued (or cancelled) | Class of Securities | Value of shares issued (\$/per share) at Issuance | Were the shares issued at a discount to market price at the time of issuance? (Yes/No) | Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed). | Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided | Restricted or Unrestricted as of this filing. | Exemption or Registration Type. |
| September 4, 2021 | Issuance | 900,000 | Series C Preferred | .001 | No | Leonard Tucker, LLC. – Leonard Tucker | Services Provided | Restricted | 4(a)(2) |
| September 4, 2021 | Issuance | 900,000 | Series C Preferred | .001 | No | Frank Magliochetti | Services Provided | Restricted | 4(a)(2) |
| September 4, 2021 | Issuance | 900,000 | Series C Preferred | .001 | No | John V. Cappello | Services Provided | Restricted | 4(a)(2) |
| September 4, 2021 | Issuance | 300,000 | Series C Preferred | .001 | No | Cimarron Capital, Inc. – Peter Aiello | Services Provided | Restricted | 4(a)(2) |
| December 28, 2021 | Issuance | 900,000 | Series C Preferred | .001 | No | Adam Brooks | Acquisition Agreement | Restricted | 4(a)(2) |
| December 28, 2021 | Issuance | 300,000 | Series C Preferred | .001 | No | Christine Arenalla | Acquisition Agreement | Restricted | 4(a)(2) |
| December 28, 2021 | Issuance | 900,000 | Series C Preferred | .001 | No | Emerging Capital Strategies, Ltd – James W Zimble | Acquisition Agreement | Restricted | 4(a)(2) |
| January 28, 2022 | Issuance | 5,000,000 | common | .01 | Yes | Geneva Roth Remark Holdings, Inc. – Curt Kramer | Stock Subscription | Unrestricted | Reg A |
| February 7, 2022 | Issuance | 5,000,000 | common | .01 | Yes | Proactive Capital Partners, LP. – Jeff Ramson | Stock Subscription | Unrestricted | Reg A |

| | | | | | | | | | |
|-------------------|--------------|-----------|--------------------|-------|-----|--|----------------------------|--------------|---------|
| February 15, 2022 | Issuance | 5,000,000 | common | .01 | Yes | Citta Alta Capital, Inc. – Craig Coaches | Stock Subscription | Unrestricted | Reg A |
| April 20, 2022 | Issuance | 2,500,000 | common | .01 | No | Corain McGinn | Services Provided | Restricted | 4(a)(2) |
| April 20, 2022 | Issuance | 250,000 | common | .01 | No | Jim Stahl | Services Provided | Restricted | 4(a)(2) |
| June 30, 2022 | Issuance | 7,500,000 | common | .01 | No | Silverback Corporation - Gillian Gold | Stock Subscription | Unrestricted | Reg A |
| June 30, 2022 | Issuance | 3,500,000 | common | .01 | No | Efrat Investments, LLC. - Pinny Rotter | Stock Subscription | Unrestricted | Reg A |
| June 30, 2022 | Issuance | 5,000,000 | common | .01 | No | Crosslake Capital, LLC. – George Choi | Stock Subscription | Unrestricted | Reg A |
| July 6, 2022 | Issuance | 7,500,000 | Common | .01 | No | Silverback Capital Corporation – Gillian Gold | Stock Subscription | Unrestricted | Reg A |
| July 6, 2022 | Issuance | 6,000,000 | Common | .01 | No | Geneva Roth Remark Holdings, Inc., - Curt Kramer | Stock Subscription | Unrestricted | Reg A |
| July 7, 2022 | Issuance | 4,500,000 | Common | .01 | No | Efrat Investments LLC – Pinny Rotter | Stock Subscription | Unrestricted | Reg A |
| July 7, 2022 | Issuance | 7,500,000 | Common | .01 | No | Silverback Capital Corporation – Gillian Gold | Stock Subscription | Unrestricted | Reg A |
| July 8, 2022 | Issuance | 5,000,000 | Common | .01 | No | Boot Capital LLC – Peter Rosten | Stock Subscription | Unrestricted | Reg A |
| July 8, 2022 | Issuance | 6,000,000 | Common | .01 | No | Silverback Capital Corporation – Gillian Gold | Stock Subscription | Unrestricted | Reg A |
| July 8, 2022 | Issuance | 5,000,000 | Common | .01 | No | Geneva Roth Remark Holdings, Inc., - Curt Kramer | Stock Subscription | Unrestricted | Reg A |
| July 15, 2022 | Cancellation | 450,000 | Series C Preferred | .001 | No | Parcae Capital Corp/Frank Magliochetti | Share buy back | n/a | n/a |
| July 15, 2022 | Cancellation | 450,000 | Series C Preferred | .001 | No | Leonard Tucker, LLC | Share buy back | n/a | n/a |
| July 21 2022 | Issuance | 6,500,000 | Common | .01 | No | Efrat Investments, LLC. - Pinny Rotter | Stock Subscription | Unrestricted | Reg A |
| July 25, 2022 | Issuance | 6,000,000 | Common | .01 | No | GW Capital Ventures, LLC – Noah Weinsten | Stock Subscription | Unrestricted | Reg A |
| August 1, 2022 | Cancellation | 250,000 | Series B Preferred | .004 | No | Christine Arenalla | Preferred Stock Conversion | Restricted | |
| August 1, 2022 | Issuance | 5,000,000 | Common | .0002 | No | Christine Arenalla | Preferred Stock Conversion | Unrestricted | 4(a)(1) |
| August 1, 2022 | Cancellation | 250,000 | Series B Preferred | .004 | No | Cimarron Capital, Inc., - Peter Aiello | Preferred Stock Conversion | Restricted | |
| August 1, 2022 | Issuance | 5,000,000 | Common | .0002 | No | Cimarron Capital, Inc., - Peter Aiello | Preferred Stock Conversion | Unrestricted | 4(a)(1) |

| | | | | | | | | | |
|-------------------|--------------|------------|--------------------|-------|----|---|---|--------------|---------|
| August 1, 2022 | Cancellation | 250,000 | Series B Preferred | .004 | No | Leonard Tucker, LLC – Leonard Tucker | Preferred Stock Conversion | Restricted | |
| August 1, 2022 | Issuance | 5,000,000 | Common | .0002 | No | Leonard Tucker, LLC – Leonard Tucker | Preferred Stock Conversion | Unrestricted | 4(a)(1) |
| August 1, 2022 | Cancellation | 250,000 | Series B Preferred | .004 | No | Lori Teper | Preferred Stock Conversion | Restricted | |
| August 1, 2022 | Issuance | 5,000,000 | Common | .0002 | No | Lori Teper | Preferred Stock Conversion | Unrestricted | 4(a)(1) |
| August 1, 2022 | Cancellation | 250,000 | Series B Preferred | .004 | No | HAR Irrevocable Trust – Sharon McNeil Trustee | Preferred Stock Conversion | Restricted | |
| August 1, 2022 | Issuance | 5,000,000 | Common | .0002 | No | HAR Irrevocable Trust – Sharon McNeil Trustee | Preferred Stock Conversion | Unrestricted | 4(a)(1) |
| August 1, 2022 | Issuance | 1,500,000 | Series C Preferred | | No | Regen Biowellness, Inc., James Morrison | Acquisition of Regen Biowellness Assets | Restricted | 4(a)(2) |
| August 1, 2022 | Issuance | 750,000 | Series C Preferred | | No | James W. Zimblar | Acquisition of Evolutionary Biologics, Inc. | Restricted | 4(a)(2) |
| August 1, 2022 | Issuance | 750,000 | Series C Preferred | | No | James Morrison | Acquisition of Evolutionary Biologics, Inc. | Restricted | 4(a)(2) |
| November 10, 2022 | Issuance | 10,000,000 | Common | .01 | No | Marvin Segel | Services Provided | Restricted | 4(a)(2) |
| January 27, 2023 | Issuance | 12,500,000 | Common | .03 | No | Arin, LLC - | Stock Subscription | Unrestricted | Reg A |
| February 12, 2023 | Issuance | 72,000,000 | Common | .01 | No | Sanguine Group, LLC – Robert DuPurton | Penalty on Default Note | Restricted | |
| February 14, 2023 | Issuance | 13,500,000 | Common | .003 | No | GW Capital Ventures, LLC – Noah Weinsten | Stock Subscription | Unrestricted | Reg A |
| February 14, 2023 | Issuance | 10,000,000 | Common | .003 | No | BHP Capital NY, Inc. – Bryan Pantofel | Stock Subscription | Unrestricted | Reg A |
| February 17, 2023 | Issuance | 14,166,667 | Common | .003 | No | Arin, LLC – Adam Ringer | Stock Subscription | Unrestricted | Reg A |
| February 21, 2023 | Issuance | 13,333,334 | Common | .003 | No | BHP Capital NY, Inc. – Bryan Pantofel | Stock Subscription | Unrestricted | Reg A |
| February 22, 2023 | Issuance | 10,000,000 | Common | .01 | No | Charles McMenamin | Services Provided | Restricted | 4(a)(2) |

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended June 30, 2021, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2019, through June 30, 2021 pursuant to the tabular format above.

n/a

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

| Date of Note Issuance | Outstanding Balance (\$) | Principal Amount at Issuance (\$) | Interest Accrued (\$) | Maturity Date | Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares) | Name of Noteholder (entities must have individual with voting / investment control disclosed). | Reason for Issuance (e.g. Loan, Services, etc.) |
|-----------------------|--------------------------|-----------------------------------|-----------------------|--|---|--|---|
| August 26, 2021 | \$300,000 | \$300,000 | \$0 | August 26, 2022 | Payee shall have the right to convert any amount due under this Note into shares of any qualified Regulation A Offering Statement of the Company during the term of the Offering. | Cimarron Capital, Inc. – Peter Aiello | Loan |
| August 26, 2021 | \$200,000 | \$200,000 | \$0 | August 26, 2022 | Payee shall have the right to convert any amount due under this Note into shares of any qualified Regulation A Offering Statement of the Company during the term of the Offering. | Christine Arenella | Loan |
| June 6, 2022 | \$264,000 | \$264,000 | 10% | June 6, 2023 | Payee shall have the right to convert any amount due under this Note, as price equal to a discount of 25% to any subsequent offering closed by the Company. | Clayton A. Stuve | Loan |
| August 17, 2022 | \$250,000 | \$250,000 | 5% | Demand after February 17, 2023, or August 2023 | No conversion rights | Emerging Growth Strategies, Ltd., - James W. Zimble | Loan |

Use the space below to provide any additional details, including footnotes to the table above:

n/a

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Please ensure that these descriptions are updated on the Company's Profile on www.otcmart.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Emergent Health Corp. develops and sells regenerative medicine, nutraceuticals, and phytonutritionals. Its products comprise Vita-Stim, a nutrient that enhances the immune system, nourishes stem cells, and maintains health; Neuvitale, which nourishes stem cells and acts as a methyl donor to protect DNA; Hungarest, a diet aid that controls appetite in the brain and stomach; EmergentO2, water oxygenator, which increases oxygen in the blood stream; and products for reducing facial wrinkles. The company

distributes its products through health food stores, pharmacies, online and various other retail outlets throughout the United States and internationally. PharmaZu, an Emergent subsidiary, is a pure play, e-commerce products and service provider focused on the pet pharmacy, vet telehealth and pet wellness businesses. Emergent does not claim any of its products are approved by the FDA to diagnose, treat, cure or prevent any disease.

B. Please list any subsidiaries, parents, or affiliated companies.

The Company has the following subsidiaries,

Emergent Medical Foods, Inc., a Wyoming corporation incorporated on April 4, 2019,

Emergent OTC Products, Inc., a Wyoming corporation incorporated on August 1, 2019,

PharmaZu, Inc., a Florida corporation incorporated on December 28, 2021.

The Company acquired the assets and certain liabilities of Regen Biowellness, Inc. on August 2, 2022,

Evolutionary Biologics, Inc., a Delaware corporation, acquired on August 15, 2022,

C. Describe the issuers' principal products or services.

Emergent Health Corp. develops and sells regenerative medicine, nutraceuticals, and phytonutritionals. Its products comprise Vita-Stim, a nutrient that enhances the immune system, nourishes stem cells, and maintains health; Neuvitale, which nourishes stem cells and acts as a methyl donor to protect DNA; Hungarest, a diet aid that controls appetite in the brain and stomach; EmergentO2, water oxygenator, which increases oxygen in the blood stream; and products for reducing facial wrinkles. The company distributes its products through health food stores, pharmacies, online and various other retail outlets throughout the United States and internationally.

Emergent Medical Foods, Inc., and Emergent OTC Products, Inc., are currently not operating.

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Business is conducted from the executive office which maintains and services our corporate websites.

The Company sub-leases on a month-to-month basis three offices located at 519 8th Avenue, 25th floor, New York, NY 10018. The offices serve as the Executive and Corporate office of the Company and in addition Evolutionary Biologics, Inc., a wholly owned subsidiary conducts sales from the offices.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

| Name of Officer/Director or Control Person | Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%) | Residential Address (City / State Only) | Number of shares owned | Share type/class | Ownership Percentage of Class Outstanding | Note |
|--|--|---|------------------------|---|---|--|
| Eocene Management Advisors, Inc. Emerging Growth Advisors, Inc. | James W. Zimble, Director and owner of more than 5% voting | 2121 Bethel Road Columbus, OH 43220 | 66.67 1,350,000 | Series A Preferred Stock Series C Non-Voting Convertible Preferred Stock | 66.67 21.3 | Series A Preferred Shares give Eocene Management Advisors, Inc., voting control over the Company |
| Regen Biowellness, Inc. | Controlled by Jim Morrison, President and Director and James W. Zimble, Director | 225 W34th Street 9 th Floor New York, NY 10001 | 1,500,000 | Series C Non-Voting Convertible Preferred Stock | 23.6% | |
| Jim Morrison | President and Director | 225 W34th Street 9 th Floor New York, NY 10001 | 450,000 | Series C Non-Voting Convertible Preferred Stock | 7% | |
| Adam Brooks | | 1881 W Frederick Small Rd., Jupiter, FL 33458 | 900,000 | Series C Non-Voting Convertible Preferred Stock | 14% | |
| Estate of John Cappello | Owner of more than 5% | 20104 Valley Forge Circle King of Prussia, PA 19406 | 33.33 900,000 | Series A Preferred Stock Series C Non-Voting Convertible Preferred Stock | 33.33% 14% | |

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. 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;

None

3. 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

None

4. 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.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel
Name: Eric Newlan

Firm: Newlan Law Firm, PLLC
Address 1: Flower Mound, Texas 75022
Phone: (940) 367-6154
Email: newnewesq@gmail.com

Accountant or Auditor
Name: Michael Slapnik
Firm: Scott and Co.
Address 1: 1441 Main Street Suite 800
Address 2: Columbus, SC 29202
Phone: (803) 256-6021
Email: mslapnik@scottandco.com.

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

Twitter: _____
Discord: _____
LinkedIn _____
Facebook: _____
[Other] _____

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

A. The following financial statements were prepared in accordance with:

☒ U.S. GAAP

☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)²:

Name: Michael Slapnick, Scott & Company

Title: Partner

Relationship to Issuer: Outside Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- a. Balance Sheet
- b. Statement of Income;
- c. Statement of Cash Flows;
- d. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- e. Financial notes;
- f. Audit letter, if audited

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Jim Morrison certify that:

1. I have reviewed this Disclosure Statement for Emergent Health Corp.;
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.

March 30, 2023 [Date]

/s/ Jim Morrison [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Principal Financial Officer:

I, James W. Zimbler certify that:

1. I have reviewed this Disclosure Statement for Emergent Health Corp;
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.

March 30, 2023 [Date]

/s/ James W. Zimbler [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Compilation Report on Consolidated Financial Statements of

Emergent Health Corporation and Subsidiaries

*as of September 30, 2022, and as of and for the three and
twelve months ended December 31, 2022*



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Accountant's Compilation Report

To Management and the Shareholders
Emergent Health Corporation and Subsidiaries
New York, New York

Management is responsible for the accompanying consolidated financial statements of Emergent Health Corporation (a Wyoming corporation) and subsidiaries, which comprise the consolidated balance sheets as of September 30, 2022 and December 31, 2022, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the three and twelve months ended December 31, 2022, and the related notes to the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these consolidated financial statements.

We are not independent with respect to Emergent Health Corporation and subsidiaries, because we performed certain accounting services, including bookkeeping, that impaired our independence.

Scott and Company LLC

Columbia, South Carolina
March 27, 2023

Emergent Health Corporation
Consolidated Balance Sheets
as of,

| | <u>September 30, 2022</u> | <u>December 31, 2022</u> |
|---|-------------------------------|------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 57,118 | \$ 13,258 |
| Note receivable | 250,000 | 250,000 |
| Investment in subsidiary | 206,952 | 334,390 |
| Other asset | 35,000 | 35,000 |
| Total current assets | <u>549,070</u> | <u>632,648</u> |
| Noncurrent assets: | | |
| Intangible asset, net | 111,065 | 106,065 |
| Equipment | 50,000 | 50,000 |
| Security deposit | 1,500 | 1,500 |
| Total noncurrent assets | <u>162,565</u> | <u>157,565</u> |
| TOTAL ASSETS | <u><u>\$ 711,635</u></u> | <u><u>\$ 790,213</u></u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Accounts payable | \$ 179,523 | \$ 183,522 |
| Accrued interest payable | - | 4,167 |
| Notes payable to related party | 432,758 | 742,500 |
| Notes payable, net of discount | 240,000 | 919,400 |
| Total liabilities | <u>852,281</u> | <u>1,849,589</u> |
| Stockholders' equity: | | |
| Series A Preferred Stock, 100 shares authorized, 100 shares issued and outstanding, par value \$.001 | - | - |
| Series B Convertible Preferred Stock, 25,000,000 shares authorized, 23,500,000 and 19,000,000 shares issued and outstanding, respectively, par value \$.001 | 23,500 | 19,000 |
| Series C Convertible Preferred Stock, 15,000,000 shares authorized, 5,600,000 and 5,600,000 issued and outstanding, respectively, par value \$.001 | 5,600 | 5,600 |
| Common stock, 7,500,000,000 shares authorized, 190,851,111 and 260,851,111 shares issued and outstanding, respectively, par value \$.001 | 190,851 | 260,851 |
| Additional paid-in capital | 1,868,957 | 1,876,239 |
| Noncontrolling interest in consolidated subsidiaries | 88,237 | 85,457 |
| Accumulated deficit | (2,317,791) | (3,306,523) |
| Total stockholders' equity | <u>(140,646)</u> | <u>(1,059,376)</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u><u>\$ 711,635</u></u> | <u><u>\$ 790,213</u></u> |

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Operations

| | 3 Months Ended December 31, 2022 | 12 Months Ended December 31, 2022 |
|---|---|--|
| Sales | \$ 373,403 | \$ 574,613 |
| Cost of sales | 156,542 | 299,507 |
| Gross profit | <u>216,861</u> | <u>275,106</u> |
| Operating expenses: | | |
| Sales commissions | 63,448 | 135,332 |
| Salaries | 81,100 | 147,467 |
| Research and development | - | 8,586 |
| Fulfillment | - | 33,743 |
| Office supplies | 2,212 | 3,663 |
| Professional and legal fees | 175,746 | 330,881 |
| Consulting fees | 283,797 | 919,848 |
| Credit card fees and bank service charges | 7,330 | 12,961 |
| Occupancy | 11,770 | 17,849 |
| Marketing | 154,635 | 236,280 |
| Website | 2,552 | 14,177 |
| Other selling, general and administrative expenses | 94,436 | 183,341 |
| Total operating expenses | <u>877,027</u> | <u>2,044,129</u> |
| Loss from operations | <u>(660,166)</u> | <u>(1,769,023)</u> |
| Other income (expense) | | |
| Interest income | 5,000 | 8,750 |
| Interest expense | (333,567) | (348,567) |
| Total other income (expense) | <u>(328,567)</u> | <u>(339,817)</u> |
| Loss before income taxes | (988,733) | (2,108,840) |
| Provision for income taxes | - | - |
| Net loss | (988,733) | (2,108,840) |
| Net loss attributable to noncontrolling interest | - | 1,390 |
| Net loss attributable to Emergent Health Corporation | <u>\$ (988,733)</u> | <u>\$ (2,107,450)</u> |
| Net loss per common share: | | |
| Basic | <u>\$ (0.01)</u> | <u>\$ (0.01)</u> |
| Diluted | <u>\$ -</u> | <u>\$ (0.01)</u> |
| Weighted average number of common shares outstanding: | | |
| Basic | <u>190,851,111</u> | <u>260,851,111</u> |
| Diluted | <u>221,851,211</u> | <u>285,451,111</u> |

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Changes in Stockholders' Equity

| | Series A Preferred Stock, \$.001 Par Value | | Series B Convertible Preferred Stock, \$.001 Par Value | | Series C Convertible Preferred Stock, \$.001 Par Value | | Common Stock, \$.001 Par Value | | Additional Paid-in Capital | Noncontrolling interest | Accumulated Deficit | Total Stockholders' Equity |
|--|--|-------------|--|------------------|--|-----------------|--------------------------------|-------------------|----------------------------|-------------------------|-----------------------|----------------------------|
| | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | | | | |
| Balance, December 31, 2021 | 100 | \$ - | 25,000,000 | \$ 25,000 | - | \$ - | 58,101,111 | \$ 58,101 | \$ 1,072,424 | \$ 86,847 | \$ (1,199,073) | \$ 43,299 |
| Net loss attributable to noncontrolling interest | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - | \$ (1,390) | \$ - | \$ (1,390) |
| Shares issued during period | - | \$ - | - | \$ - | 6,500,000 | \$ 6,500 | 202,750,000 | \$ 202,750 | \$ 1,046,533 | \$ - | \$ - | \$ 1,255,783 |
| Shares redeemed during period | - | \$ - | (6,000,000) | \$ (6,000) | (900,000) | \$ (900) | - | \$ - | \$ (242,718) | \$ - | \$ - | \$ (249,618) |
| Net loss attributable to Emergent Health Corporation | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - | \$ - | \$ (2,107,450) | \$ (2,107,450) |
| Balance, December 31, 2022 | <u>100</u> | <u>\$ -</u> | <u>19,000,000</u> | <u>\$ 19,000</u> | <u>5,600,000</u> | <u>\$ 5,600</u> | <u>260,851,111</u> | <u>\$ 260,851</u> | <u>\$ 1,876,239</u> | <u>\$ 85,457</u> | <u>\$ (3,306,523)</u> | <u>\$ (1,059,376)</u> |

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Consolidated Statements of Cash Flows

| | 3 Months Ended December 31, 2022 | 12 Months Ended December 31, 2022 |
|--|---|--|
| Cash flows from operating activities: | | |
| Net loss | \$ (988,733) | \$ (2,107,450) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Amortization | 5,000 | 20,000 |
| Change in inventories | - | 69,618 |
| Change in intangible asset | - | (26,065) |
| Change in other asset | - | (35,000) |
| Change in accrued interest | 4,167 | 4,167 |
| Change in accounts payable | 74,002 | 178,651 |
| Net cash used in operating activities | <u>(905,564)</u> | <u>(1,896,079)</u> |
| Cash flows from financing activities: | | |
| Proceeds from issuance of long-term debt | 1,045,642 | 1,480,142 |
| Payments on long-term debt | (56,500) | (180,905) |
| Proceeds from issuance of common stock | - | 1,004,447 |
| Net cash provided by financing activities | <u>989,142</u> | <u>2,303,684</u> |
| Cash flows from investing activities: | | |
| Advances on acquisitions | (127,438) | (334,390) |
| Purchase of equipment | - | (50,000) |
| Loan to unrelated entity | - | (250,000) |
| Net cash used in investing activities | <u>(127,438)</u> | <u>(634,390)</u> |
| Net decrease in cash and cash equivalents | (43,860) | (226,785) |
| Cash and cash equivalents, beginning of period | 57,118 | 240,043 |
| Cash and cash equivalents, end of period | <u>\$ 13,258</u> | <u>\$ 13,258</u> |

See accompanying accountant's compilation report. The accompanying notes are an integral part of these consolidated financial statements.

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 1. Organization

Emergent Health Corporation (the “Company”) was incorporated in Nevada on April 27, 2006 and was reincorporated in Wyoming on March 31, 2018. The Company manufactures and sells vitamin products to retail customers across the United States of America.

The Company has four subsidiaries, Emergent Medical Foods, Inc. (“EMF”), Emergent OTC Products, Inc. (“EOTC”), PharmaZu, Inc. (“PharmaZu”), and Evolutionary Biologics, Inc. (“Biologics”). EMF is a Wyoming corporation incorporated on April 4, 2019. EMF was formed for the purpose of marketing a medical food for cancer and debilitated patients through medical personnel. EMF was funded with \$90,000 (900,000 preferred shares) from private investors for \$0.10 per share and issued 30 million \$.0010 common shares to the Company for payment of EMF expenses, including providing future research and development and patented products to be made on behalf of EMF. Both classes are equal as to voting rights but the preferred shares have certain liquidation preference. PharmaZu is a Delaware corporation and was funded with 500,000 shares of Series C Convertible Non-Voting Preferred stock and up to an additional 1,600,000 shares of preferred stock subject to certain terms and conditions. Biologics is a Delaware corporation and it was funded with 1,500,000 Series C Preferred Shares which can be converted to Common Stock effective January 1, 2024.

On August 2, 2019, EMF transferred \$20,000 of \$.0010 common shares to form EOTC. EOTC is a Wyoming corporation incorporated on August 1, 2019. EOTC was formed for the purpose of marketing a retail version of the Company’s products. EOTC is wholly owned by EMF.

Note 2. Summary of Significant Accounting Policies

The accounting and reporting policies of the Company conform, in all material respects, to accounting principles generally accepted in the United States of America (“GAAP”). The following summarizes the more significant of these policies and practices.

Principles of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries, EMF, EOTC, PharmaZu, and Biologics. All significant intercompany balances and transactions have been eliminated in consolidation. The Company accounts for the portion of a subsidiary that is not owned as noncontrolling interests. Noncontrolling interests in a subsidiary are reported in the consolidated financial statements at the fair value of the net assets acquired by the Company at the date of acquisition, depending on the nature of the acquisition, plus the cumulative allocation of net income (loss) from that date forward to the noncontrolling interests based on its ownership percentage.

In addition, the Company evaluates its relationships with other entities to identify whether they are variable interest entities as defined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Section 810-10-50, *Consolidations*, and to assess whether it is the primary beneficiary of such entities. If the determination is made that the Company is the primary beneficiary, then that entity is included in the consolidated financial

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

statements in accordance with ASC Section 810-10-50. As of December 31, 2022 and December 31, 2021, the Company did not have any variable interest entities of which it was the primary beneficiary.

Use of Estimates

The preparation of consolidated financial statements in accordance with GAAP requires that management use certain estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ significantly from the estimates.

Cash

The Company considers highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. At times, such cash may be in excess of the Federal Depository Insurance Corporation ("FDIC") insured limits. As of December 31, 2022 and September 30, 2022, the Company did not have any deposits in excess of FDIC insured limits.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market (net realizable value).

Intangible Assets

The Company capitalized website services as an intangible asset based on the nature of the services (application development stage). See Note 5 for further details.

Income Taxes

Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled.

Net Income (Loss) Per Common Share

Basic net income (loss) per common share is calculated based upon the weighted average number of common shares outstanding. Diluted net income (loss) per common share is calculated upon the weighted average number of common shares outstanding and dilutive convertible preferred shares outstanding.

Note 2. Summary of Significant Accounting Policies (continued)

Marketing Expense

The Company expenses the cost of advertising and marketing as incurred. Marketing and advertising costs for the three months and twelve months ended December 31, 2022, totaled \$154,635 and \$236,280, respectively.

Research and Development

Research and development costs are recognized as an expense when incurred. Research and development costs for the three months and twelve months ended December 31, 2022, totaled \$0 and \$8,586, respectively.

Revenue Recognition

Sales - The Company sells ingestible and topical products to retail customers across the United States of America. The Company's standard delivery method is "free on board" shipping point. Consequently, the Company considers control of products to transfer at a single point in time when control is transferred to the customer, which is generally when products are shipped in accordance with an agreement or purchase order. Control is defined as the ability to direct the use of and obtain substantially all of the remaining benefits of the product. The Company considers the customer's purchase order, and the Company's corresponding sales order acknowledgement as the contract with the customer. For each contract, the Company considers the promise to transfer products to be the identified performance obligations. The Company satisfies its performance obligations under a contract with a customer by transferring goods and services in exchange for monetary consideration from the customer. Sales taxes the Company collects concurrent with revenue-producing activities are excluded from revenue.

Deferred revenue – Revenue is deferred when the Company receives payment under a contract with a customer prior to satisfying its performance obligation. As the majority of orders are processed and shipped immediately upon receipt of payment, it is rare that revenue is deferred. There was no deferred revenue as of December 31, 2022 or September 30, 2022.

Accounts receivable – The majority of products are paid for in full prior to delivery, which occurs immediately after payment. Therefore, the Company does not have any accounts receivable as of December 31, 2022 or September 30, 2022.

Significant payment terms – The Company's contracts with its customers state the final terms of the sale, including the description, quantity, and price of each product purchased. Payments are typically due prior to delivery. Since the customer agrees to a stated rate and price in the contract that do not vary over the contract, the Company's contracts do not contain variable consideration.

Economic factors - The Company's revenues and accounts receivable are derived primarily from the United States with no particular concentration in any industry. Sales revenue is impacted by overall economic conditions, as there are fewer sales when the Company's customers are impacted by negative economic conditions.

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Returns, refunds, and warranties – The Company has a 30-day return policy on all products. As the amount of returned product is minimal, management believes that returns on any goods sold subsequent to December 31, 2022 or September 30, 2022, were not material.

Recently Implemented Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which is required to be implemented for fiscal periods beginning after December 15, 2021. The provisions of the ASU seek to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and by disclosing key information about leasing arrangements. ASU 2016-02 requires that a lessee recognize assets and liabilities for all leases with lease terms of more than 12 months. Additionally, the ASU will require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases, including qualitative and quantitative requirements. Lessor accounting will remain largely unchanged except for changes to align lessor accounting with ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The Company implemented this standard for the period ended March 31, 2022 and there was no impact on its consolidated financial statements.

Note 3. Revenue from Contracts with Customers

The Company had revenue from contracts with customers in the amount of \$373,403 and \$574,613 for the three months and twelve months ended December 31, 2022, respectively. All the revenue was recognized at a point in time at the time of transfer of goods or services. As the Company had no accounts receivable or deferred revenue as of December 31, 2022 or September 30, 2022, there were no contract assets or liabilities arising from contracts with customers.

Note 4. Inventories

The Company had no inventory as of December 31, 2022 and September 30, 2022.

Note 5. Intangible Assets

In July of 2019, the Company issued common shares in exchange for website services performed at the application development stage. The resulting estimated fair value of the expense of \$100,000 was capitalized. The Company paid an additional \$76,065 for website development that is not subject to amortization. The unamortized balance of the application development stage asset was \$30,000 and \$35,000 at December 31, 2022 and September 30, 2022, respectively. This remaining asset will be amortized as follows:

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 5. Intangible Assets (continued)

| | |
|------|------------------|
| 2023 | \$ 20,000 |
| 2024 | 10,000 |
| | <u>\$ 30,000</u> |

Note 6. Note Receivable

The Company entered into an unsecured promissory note on August 18, 2022 in the principal amount of \$250,000. The note bears interest at 16% and is due November 18, 2022. At any point after the due date, the Company may collect directly from the borrower in the full amount of principal and interest due. The balance of this note at December 31, 2022 was \$250,000.

Note 7. Related Party Transactions

On August 26, 2021, the Company entered into two notes payable with two Series B Convertible Preferred Stock shareholders. See Note 8 regarding information on these notes payable.

Note 8. Notes and Loans Payable

Notes payable in the amount of \$1,661,900 consists of the following notes as of December 31, 2022.

The Company entered into a promissory note on June 9, 2022 in the principal amount of \$314,000. The note bears interest at 10% and the Company received \$290,000 on the original issue date which will be due June 9, 2023. The balance of the note at December 31, 2022 was \$290,000.

The Company entered into a promissory note on November 15, 2022 in the principal amount of \$484,000 due January 31, 2023. The note payable was issued at a discount of face value in the amount of \$400,000. The holder of the note shall receive a non-voting, non-interest bearing preferred stock with beneficial ownership blockers of 4.99% that converts into 72,600,000 shares of stock at \$.01, if the note is not paid in full at the maturity date. The balance of the note at December 31, 2022 was \$484,000.

The Company entered into a security purchase agreement on June 9, 2022 in the principal amount of \$400,000 with an investor with no due date. At closing, the Company received \$240,000 with the remaining \$160,000 to be due at a future date. The investor will receive shares of the Company Common Stock equal to 4.99% of the fully diluted stock. The balance of this note at December 31, 2022 was \$191,000.

For the notes payable that are noninterest bearing and issued at a discount, imputed interest was recorded using an effective rate of 50%, the amount of the issued discount. The balance of the discount on notes payable at December 31, 2022 was \$45,600.

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 8. Notes and Loans Payable (continued)

Related Party

The Company entered into a note payable to a Series B Convertible Preferred Stock shareholder on August 26, 2021 in the amount of \$200,000 due August 26, 2022. The note payable was issued at a discount of face value in the amount of \$100,000. The note payable is unsecured, but shall become immediately due and payable in the event of default. The current balance of this note is \$200,000 at December 31, 2022.

The Company entered into a second note payable to Cimarron Capital, Inc. on August 26, 2021 in the amount of \$300,000 due August 26, 2022. The note payable was issued at a discount of face value in the amount of \$150,000. The note payable is unsecured, but shall become immediately due and payable in the event of default. The current balance of this note is \$292,500 at December 31, 2022.

The Company entered into a promissory note on August 17, 2022 in the principal amount of \$250,000 with an executive officer. The note bears interest at 5% with no due date. The balance of this note at December 31, 2022 was \$250,000.

Note 9. Stockholders' Equity

Series A Preferred Stock

Effective June 12, 2018, the Company issued a total of 100 shares of Class A Preferred Stock to the Chief Executive Officer of the Company (at the time, John V. Cappello).

On August 26, 2021, Mr. Cappello assigned 66.67 of his 100 shares of Series A to Frank Magliochetti, who was then President/Chief Executive Officer of the Company.

On July 15, 2022, Parcae Capital Corp. sold 66.67 shares of Series A Preferred Stock to the Company. The Company then issued 66.67 shares of Series A Preferred Stock to Eocene Management Advisors, Inc., controlled by James W. Zimbler, President/Chief Executive Officer of the Company.

The Class A Preferred Shares have no dividend or conversion rights. The holder(s) of the Series A shares shall as a class have rights in all matters requiring shareholder approval to a number of votes equal to two (2) times the sum of: (i) the total number of shares of common stock which are issued and outstanding at the time of any election or vote by the shareholders; plus (ii) the number of votes allocated to shares of Preferred Stock issued and outstanding of any other class that has voting rights may, if required, extend to a number of votes in excess of the total number of shares authorized.

Emergent Health Corporation
Notes to the Consolidated Financial Statements

Note 9. Stockholders' Equity (continued)

In the event of liquidation, dissolution, or winding up of the Corporation, either voluntary or involuntary, the holder(s) of the Series A shares will be entitled to receive out of the assets of the Company, prior and in preference to any distribution of the assets or surplus funds of the Company to the holders of any other class of preferred stock or the Common Stock, the amount of \$100.00 per share, and will not be entitled to receive any portion of the remaining assets of the Company except by reason of ownership of shares of any other class of the Company's stock.

Series B Convertible Preferred Stock

On July 19, 2018, the Company closed on the sale of 20,000,000 shares of Series B Convertible Preferred Stock to an investor at a price of \$0.00225 per share for proceeds of \$45,000.

On July 25, 2018, the Company closed on the sale of 5,000,000 shares of Series B Convertible Preferred Stock to the same investor discussed in the preceding paragraph at a price of \$0.011 per share for proceeds of \$55,000.

The holders of Series B Convertible Preferred Stock have no voting rights prior to conversion and are not entitled to any manner of liquidation preference payment. Each share of Series B Convertible Preferred Stock is convertible into twenty (20) shares of the Company's common stock at any time after the first anniversary of issuance.

On November 17, 2021, the Board of Directors voted to restate the terms of conversion of the Company's Series B Convertible Preferred Stock to a conversion rate of twenty (20) shares of common stock for every one (1) share of Series B Convertible Stock converted. The original terms included a conversion rate of one (1) share of common stock for every one (1) share of Series B Convertible Stock converted.

During the quarter ended September 30, 2022, 1,500,000 share of Series B Convertible Preferred Stock were redeemed for 30,000,000 shares of the Company's Common Stock. During the quarter ended December 31, 2022, 4,500,000 shares of Series B Convertible Preferred Stock were redeemed for 70,000,000 shares of the Company's Common Stock

Series C Convertible Preferred Stock

As of September 30, 2022 and December 31, 2022, the Company had issued 5,600,000 shares of Series C Convertible Preferred Stock all of which were issued in 2022. 900 shares were redeemed during the year ended December 31, 2022.

The holders of Series C Convertible Preferred Stock have no voting rights prior to conversion and are entitled to dividends and liquidation payments pari passu with Common Stock except that the dividend or liquidation payment on each share of Series C Convertible Preferred Stock shall be equal to the amount of the dividend declared and paid or liquidation payment on each share of Common Stock multiplied by the Conversion Rate.

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Note 9. Stockholders' Equity (continued)

No share of Series C Convertible Preferred Stock shall be converted into shares of Common Stock prior to January 1, 2024. Effective January 1, 2024, all issued and outstanding shares of Series C Convertible Preferred Stock shall be converted into shares of Common Stock at the Conversion Rate of one hundred (100) shares for every one (1) share of Series C Convertible Preferred Stock.

Common Stock

In January of 2022, the Company increased the authorized shares of common stock to 7,500,000,000. On November 10th, 2022, the Company issued 10,000,000 shares of Common Stock to Marvin Segel pursuant to an agreement to serve as Director of the Corporation. At December 31, 2022 and September 30, 2022, the Company had issued a total of 260,851,111 and 190,851,111, respectively, shares of common stock with a par value of \$.001.

Note 10. Income Taxes

For the twelve months and three months ended December 31, 2022, the Company's effective tax rate differed from the United States Federal income tax rate for the following reasons:

| | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2022 |
|--|---|--|
| Expected Federal income tax benefit at 21% | \$ 206,759 | \$ 441,689 |
| Increase in valuation allowance | (206,759) | (441,689) |
| Provision for income taxes | <u>\$ -</u> | <u>\$ -</u> |

Based on management's present assessment, the Company has not yet determined it to be more likely than not that a deferred tax asset of up to approximately \$442,000 attributable to the future utilization of the approximately \$1,508,000 combined current and prior net operating loss carryforwards will be realized. Accordingly, the Company has maintained a 100% allowance against the deferred tax asset in the consolidated financial statements at December 31, 2022 and September 30, 2022. The Company will continue to review this valuation allowance and make adjustments as appropriate. The net operating loss carryforwards expire in varying amounts from 2026 to 2041.

At December 31, 2022, deferred tax assets consisted of:

| | |
|----------------------------------|------------------|
| Net operating loss carryforwards | \$ 316,680 |
| Valuation allowance | <u>(316,680)</u> |
| Deferred tax assets – net | <u>\$ -</u> |

Current United States income tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited.

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Note 10. Income Taxes (continued)

Tax years ending December 31, 2019, 2020, and 2021 are open and subject to examination by the Internal Revenue Service. Management has evaluated tax positions taken and determined that there are no uncertain positions taken or expected to be taken that would require disclosure in the consolidated financial statements.

Note 11. Business Acquisition

On August 1, 2022 the Company acquired assets consisting of, but not limited to Corporate Name, Stock Holdings, Branding, Trademarks, Patents, IP, Formulations, Branding, and certain liabilities of Regen Biowellness, Inc., f/k/a Availa Bio, Inc. ("Regen"), a distributor of various products in the plant-based and regenerative medical fields. The acquisition was funded with 1,500,000 Series C Preferred Shares of Emergent. Effective January 1, 2024, Series C Preferred Shares can be converted into shares of Common Stock.

On August 8, 2022, the Company acquired Evolutionary Biologics, Inc., a new kind of biologics company founded for a clear purpose: bring cutting edge regenerative products to the medical community. The purchase price included equity in Emergent and a capital investment into Evolutionary Biologics for sales, scaling of the company operations and promotions. Evolutionary Biologics flagship products include Evo Hybrid™ which helps jumpstart your body's own natural healing power to help bring your skin back to youthful suppleness and HydrEyes™ which helps reduce redness to help reveal your eyes' natural radiance. The acquisition was made for 1,500,000 Series C Preferred Shares of Emergent. Effective January 1, 2024, Series C Preferred Shares can be converted into shares of Common Stock.

Note 12. Subsequent Events

The Company has evaluated events and transactions occurring subsequent to the consolidated balance sheet date of December 31, 2022, for items that should potentially be recognized or disclosed in these consolidated financial statements. The evaluation was conducted through March 27, 2023, the date these consolidated financial statements were available to be issued and other than noted below, no items of significance were noted.

In February 2023, the Company issued 72,000,000 common shares to the promissory note holder of the note issued November 15, 2022 as discussed in Note 7.